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# The Agora-Pnyx Paradox

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## Abstract

The avatars of the new capitalism are decreeing how the larger economy should evolve, and follow their efficient reconfigurations of human, technological and physical resources, because it adds up to more freedom. This presented the political space with the opportunity to converge with the economic space. The result was the corporatisation of government that is inherently neo-liberal (or neo-conservative) that often produced analysis-free policies. Coupled with that, was the evolution of the passive consumer-citizen. These three challenges facing our transparent society bring into question the legitimacy of a democratic process, that seems to be driven by cultural forms which celebrate personal change and indifference, but not collective progress. This paper concludes that freedom is not just an individual matter, given the complexity of the issues, such as with surveillance and privacy, so a collective response backed by intellectual analysis can effectively confront the totalising discourse of the powerful, and force its own version of reality on the public agenda.

*Keywords:* Agora, efficiency, pnyx, privacy, surveillance

## Introduction

The processing potential of information technology has lured public organisations towards mass surveillance and has led critics to warn against 'creeping authoritarianism'. The fear expressed there is not the one of totalitarianism - undemocratic leadership using the existing structures as a means of repression, although this fear is also expressed - but rather of a gradual, generally unnoticed and almost unconscious encroachment of individual privacy and liberty by institutions, under the auspices of improved efficiency. (Angell 1995, p.331)

Plato, believed in separating the Agora (economic space) from the Pnyx (political space), because he believed that need and greed enervates people's capacity for what is just and right. This paper draws upon Plato's idea of how society is being weakened by the machinations of need and greed that seem to expand their sphere of influence over almost all aspects of our lives. It is particularly instructive when discussing how economic rationalism, not political idealism, is shaping the debate over public policy issues, such as: surveillance and privacy. This paper explores three challenges facing our increasingly transparent society: (a) problems due to the uneasy alliance between the economic-political space, (b) evolution of the new institutional structures and the consumer-citizen class, and (c) corporatisation of government and analysis-free policy. Those challenges will be analysed to inform our understanding of their capacity to misinform analysis of public policy issues.

## The Agora-Pnyx Liaison

Technology that lowers the cost of capital for a firm is an attractive value proposition, and naturally results in reconfiguring the capital and labour resources within the firm, in favour of the technology. Airline travel had to rely on such technological developments, such as: X-Ray machines and metal detectors, when labour intensive methods of searching through the luggage and long queues of passengers were not compatible with the rapid growth in global travel and airline schedules.

The rapid expansion of airline hubs, with airlines taking control of terminal buildings and airports, meant that airline security was also part of their business, though, a non-core function. This meant that airline companies would seek the lowest bidder on their security contracts, who would also seek the minimum wage person, in order to make a little profit for themselves (CNN 2001). Comprehensive screening during peak periods often presented a conflict of interest, between profit-driven airlines trying to minimise flight delays and the responsibility the companies carry to provide security.

Airlines, like most businesses, attempt to influence federal oversight through their contributions to political candidates in both major parties. Coupled with their powerful trade organisations and direct representation, it ensured their sway over much of the Federal Aviation Authority (FAA) policies. For example, following the TWA-800 disaster in 1996, the commission delayed the immediate implementation of the recommended baggage matching measures, because the airlines argued that it was too costly and would enrage passengers. This inept role for the FAA continued in its relationship with the airlines over the decade and leading to September 11<sup>th</sup>, 2001. The FAA would fine the airlines for security incidents and violations and the airlines would negotiate their fines and often end up paying 10 cents in a dollar for their fines, which was far cheaper than making the necessary expenditure on security enhancements recommended by the FAA.

