

# Strengthening Intangible Infrastructures



# Strengthening Intangible Infrastructures

Edited by

Elisabeth Kapferer, Andreas Koch  
and Clemens Sedmak

**CAMBRIDGE**  
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**P U B L I S H I N G**

Strengthening Intangible Infrastructures,  
Edited by Elisabeth Kapferer, Andreas Koch and Clemens Sedmak

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# TABLE OF CONTENTS

Preface . . . . .	ix
Acknowledgments . . . . .	xi

## Introduction

CLEMENS SEDMAK Intangible Infrastructures and Identity . . . . .	3
ANDREAS KOCH Strengthening Intangible Infrastructures: A Commitment to Communities . . . . .	23

## Chapter I—Intangible Infrastructures: Intangible yet not Imperceptible

ELISABETH KAPFERER Introduction . . . . .	41
THOMAS LEITNER The Rationalization of Trust and Reputation—Implications of Basic Intangible Principles for Organizations and Society . . . . .	43
ELISABETH DONAT Take Care of Your Future before Someone Else Does— Types of Civic Engagement . . . . .	67
ISABELL GSTACH / NINA KÜHN Social Networks—The Multilevel Character of Intangible Infrastructures. <i>How Public Participation Strengthens Intangible Infrastructure</i> . . . . .	85

## **Chapter II—Institutional Frameworks and Intangible Infrastructures**

ANDREAS KOCH	
Introduction . . . . .	117
SHALINI PANJABI	
Disjunctures in the Educational Domain: Private Schooling in India . . . . .	119
VERONIKA V. EBERHARTER	
Marginalization and Social Exclusion: Threats to Life- Satisfaction and Social Cohesion—Empirical Evidence from Germany and the United States. . . . .	137
MÁRTON LENDVAY	
Debates in Resilience: Capturing the Role of Intangible Infrastructures . . . . .	161

## **Chapter III—Functions and Impacts of Intangible Infrastructures**

ELISABETH KAPFERER	
Introduction . . . . .	179
MARIO C. WINTERSTEIGER	
The ‘Art’ of Social ‘Mythmaking’. <i>The Social Function of ‘Mythic Infrastructure’</i> . . . . .	181
GÜL KARAGÖZ-KIZILCA	
Cultivating New Rights in the Search for a Better Life for the Public: The Oppositional Press in 19 <sup>th</sup> Century Ottoman Empire. . . . .	197
RAJESH KUMAR	
Bollywood and the Construct of the Indian Nation . . . . .	209

### **Chapter IV—Urban Development and Intangible Infrastructures**

ANDREAS KOCH	
Introduction . . . . .	233
NAIRA CHILINGARIAN	
The Role of Former Industrial Factories in the Framework of Intangible Infrastructures. . . . .	235
NICOLE FERBER	
Intangible Infrastructures and the Re-Production of Space . . . . .	251

### **Chapter V—Knowledge and Data as Intangible Infrastructure**

ANDREAS KOCH	
Introduction . . . . .	271
STEFAN HUBER	
Open Government Data: An Innovative Kind of Intangible Infrastructures with Potentially Far-Reaching Societal Impact. . . . .	273
MICHAELA TH. MAYRHOFER	
Biobanks and Research Infrastructure . . . . .	287
THOMAS J. LAMPOLDSHAMMER / THOMAS HEISTRACHER / MANFRED MITTLBÖCK	
Modeling and Simulation of the Impact of Public Policies on Intangible Infrastructures . . . . .	301
Contributors . . . . .	319



## PREFACE

This volume is the result of a two-day conference in December 2012 in Salzburg, Austria, dedicated to bringing together researchers and practitioners from different scientific disciplines in order (i) to draw a map of the discourse on intangible infrastructure and (ii) to arrive at strategies for strengthening intangible infrastructure.

The term *infrastructure* commonly refers to the partly naturally given, partly manmade constitutive conditions and facilities that affect, enable, and sustain our everyday lives. Usually the term is used in an economic sense and points to the material or institutional circumstances of our environment—for instance to traffic and transport facilities like roads, railways and airports, to supplies of water, energy or gas, or to facilities of industry and trade but also to public administration and authorities or to leisure facilities. All together these facilities and conditions can be summed up as the *tangible* means upon which our societies are based. Consequently, talking about *intangible infrastructures* may seem like an incongruous concept.

The term *intangible* points to areas of our lives that are not (or not primarily) represented physically and therefore are not visible and cannot (or not sufficiently) be accessed by approaches focusing mainly on material means; it points to invisible realms of human existence, to intellectual or knowledge-based, to cultural, or perhaps even ethical matters. Yet although we are speaking about ‘soft’ infrastructures, we are still speaking of *infrastructures* and hence we imply that our subject is something that is *underlying* our lives and something fundamental for our well-being and for what we regard as a good life.

*Intangible infrastructures* can be defined as “the set of factors that develop human capability and permit the easy and efficient growth of business activity including human capital or institutional quality” (Credit Suisse, *Intangible Infrastructure. The Key to Growth*, 2008, 4). But they also refer to the social adhesives and cultural techniques civilizations build on. They can have effect on and be of transformational influence on development in an economic as well as a social sense. They can foster social cohesion as well as economic prosperity. They are based (and have impact) on *tangible infrastructures* to a certain extent and like most of *tangible infrastructures*, *intangible infrastructures*, too, need to be built up and maintained; they need attention and need to be cultivated and strengthened in order not to

vanish or collapse. In this respect, *intangible infrastructures* are a necessary medium for all the different forms of social capital. In turn, they are transformed by social capital. Usability, reliability, and availability turn out to be just as critical criteria as they are in the tangible world. How important therefore is access to, acceptance of, and the relevance of *intangible infrastructures* in our daily lives?