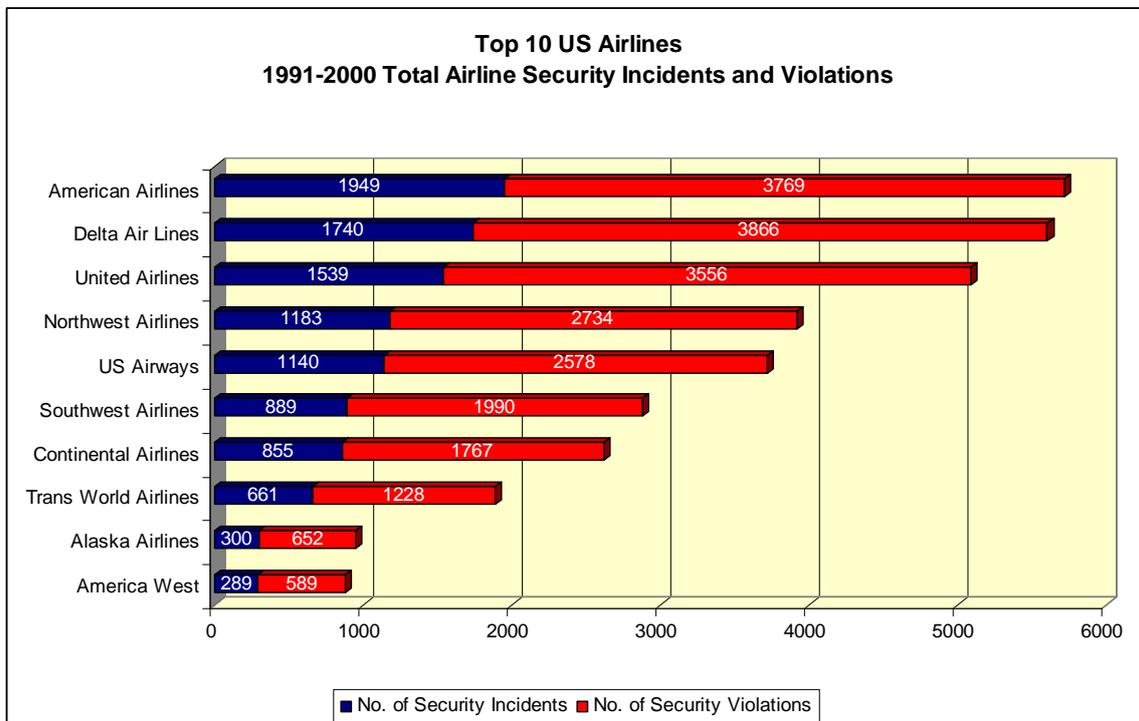


Table A – 1991-2000 Total Airline Security Incidents and Violations  
(Source: U.S. Bureau of Transportation Statistics)

On September 11<sup>th</sup>, 2001 the two carriers whose jets were hijacked, were at the top of the list of airlines with security incidents and violations over a decade (1991-2000). American Airlines was the

highest, with 1949 incidents and 3769 violations, and United Airlines was the 3<sup>rd</sup> highest, with 1539 incidents and 3556 violations. This perhaps highlights the dysfunctional nature of a system that was levying the same fines year after year.

It was not then surprising that Congress would come to the rescue and established the victims' compensation fund two weeks after September 11<sup>th</sup> attacks, to not only help the families of those killed and the injured survivors, but to also discourage lawsuits against American and United airlines. Those who accepted payment from the fund waived their rights to sue individual companies (CNN 2007). However, 90 families (of which 14 have decided to settle out of court on September 19<sup>th</sup>, 2007 with terms of the settlement not disclosed) did not accept payment from the fund and sued instead the airlines and the private airline security company, Argenbright Security (released from its contract in 2002 by the Department of Transport amid allegations of inferior security standards), for their failure in their duty of care (wrongful death).

The rhetorical question is whether airlines, or other corporations, finance political campaigns of major parties, so as to wield 'some' influence over political oversight, given that politicians are left with no option but to offer 'protection' to their benefactors at the expense of the citizenry? The problem thus is with this unholy union between the economic (agora) and political (pnyx) space, which seem to privilege their interests, with the *unintended result* of a political oversight that sanctions the interests of the economic space to the detriment of the political space.

## Citizen as Consumer

The global boom in the hi-tech industry, financial services and media service organisations, which represent the new cultural ideal of the new capitalism despite being only a small part of the whole economy, exerts a profound moral and normative force as a cutting edge standard for how the larger economy should evolve. Avatars of the new capitalism proclaim that their reconfigurations of work, talent and consumption add up to more *freedom* (Saul 1997: 82, Sennett 2006:10). This is perhaps the *nexus* that brings both the economic (agora) and political (pnyx) space together in this union.

Institutions in the new capitalism are driven by an economic ideal of optimal resource allocation, through information technology, leading to maximised utility, or in short: efficiency. The quest for efficiency (Mikhail & Ostrovsky 2005: 290) is a reality involving both private and public corporations alike, where an emphasis on control over resource utilisation is done through methods of "bureaucratic accounting technology which can be coupled to totalitarian and democratic political regimes alike" (Power 1995: 293).