The contributions in this volume approach issues and questions about intangible infrastructures from manifold scientific backgrounds, including sociology, philosophy, social geography, economics, urban studies, history, communication sciences and public communication.

Salzburg/London, May 2013

Elisabeth Kapferer, Andreas Koch, Clemens Sedmak

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As to the conference “Strengthening Intangible Infrastructures” in December 2012, we want to express our thanks to the *Bildungszentrum St. Virgil*, in particular to *Jakob Reichenberger*. *St. Virgil* and its staff once more proved to be an excellent host and venue and to be outstandingly cooperative in any organisational matter. Also, we thank the institutions that have funded the conference with their financial support: the *Salzburg Ethik Initiative*, the *Österreichische Forschungsgemeinschaft (ÖFG)*, the *Federal State Government of Salzburg*, the *GIScience Doctoral College (University of Salzburg)*, the *Regional Association of Lungau (Regionalverband Lungau)* as well as the *International Relations Office at the University of Salzburg*. Of course we also thank all our colleagues who participated in the conference, presented papers and/or engaged in rewarding discussions.

As to the conference proceedings published here, we want to cordially thank all our contributors for their efforts and their disciplined cooperation in finalising this volume. For careful proofreading we express our thanks to *Nicola Santamaria*—and we do so also on behalf of our contributors. We thank *Karin Berner* for her precise work with the layout of the manuscript. Finally, we are grateful to Cambridge Scholars Publishing—here it is *Carol Koulikourdi* to whom our personal thanks go.

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# INTRODUCTION



# INTANGIBLE INFRASTRUCTURES AND IDENTITY

CLEMENS SEDMAK

## Intangible Infrastructures

Surveying intangible infrastructures is not the same as surveying railway stations, airports, motorways, retail outlets, doctors' surgeries or city sewer systems. If someone wants to find out about intangible infrastructures, they will have to focus their attention on the invisible and untouchable—*un*-perceivable. This might sound somewhat theological in absolute terms, but there are certain parallels as every gardener knows, and Adam Smith was able to vouch for: it is, in John Wisdom's famous parable, the invisible rather than the visible gardener who has the 'upper hand' (literally!). The invisible (gardener) guides and governs the visible; meaning that what we see is actually the visual expression of what we cannot. Both presuppose that the invisible has some operative effect, and both highlight the elusive nature of the invisible which cannot be so easily or singularly confined or defined.<sup>1</sup> Thus, both are premised on the concept that there is a link between what is visible and what is invisible: the one attendant on the other.

If we take a moment to reflect on what this might mean in our day-to-day relationships, to look on the inside of that intangible "web" which makes up that fine network of infrastructures which holds us together, we will soon realize that it is impossible, indeed absurd, to divorce the tangible from the intangible and *visa versa*, without destroying the crossover point. We could even go so far as to say that tangible structures depend on the intangibility of others, and for this reason alone cannot be conceived without them: they would not function.<sup>2</sup> Intangibles exist in the networks of knowledge and

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<sup>1</sup> It is hardly surprising that attempts are being made to determine and define the intangible—cf., B. Vallejo-Alonso et al. (eds.), *Identifying, measuring and valuing knowledge-based intangible assets: new perspectives*. Hershey, PA: Business Science Reference 2011.

<sup>2</sup> Katie Warfield, Erin Schultz and Kelsey Johnson regard intangible infrastructures as: "soft infrastructure that facilitates the functioning and management of tangible infrastructure". (K. Warfield et al., *Framing Infrastructure in a Cultural Context*. Creative City Network of Canada. Working Paper 3. Simon Fraser Uni-

codes of values; intangible knowledge exists in its ability to co-ordinate, check and pass on its own inbuilt and acquired knowledge—enabling tangible structures to be constructed, created and established.<sup>3</sup> One example in this regard is cultural infrastructures: “The cultural infrastructure is partly tangible and partly intangible. Architecture is the most visible example of the tangible cultural infrastructure, while all cultural ideas (what we could call the ‘recipes’ of culture) constitute the intangible infrastructure.”<sup>4</sup> Ideas are a core ingredient of intangibles, and manifest themselves in the tangibles of architectural structures, office blocks, schools and/or other works of art. “In many instances, the intangible infrastructure is a precondition for the tangible: think of Modernism and its effect on architecture and industrial design in the nineteenth and twentieth centuries. Intangible ideas, expressed as creativity or innovations, facilitate the transformation of infrastructure.”<sup>5</sup> Ideas may be good or bad, innovative or ancient, reasonable or unreasonable, they may be beautiful or ugly, but they are the power plant of intangibility. “Ideas are a particularly good example of intellectual infrastructure, because they are non-rival inputs into a wide variety of productive uses.”<sup>6</sup>

An intangible infrastructure benefits the composite nature of what is tangible—Aristotle defines matter as the stuff out of which something is made.<sup>7</sup> The correlation between tangible and intangible infrastructures can be compared to that between ‘materia’ and ‘forma’. In his study of Aristotle’s *de anima*, Thomas Aquinas defines ‘anima’ as ‘forma corporis’, which is relevant to our discussion and helps us in our understanding of intangible

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versity 2007, 2). One could perhaps illustrate “facilitating” thus: A tangible road network infrastructure can only achieve what it is meant for if those using it abide by the rules of the highway code i.e., stick to a standard code of conduct, have a keen sense of obligation and willingness to work together with other road users others. And we have to remember that a road is built where common human interests and demands require it to be built: constructing a road is a means to an end, not an end in itself.

<sup>3</sup> H. Harris et al., *International Human Resource Management*. London: CIPD 2003, 175.

<sup>4</sup> A. E. Andersson, D. E. Andersson, *The Economics of Experiences, the Arts and Entertainment*. Cheltenham: Edward Elgar 2006, 5.

<sup>5</sup> M. Keane, *The Capital Complex*. In: L. Kong, J. O’Connor (eds.), *Creative Economies, Creative Cities*. Heidelberg: Springer 2009, 77–98, here 79.

<sup>6</sup> B. Frischmann, *Infrastructure. The Social Value of Shared Resources*. Oxford: OUP 2012, 285.

<sup>7</sup> Aristotle, *Metaphysics* VII 7, 1032b31-32, VIII 5, 1044b27-29, XII 3, 1069b35.

infrastructures.<sup>8</sup> The human body is a tangible, the soul an intangible, but it is the latter which lends the former its ultimate ‘forma’, and assigns it a character blue-print which sets each individual apart from another; equipping it with its own identity ‘chip’. It is this intangible, which—pardon the expression—literally ‘ensouls’ the tangible structure of the body, enlivens it and endows it with its own unique, particular and peculiar personality. In other words, it is this intangible infrastructure, which endows any one ‘body’ with its unique identity,<sup>9</sup> and it is this question of identity that I will be looking at over the next few sections.

In his major work, “Economics of Good and Evil”, Tomáš Sedláček<sup>10</sup> reminds us that theories do in fact tell us stories each with their own individual identity; even economists tell stories, mainly and primarily stories about good and evil. The stories they tell create the frameworks of identity the world needs—and needs to hear—so that it can map out and navigate a straight course by which to orientate itself. Such orientation, which is much needed, is something which cannot be mathematically calculated or computed, wangled or dodged by monetary measures—such vital truths cannot be forged or cast in rigid moulds. Economists try to provide us with a clearly mapped route for us to navigate our lives by and they do this by telling us stories which at the end of the day, according to Sedláček, are not able to come up with the expected Happy Ending in explaining the fundamental question of “utility and the maximization of yield”. This may have something to do with the fact that it is our own stories with their own passions and desires which are played out in the stories we are told by economists and in the very story of economy itself. Towards the end of his book, Sedláček looks at a deeper inner story and in doing so quotes John Milton: “He who reigns within himself and rules passions, desires, and fears is more than a king” (*Paradise Regained*, Book 2). The final chapter of Sedláček’s

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<sup>8</sup> Cf. R. Heinzmann, *Anima unica forma corporis. Philosophisches Jahrbuch* 93 (1986), 236–259.

<sup>9</sup> One may gain a clearer picture by looking at Giovanni Schiuma’s view: “Some important components of an organisation’s intangible infrastructure are: brand, culture, routines and procedures, leadership and management philosophy, identity and image, organisational climate and, more generally, the ‘spirit’ of the organisation, i.e. the specific atmosphere, energy and feeling that characterise an organization”, (G. Schiuma, *The Value of Arts for Business*. Cambridge: CUP 2011, 62f.); cf. Idem, *Intellectual Capital and Company’s Performance Improvements. Measuring Business Excellence* 12, 2 (2008), 3–9.

<sup>10</sup> T. Sedláček, *Economics of Good and Evil*. Oxford: OUP 2011.

book looks at the notion of ‘life is somewhere else—in ourselves’, and turns its attention to interiority. The book ends with the words: “Wild things are not in the past, in heroic stories and movies, or in distant jungles. They are within us.”

One could pick up the thread of the ‘story’ at this particular point and consider the outer and inner dynamics of an economically-driven world in attempting to understand what inner economics—intangible economies—might suggest. Inner economics is a theory-based approach to economics like any other but which, unlike any other, takes into account key aspects of human interiority and deeper dimensions of being in considering economic processes and procedures and it is this aspect of individual intangible economies upon which I would now like to focus.

Such an approach would seem to be both timely and appropriate given the situation in which we find ourselves today: outwardly we can do and achieve more than ever before, more than is humanly feasible: the boundaries of human thinking and doing are constantly being stretched, broken and reset; our actions can have an irreversible impact on our environment (internal and external) which may be beneficial but also increasingly destructive (a growing real threat of nuclear war and the imminent consequences of climate change). And while such frenetic and feverish change is taking place around us, we do not see the same change at the same speed taking place in ourselves, in the individual inner psyche. It is actually quite remarkable that we can still understand the Gilgamesh Epic, which Sedláček refers to in detail; we may ponder upon Pre-Socratic Greek philosophy and turn to books of the Bible in looking for answers to certain things; we may read the sacred text of Veda or Job and even get something from them; we can relate to the anguish, pain and exaltation expressed in Shakespeare’s verse, and Ancient Egyptian myths and legends are logical and comprehensible. At the same time however, we realise that much of the scientific claims of the past are ‘ancient’—we have moved on in what we think. One could therefore conclude that our inward being does not move or change so swiftly as the outer world around us, and one might go on to reason and ponder whether the human condition—our inner human nature—has indeed kept up with the pace of change, and whether it is indeed as stable as we would believe it is with regard to our intangible inner needs, requirements, wishes, desires and demands: have our inner intangible structures grown and developed at the same rate as the profound tangible changes our condition has undergone these last thousand or so years? As beings, we do change outwardly faster than inwardly; our outward appearance changes at a faster rate than our inward being. Critically speaking, inner growth is not attended