Power (1995: 299) argues that accounting can be regarded as

*a technology that subjects individuals to the 'objectifying' gaze of distant regulators, a system of surveillance that stimulates a style of self-regulatory behaviour. Subjects must constantly act and behave as if they are being watched and will be forced to account for themselves.*

The language of asset, cost, expense, liability and profit which informs accounting is often *less precise*; its *objective* measurement of what an asset or an expense is, for example, is often dubious. Contestable profit (or loss) measurement have real consequences: share prices may fall, bank branches may be closed down, CEOs may indulge themselves with higher rewards, mass lay-offs of workers, loans may be granted, and so on. This technically ambiguous and not so readily *transparent* practice, with its abstractness from operational detail, can lead to tangible *freedoms*, or the lack of them.

Accounting wields influence over any aspect of society that is subject to economic calculation, propounding a complex moral technology that expresses and endorses specific models of social and economic relations. Surveillance technology, chiefly used for its perceived *economic* efficiency, like accounting, whilst driven by ideals of procedural fairness and impartiality, are nevertheless dubious as

to their accuracy and precision. Their ambiguous practice within society leaves room for misinformation and misinterpretation, but can also lead to material freedoms, or the lack thereof.

The social implications of such reality have been widely discussed, with the bleak warning about the erosion of privacy in the “transparent society”, due to the technological efficiency of low-cost surveillance. David Brin (1998) argues that despite the loss of true privacy, we will still have the choice between one that offers the illusion of privacy by restricting the power of surveillance to authorities, or one that destroys that illusion by offering everyone access (including the ability to observe the observers). He favors an egalitarian access to surveillance, with the public having the same access as those in power, because corrupt abuses of power would prevail without accountability and transparency.

The prevalence of the agora over the pnyx has gone one step further with not only state sponsorship of private accounting practices, but with the re-internalisation of private sector norms of business conduct (Power 1995: 298). This, to my mind, has exacerbated another shift in society: the shift from citizen to consumer.

The dominance of the economy in our daily life may help us understand how people learn to consume the new. In the past, economic inequality furnished the economic energy for politics. Strains on the economic system during the age of social capitalism produced “ressentiment” (Sennett 2006: 132). This cluster of emotions principally described the belief that ordinary people who have played by the rules have not been dealt with fairly. This intense social emotion tended to stray from its economic origins to produce resentment of old orders of patronage and privilege or minorities, such as: Jews or immigrants – who seem to ‘steal’ the social prizes to which they had no right. Under the sway of resentment, religion and patriotism were weapons of revenge.

Today, inequality is being reconfigured in terms of work experience, where symbolic analysts (Reich 1994) are at the top. The middle is fearful of being displaced, sidelined or under-used, while the bottom comprises two distinct groups. The first is the traditional working class, who was once protected by the unions and have less room to manoeuvre. The second is the immigrant class who find themselves room in a fluid and fragmented economy (Glyn 2006: 102). Resentment may explain why so many workers moved from the centre left to the far right translating material stress into cultural symbols.

However, Sennett (2006) argues that resentment is too narrow a way to relate economics and politics, because material insecurity prompts more than ways to demonise those who herald unsettling change. So, instead of thinking of citizens as an angry voter, then, we might consider the citizen as a consumer of politics faced with pressures to buy.

Walmart and Carrefour are examples of the megastore that draw upon the use of advanced technology, fast-developing Chinese manufacturing practices, concentrated power at the top, disempowered unions, and has dealt with their mass workforce as if they were provisional and temporary labourers (McKinsey 2004). Consumers experience mirror centralisation of command where everything is available instantly. Sales personnel are stripped out of the consumption process as there is no need for mediation or persuasion, which as Saul (1997: 79) points out is somewhat similar to other cutting-edge bureaucracies that have stripped out their middle interpretative layer of staff, including government departments after public sector reforms in the 1980s and 1990s.

The question then becomes whether people shop for politicians the way they shop at those megastores? Has the centralised grip of political organisations grown greater at the expense of local and mediating party politics? If political leaders become instantly recognisable brands, like car models then the crux of politics becomes marketing, which is not good for political life. The very idea of democracy requires mediation and face-to-face discussion. It requires deliberation rather than packaging. However, the political version of the megastore may repress local democracy, but it may stimulate the imagination for change.