by the same external growth, or to put it another way, and perhaps rather more pessimistically, while the external world around us—those tangible structures and infrastructures expand and grow, inner structures wither and fade. Moral backwardness, immaturity bordering on crudity and a complete lack of orientation in the public domain compounded by rampant corruption can hardly be denied or swept under the carpet. If we consider and adopt Chris Argyris' line of thought, then we will not fail to see the parallel between immaturity and the inability to learn (from experience), particularly among powerful corporate managers.<sup>11</sup>

One could illustrate this disproportion between external power and inner (im)maturity with the well-known situation in the Book of Samuel, chapter 17: puny little David bravely agrees to fight the mighty Goliath. Saul gives David his own armor for the battle and we may assume that it exceeded even the splendor and magnificence of Goliath's—the cutting edge in defensive armory technology of the age! However, David, not used to such equipment, is both weighed down and hampered by it: he is unable to walk let alone fight. He is a dwarf in the armor of a giant, and as such the story is one about identity.<sup>12</sup> This is a story which may be about you and me as individuals: we find ourselves having to walk or 'march around' in an all-too-often over-sized suit of armor put upon us by manipulative powers of the politics and economies of nuclear power, the atomic bomb, mega-long-haul aircraft and stem-cell research. We are equipped and well armed with mighty and superior tangible infrastructures but, the question, both fearful and pivotal, is, can our intangible infrastructures keep up? Are we perhaps not dwarves trying to walk (and fight) in the armor of giants?

Ronald Schouten and James Silver have come up with a rather unsettling theory that powers of manipulation, to tell bare-faced lies and not have any sense of moral concern feeling for others, may well be character traits of those intent on getting to the top be it in social spheres or the business world; such people do indeed share certain traits with the psychopath who is sometimes the 'boy next-door'.<sup>13</sup> Belinda Board and Katarina Fritzon, senior business managers, have discovered similar disconcerting

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<sup>11</sup> C. Argyris, *Integrating the individual and the organization*. New York: Wiley and Sons 1964; idem, Teaching smart people how to learn. *Harvard Business Review* 69, 3 (1991), 99–109.

<sup>12</sup> Cf., M. K. George, Constructing Identity in 1 Samuel 17. *Biblical Interpretation* 7, 4 (1999), 389–412.

<sup>13</sup> R. Schouten, J. Silver, *Almost a Psychopath*. Harvard University 2012; cf. M. Stout, *The Sociopath next door*. New York: Broadway 2005.

findings in those tell-tale character traits shared by psychopaths and high-fliers.<sup>14</sup> Going back to Sedláček's quest and concern about life's Happy Ending, we may be tempted to ask what we see (and discover) when we peer inside the armory of our own habits and attitudes: what lies hidden in our everyday intangible infrastructures. Let's have an *inside out* look at the people, events and situations we come up against on a day-to-day basis.

### **An outside look at the inside world**

Events and objects have an inside, which might be described as that deeper plane beyond the tangible surface that can be perceived. There is an inside to historical events as well as to our material possessions. In seeking an inner perspective of historical and political events one does invariably have to question the very symbols used to describe and record them. What do events—be they major or minor—tell us about our moral infrastructures, about the interior motives of those involved in such events? What do individual human actions tell us about the structures of corporate moral identity, nature and values held by key players on the field of history? And in attempting to answer these two questions, surely we must, too, ultimately question the reasoning underpinning “agent-causality” in the sense that we ourselves trigger a chain reaction of events? Agent-causality leaves us looking for reasons and answers of cause in the actual agent herself who ‘caused’; if we follow this theory through logically, action and result are not the outcome of former occurrences but are the product of deliberate action taken intentionally by individual(s).<sup>15</sup>

### **An inside look at ‘events’**

If we take an example to illustrate such intention, and look behind the scenes of events, we might take the Chinese Famine in which an estimated 36 million people starved to death and a further ‘40 million failed to be born’ over a six month period. Yang Jisheng and Frank Dikötter have taken the lid

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<sup>14</sup> B. J. Board, K. F. Fritzon, Disordered Personalities at Work. *Psychology, Crime and Law* 11 (2005), 17–32.

<sup>15</sup> Cf. D. v. Wachter, Agent Causation: Before and After the Ontological Turn. In: C. Kanzian et al., eds., *Persons: An interdisciplinary Approach*. Vienna: obvhpt 2003, 276–278.

off a hitherto closed (but not unknown) box, and investigated some of the reasons and dynamics involved in this human made tragedy.<sup>16</sup> Mao Zedong forced and coerced his country to realise his visionary Great Leap Forward which, he proclaimed, would overtake the key runners in the race of world manufacture and economies: essentially snatch the pole position away from ‘Great’ Britain within 15 years—that was his vision, plan and intention. He was that much more determined however on hearing Khrushchev announce that the Soviet Union intended to overtake the USA in a similar corporate coup. Mao expected and demanded the entire country follow him in his plan; he asked for enthusiast participation, no half measures, and complete commitment and surrender to the communal cause regardless of cost, loss and personal sacrifice.<sup>17</sup> And what was he striving after? The intangible and immaterial goal of reputation. Because of that fear and dread was passed down the hierarchy of Party politics, from the top to the bottom—to the peasants in their smallholdings in the provinces.

The pillar of the economy—agriculture—was pulled out from under their feet. Megalomania held sway in infrastructural changes, e.g. costly and complex irrigation systems requiring natural waterways to be re-routed. At the same time, there was a policy of public blame and shame of anyone who might murmur discontent strengthened by the rampant and overriding culture of distrust even in everyday things. If there was any hint of ‘heresy’, homes would be searched, families treated cruelly, and any possessions they might have would be systematically destroyed and demolished: the family was obsolete and overhauled by collective living, working and eating; private property was superfluous. Weakened by malnutrition (Mao considered a daily diet of chaff and herbs was enough), farmers were removed from their smallholdings in the provinces, from their agricultural environment, to work as laborers on gigantic construction sites (David and Goliath in modern-day terms). Alongside rivers being re-routed and construction works on a scale hitherto unknown, country farmers were also dispatched and forced to work in heavy industry and although expectations were equally high in the agricultural field, with farmers struggling to meet quotas set, with fewer workers, yields and harvests dropped (unsurprisingly) dramatically. Any machinery needed on the land had to be given up to achieve

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<sup>16</sup> Yang Jisheng, *Tombstone*. London: Allen Lane 2012; F. Dikötter, *Mao’s Great Famine*. London: Penguin 2010.

<sup>17</sup> “Mao repeatedly lost his temper as he badgered the planners, accusing them of pouring cold water on the enthusiasm of the people and holding back the country” (F. Dikötter, loc. cit, 17).

the targets in heavy industry, this included any basic tools and equipment used in the fields and even household pots and pans for cooking: everything was melted down to power industry. People were forced to eat in communal canteens, which did in fact waste more resources than were intended to be saved. Food shortages were accompanied by a flourishing black market, whose victims were the weakest links in the social scale: the old, the sick and children who were superfluous to the needs of the state machinery. That cannibalism was not restricted to isolated cases should not be a surprise. With food and families out of political fashion, the crisis was exacerbated by other innovative measures taken to survive: widespread corruption seeping into the very pores of the political and formerly 'lush' landscape; with centralized power depending on the red tape of decentralized bureaucracy, a natural attendant phenomenon was that civil servants at every level—from the top down and *visa versa*—took advantage of any opportunity which presented itself to protect self interests in the Great leap Forwards. In the provinces: "every local dictator, it seemed, wanted to have his ten pet projects in slavish imitation of the capital".<sup>18</sup> Mao could be favorably impressed by bombastic projects and fierce competition erupted in and between provinces: the race to prove who could best please Mao, who could build the most beautiful villa, for example. Local officials were forced into fudging the balance sheet to seemingly meet the unreasonable demands for high crop yields: ridiculous harvest forecasts were the result, which in turn nurtured a culture of suspicion and lies. False facts and figures were deliberately circulated to create a good impression. And so the vicious circle of meeting impossible expectations spiraled. Only reports of ever-higher crop yields were acceptable, since the political machinery would not accept or tolerate anything less. This pushed up demand and expectations in forecasting the next harvest and so on, always higher, always greater and always further away from rational reasoning. Fudged figures engendered more ambitious projects. In a political atmosphere of extremes and irrationalities, no one dared even doubt. Tension was stretched to snapping point: a paltry attempt to glean something edible to survive, finding seed for the next season was thwarted when Mao declared that in the light of 'growth and expansion' which convinced even onlookers from outside, including the Soviet Union, the country would pay back its debts to the Soviets in record time which meant that any grain there may have been was exported even though the country's citizens were starving to death. Why? Because no one dared to

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<sup>18</sup> Dikötter, *loc. cit.*, 165.

speak out and tell the truth. The intangible infrastructure to set this project in motion was well established.

One should perhaps remember that this catastrophe was in a time of peace not war, there was no crop failure, blight or drought. It was a result of avarice, a voracious lust for power and prestige infesting the entire system, from the highest ranking Party members down to the lowliest of villages: pure greed; the more avarice plummeted into the lowest ranks, the greater was the fear of death and/or survival. If you did not play by the rules of the game, you were out; you paid with your life. The Party mechanism left no stone unturned, no soul spared, with fear and suspicion, greed grew and can with hindsight be recognised as the ‘guiding light’ of the Great Leap mission and the famine. The dynamics implicated in the catastrophe are horribly reminiscent of the Hans Anderson fairy story, “*The Emperor’s New Clothes*”, with Mao as the last (metaphoric) Chinese Emperor and everyone going along with his ideas. It is of course understandable that under the circumstances, the authorities did their best to ensure that no news about the starvation got out to the outside world, and so an intricate system of fear, lies, deceit and cover-ups evolved. “Knowledge management” as an important element of intangible infrastructures was designed to serve the intangible value system. The price of truth and taking a moral stand was high: execution. Mao was convinced that the ‘problem’ was due to a lack of Revolutionary spirit and an unhealthy sense of feudalism. Mao, rather ironically, laid the blame fairly and squarely at the door of blinkered vision: in his own warped view of things, people lacked the necessary inner perspective of things. Here again, we see the role of intangible infrastructures.

Close reading or a close-up look at the Chinese Famine of 1958–1962 reveals a perspective that makes us look at the inside dimension. One might be inclined to ask and wonder about what is going on inside, behind the scenes of such a catastrophe: what intangible structures are at work and what is the reasoning behind such behaviour? Is there a common language between outside circumstances and inside intention, if so what is that language, the language spoken by the ‘acting agent’ with conviction and which expresses his or her moral values?

### **An inside look at ‘things’**

We can discuss an inside dimension of events, but also an inside dimension of material possessions, of things. Things are not flat; things have an outside and an inside representing certain values; things say a lot about the

people who own them. The watch I was given for my Confirmation cannot be valued in tangible cash terms: it is intangibly priceless and invaluable beyond its face 'value' or significance as a time piece. Things have something to say, they have both message and meaning beyond their tangible surface. This is something that the British anthropologist Daniel Miller has discovered and revealed.<sup>19</sup> Miller looked at the subjective and intangible associations and value of household articles in homes in one street in South London. The things we have in our homes are not as 'inanimate' as they might look, they are not merely items stock-piled, but impact the behaviour and attitudes of the people around them (their 'owners'): they provide and deepen the stories they are part of and give meaning—add soul—to the human lives they share. They lend tangible identity and meaning to lives far beyond their face value function; in other words, things are *more than*: they are part of the human identities they help create. As human beings we identify with the 'things' around us, and as humans we often cling to those external tangible objects which provide the affirmation we often need for that identity; they help us express certain aspects of life which would not be possible without the 'things' in the corners, on the shelves of homes. Russell Belk has similarly showed the way in which we have an extended identity of self in the things we surround ourselves with and express ourselves through.<sup>20</sup> The things we call our own are an extension and expression of the love we feel for other and thus underpin a general philosophical principle about love. Love as an extension of self: loving another means broadening the boundaries of self and embracing the other as belonging to that self.<sup>21</sup> If we extend this broadening out of self to embrace not only others but also other things, 'my things', then the process of self extension becomes even wider and lends reason to why we buy certain products and brands of products. The things we buy are not bought purely for utility purposes, not solely to serve some function: we rarely buy no-name products which may be equally as practical but do not embody or radiate the same 'feelings' as our favourite brand does. I cannot associate with a no-name product in the way I can connect with my own brand. The things we own take on other and deeper meanings: if we had—or have—to pawn or auction off something

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<sup>19</sup> D. Miller, *The Comfort of Things*. Cambridge: Polity 2009; cf. idem, *Stuff*. Cambridge: Polity 2010.

<sup>20</sup> R. Belk, Possessions and the Extended Self. *The Journal of Consumer Research* 15, 2 (1988), 139–168.

<sup>21</sup> R. Nozick, "Love's Bond", in *The Examined Life: Philosophical Meditations*. New York: Simon & Schuster 1989, 68–86.

that was ‘dear’ to us, it would mean letting go of something that we love and cherish which has no relation to its face cash value. The material world says a lot about our value systems and our identities. Taking the example of Susan Spencer Wendel, we see that in her personal decision to have permanent make up applied, make-up assumes another meaning when seen in the context of her advancing muscular-atrophy.<sup>22</sup> Things are more than an expression of self, they are both statement and affirmation of that self, and it is often people who are forced to live in poverty who find identity in the few things they possess. Such ‘things’ often include pets—living beings—but ownership and love of an animal, Belk’s interviews with pet-owners reveals, has very much to do with the identity of the owner, with the depth and meaning of their identity. This is embodied in the language and metaphors used to describe the pets, they provide “pleasure”, are never a “problem”, are “part of self”, “member of the family”, or a cute “toy”.<sup>23</sup> In their study of the significance of things in our lives, Mihaly Csikszentmihalyi and Eugene Rochberg-Halton discovered a depth of meaning embracing and embodying goals and identity of owners and /or users.<sup>24</sup> Our things tell the story of our lives and are the external signs of our interiority. Our things become a symbol of our own identity and stand for something in our inner level of being: the external tangible infrastructures of the things around us become part of our inner intangible structures.

### **An inside look at the human person**

To recap, we can reconstruct an inner deeper level of being in human life through the things and situations around and about that life. An inside look reveals the intangible infrastructure within. If we take the example of the Chinese Famine, the tangible infrastructures the gigantic dams, the enor-

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<sup>22</sup> S. Spencer-Wendel, *Until I Say Good-Bye*. London: Hodder & Stoughton 2013, 123–128. Susan describes the significance and meaning of the photo album her adoptive mother put together for Susan’s birth mother—again, the photos stand for so much more than just photos. “A precious gift for Ellen, and more so for me. That photo album was the dearest and most surprising thing Mom ever did for me” (85).

<sup>23</sup> R. Belk, *Metaphoric Relationships with Pets*. *Society and Animals* 4, 2 (1996), 121–145.

<sup>24</sup> Mihaly Csikszentmihalyi/Eugene Rochberg-Halton, *The Meaning of Things*. Cambridge: CUP 1981.

mous canteens and the exotic villas built to please Mao Zedong were all signs and symbols of intangible structures within—expressed in a common language that everyone would and will understand: greed, social status and fear—those immaterial driving forces behind the political and historical realities of time. Those tangibles, those concrete structures of household articles, utensils and ornaments divulge their owner’s and user’s intangible identity: a world of tangible things represents a world of intangible resources of identity, whereby those tangibles are not a mere outward expression but signify a point of entry into an intangible world. Both are linked by a common language, a language which gives them tangible body and life; a language reliant upon an intangible infrastructure. One might be tempted to ask: “Why?” if we see the inner world as a reflection of an outer world. In his work, *Sources of the Self*, Charles Taylor characterises the modern concept of being as one with “interiority” and endless, inexhaustible depth, a concept rooted in the watershed of intellectual history captured by St. Augustine in his *Confessions*. The human person can be characterized by a dimension of inwardness, of interiority. The inner being of any human is the core of that being in which the dynamics of history and events take place and in which the mood swings of the soul are acted out; it is a place governed by intellect, memory and free-will.<sup>25</sup> Augustine’s cognitive insight established an undisputed point of reference in the debate on the concept of self. Augustine’s *Confessions* present us with a rich tapestry of the wealth of inwardness, which can bestow human life with depth and unique meaning.<sup>26</sup> Inwardly our abilities and powers are caught up in a fight for prominence; and it is from here that action taken is decided upon, made up of striving, judgement and memory. However, the governing factor remains the *structure* of inner-being which can be molded, fashioned and shaped, and which is subject to inherent laws which can at the same time be specified. This concept of understanding will have an impact on the way we think about and regard ourselves. At a later time in history, and in his own way, Sigmund Freud developed this idea of a deeper aspect of being as underlying human action, a notion built upon a foundation stone which had already been laid. As human beings we have an interior aspect of being which cannot be fully perceived or grasped by the human eye alone. It is this aspect of interiority

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<sup>25</sup> Cf. Ph. Carey, *Augustine’s Invention of the Inner Self*. Oxford 2000, part II.

<sup>26</sup> Cf., Ch. T. Mathewes, *Augustinian Anthropology: Interior intimo meo*. *The Journal of Religious Ethics* 27, 2 (1999), 195–221. Mathewes points out that Augustine’s seemingly incoherent anthropology does shed new light on our understanding of ‘agency’ and autonomy as seen as the basis of interiority.

that Sedláček is referring to in the closing chapter of his work. Lifting the lid on an inside world can help us find a new approach to and understanding of economy; an economy built upon an intangible infrastructure.

### **Economy as dialogue towards identity**

Lifting the lid and looking at the inside of events and occurrences impacts the way we see and understand economy. A possible definition of economy as “planned human acting in order to fulfill human needs with scarce goods” makes us think about the inside dimension of “needs” and “goods” as well as “actions”. If we perceive human creatures as individual beings with depth of self and interiority, then our perception of key terms of economics such as “utility and use”, “expenditure”, “needs and resources” will also be based on the same principle; “utility and expenditure” convey intention prompting and encompassing the act itself, and if we consider the word and meaning of “need”, what does any human being need? And what are resources, goods, property? Are they not defined by the intangible value and purpose they signify to their owner or user? Any “trade”—exchange in, use of goods, commodities or otherwise—is ultimately linked to the person taking part in that exchange, to that person’s inner identity: in engaging in trade, in the business of buying or selling things, we are engaging in the sale of self. A business transaction signifies a subtle though complex transaction with self, with “own” identity. Identity Economics is a step in this direction; it has set the ball rolling towards another, understanding of economies.

Identity Economics considers the decisions we make in the way we work, live, lead and learn our lives in the workplace, at home and on holiday and our own personal reasons which prompt us to make those choice decisions. Identity Economics helps us understand—to some degree—why some options and opportunities succeed and others fail, why we sometimes dare to invest in the future and sometimes not. Identity Economics takes a look inside the social and psychological aspects of individual decisions and identity. Such an approach promotes the notion that decisions, significantly economic decisions, reached and taken, have to do with assumptions about self; any decision is a battle between our accepted concept of inner self, the desire to “dodge” that same self and the need to resist the same. As human beings, we try to do things to our own advantage, which will further our own identity and try to avoid any action which may involve forgoing aspects of that identity. The “cost of identity” is the effort needed to maintain and defend any identity gained and/or achieved. As far back as, 1987 the Hun-

garian economist, László Garai had already given a great deal of thought to links between social identity and economies.<sup>27</sup> In a post-capital social system, any economy had to ensure that individuals could develop social skills and not merely technical know-how and expertise, since it was social skills which enabled people to establish some kind of status within a social structure. Seen in this light, it is hardly surprising that manufacturers utilize their selling clout to co-determine individual identity via the products they sell. In 2000 George Akerlof and Rachel Kranton published their groundbreaking findings on identity economics;<sup>28</sup> identity is “a person’s sense of self” and encompasses basic economic decisions he or she will make. Identity is a structure based on social categories, and each category depends on certain social expectations which we as individuals try to fulfill. In trying to protect and sustain our own individual identity, we need to invest time and effort; it is tiring to have to constantly access, address and adjust one’s own resources of identity. This time and effort is reflected in the things we surround ourselves with and which symbolise the identity we create and build, and reflected in our day-to-day experiences (seen from the inside out). Our identity is the way we communicate and express ourselves in the outside world. Akerlof and Kranton construe a person’s identity on the basis of a defining social category “C” that implies role expectations or prescriptions “P”. We try to do justice to the social category we accept as identity-defining by following the respective prescriptions in our economic decisions. A person buying a tie will do so in order to fulfill expectations of the social category this person belongs to or desires to belong to. In a sense, we could say, whenever we buy something we buy “ourselves” (“our Selves”). Pierre Bourdieu has described the dynamics of changing “tastes” with changing social attachments in his important book *Distinction*.<sup>29</sup>

In his essay on “Interiority and Epiphany”, Rowan Williams draws our attention to the fact that our notion of self is a fictitious construct stemming from a belief (misconception) that somewhere deep down inside there is a hidden *a priori* ‘ideal’ or ‘authentic’ self: “devoid of self-deception and of socially-conditioned role-playing”, if only we could find it. Rowan Williams

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<sup>27</sup> L. Garai, Determining Economic Activity in a Post-capitalist System. *Journal of Economic Psychology* 8 (1987), 77–90.

<sup>28</sup> G. Akerlof, R. Kranton, Economics and Identity. *The Quarterly Journal of Economics* CXV, 3 (2000), 715–753; Akerlof/Kranton, Identity Economics. Princeton UP 2010.

<sup>29</sup> P. Bourdieu, *Distinction: A Social Critique of the Judgment of Taste*. London: Routledge 1984.

sees it differently and cites Walter Davis in his argument: “No depth exists in subject until it is created. [...] Inwardness is a process of becoming.” Self is in conversation with self as other “hampered by the inadequacies of language”, but, “My sense of the ‘hiddenness’ of another self is something I develop in the ordinary difficulty of conversation and negotiation”<sup>30</sup> More clearly put: “The exchanges of conversation and negotiation *are* the essence of what is going on, not unsatisfactory translations of a more fundamental script.”<sup>31</sup> Interiority is the observation and perception of self via a narrative exchange with others (outside of self): it is this effort (comprising space and time) of putting into speech the hiddenness or obscurity of being human which creates and crystallises into inner self. The actual awareness of hiddenness and emerging identity is the exchange of language and expression in dialogue.

In a similar vein, I see economy as an exchange between partners giving rise to identity; an economic exchange of goods is an exchange of expression between the world and our inner selves. Trading goods depends on human needs, the age-old story of supply and demand. If we translate the economies of supply and demand into an economy of posing questions and supplying answers to fellow human beings and if we juxtapose this line of narrative against the autobiography of Lord Sugar of Clapton, the successful self-made entrepreneur Alan Sugar, *What You See Is What You Get*,<sup>32</sup> we will see the other side of the coin, so to speak. Sugar made his first million with stereo hi-fi systems by manufacturing the lids of such stereo players cheaply, selling them as a luxury article (400% profit margin), cutting out the middle-man and pocketing all the profit. He got the idea over a cup of tea: “Ann and I visited my mum and dad’s for tea and I noticed they had a plastic butter dish—a red-tinted one. As I lifted the lid up, I saw a moulding mark, known to me now as a sprue mark—the place where the plastic is injected—and in that moment, something clicked in my brain. Here we had a coloured, see-through plastic butter lid, and all I needed to do was to make a similar item but much bigger, also see-through, with a nice grey tint to it”.<sup>33</sup> Any would-be competitors did not stand a chance against such low-production costs and sensibly withdrew: “That was it—the start of the

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<sup>30</sup> R. Williams, Interiority and Epiphany. In: Williams, *On Christian Theology*. Oxford: Blackwell 2000, 239–264, here 240.

<sup>31</sup> *Ibid.*, 241.

<sup>32</sup> A. Sugar, *What You See Is What You Get*. London: Pan Macmillan 2011.

<sup>33</sup> *Ibid.*, 107.

big time for me”.<sup>34</sup> Alan Sugar intuitively seemed to know what his ‘pet’ consumer—“the lorry driver and his wife” would buy next.<sup>35</sup> If they wanted a stereo, we would supply a posh one at an affordable price, the sound might not be perfect, but that was not what they were buying after all; they wanted something that looked nice in their living room and that is what they got: supply and demand.

Alan Sugar appropriated certain sets of values and specific consumer aspirations. He applied the worldly dialogue of trade; he took one aspect of that intangible structure, one aspect of dialogue and applied the rules specific to that line of dialogue; he applied the rules of grammar to an aspect of the language he knew—the language of supply and demand. In supplying ‘an’ answer to ‘a’ demand, one might wonder about its ‘real’ meaning, to its ethical aspect—the ethical aspect of economy per se: what questions does economy pose and what ethical value do these questions have? German entrepreneur Manfred Sauer, to give an example, has founded a company that produces fashion for wheelchair-bound people. He offers products that answer the question “How can I dress well as a wheel chair user”? The ethical status of the question can be taken to be the basis for an ethical evaluation of the business idea. The question that a business reacts to is the “point” of the business and the intangible infrastructure beneath the visible business structure.

A key question concerning business ethics will be the debate about priorities: should intangible structures take priority over tangible ones? An influential example of a business culture clearly dedicated to the idea “the intangible takes priority over the tangible” is the Benedictine tradition. It is a tradition and structure which puts the spiritual before and above material needs and demands. How does such an intangible economy work? By adopting and applying absolute trust in God—any action taken by the Abbot should be born of absolute trust in God: “do not worry about any lack of monetary profit” (RB 2, 35). A Benedictine monastery will have business structures and infrastructures at its disposal, which are not a means in themselves, or the means to monetary gain. In other words, a monastic business

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<sup>34</sup> Ibid., 109.

<sup>35</sup> “It was the buying public I was concerned about. I would bring perceived value to the average guy who could not afford the expensive kit, but wanted something that looked the part. And, let’s face it, half of the people who bought the expensive stuff, did so out of snobbery, simply because they were told it was the best” (ibid., 133). Alan Sugar based his decision on the needs of the mass market in contrast to, e.g. Bang & Olufson.