Imagination is strongest in anticipation, but it grows ever weaker through use. The new economy strengthens this kind of 'self-consuming passion' (Sennett 2006: 136) both in shopping malls and in politics. Consumption, during the 20<sup>th</sup> century, was considered to be driven by the motor of fashion and planned obsolescence. However, both of those views assumed that the consumer was passive. The new institutions (Glyn 2006: 133) with their change of work bureaucracies, from a possession with fixed content, to a position in a constantly changing network, so that work identities and institutions are continually reinvented, so they would never get used up. Hence, consumption in the 21<sup>st</sup> century thrives on the self-consuming passion.

The self-consuming passion is stimulated through active engagement in imaging (where the consumer perceives the gold-plating instead of the production-platform as the object's real value) and arousal by potency. Branding deploys platform construction on a global scale to produce the common chassis, and gold-plating to produce the small material differences, which are inflated in value. Potency is when the consumer's desires become mobilized even though they are divorced from practice. For example, how many song titles can you possibly remember from your collection of 10,000 songs on your 30GB iPod? Similarly, we buy computer software and hardware that are beyond our utilitarian needs, but it is the 'dramatisation of their potential' (Sennett 2006: 151) that leads us to desire them even if we cannot fully utilise them.

Sennett (2006: 157) poses the question: "aren't people set free when they transcend in spirit what they directly know, use or need?" To him, the self-consuming passion might be just another name for liberty. Arendt (1998: 231) argues that in a truly democratic forum, every citizen should have the right to think aloud and debate with others, no matter their expertise. Furthermore, the test of utility and practicality should not rule either, as this test emphasizes what is rather, than what might be. Her argument, in a sense, is similar to Sennett's view of the consuming passion, as a precondition to freedom and democracy.

The consuming passion brings focus on what is really missing in the hope for progressive change: an understanding of the profoundly 'enervating' role that illusion plays in modern society. The illusion (Brin 1998) of giving the power of surveillance to either the authorities or everyone is perplexing, because we do not limit what we want from surveillance to what we can actually do with it. Similarly, we do not limit what we want from the illusion of privacy or accountability to what we can actually do with them. Angell (1995: 331) observes that it is rather difficult to establish what exactly constitutes an infringement of privacy, let alone how it constitutes an attack on freedom. These confounding illusions may actually contribute to our own passivity. Sennett (2006: 161) identifies five ways in which the consumer-citizen is turned away from progressive politics (the belief that citizens are bound together in a common project, such as: privacy, limiting surveillance, accountability, and so on) and toward this more passive state:

1. Consensus politics, where we are offered political platforms which resemble product platforms (generally, they tend to be business friendly, socially inclusive and immigrant ambivalent). For example, wider surveillance powers of immigrants from Muslim countries may be a shared political platform for either side of the political spectrum. After all, either side of the spectrum are immigrant ambivalent, especially from the Muslim world after September 11<sup>th</sup>, 2001.
2. Gold-plated differences, where a re-contextualisation of the fact may take place. For example, making Muslims in their totality a terror threat, despite of the fact that the majority are law-abiding citizens. This may justify the expansion of surveillance powers given their broader presence in our society.
3. We are often asked to discount the "twisted timber of humanity", a phrase coined by Kant. For example, surveillance technology discounts our individual complexity, where Muslims from the Middle East may speak Arabic but the dialects are quite different within each country let alone the different countries. Imagine the number of computerised Arabic interpreters to decipher taped phone conversations.

4. We tend to credit more user-friendly politics, where consumer-citizens disengage from difficult issues by comparison to craftsmen-citizens who would like to understand how things work, so they engage with difficult and resistant issues. Democracy requires citizens to be willing to make an effort to find out how the world around them works. The consumer-citizen tends to disengage from difficult and complex issues, such as: privacy and transparency. Additionally, technological overload prompts disengagement, so one can imagine the cognitive impact of the technological jungle of surveillance.
5. We continually accept new political products on offer. For example, modelling reform on advanced business practices breeds anxiety (psychoanalysts call it ontological insecurity: fear of what will happen even if no disaster looms. It is also called: *free-floating* to indicate that someone keeps worrying even if s/he has nothing to fear in a specific situation). Another example is the anti-terror warning around cities such as with the slogan: “if you see something, say something”, which is plastered around train stations and billboards.

This shift in our role from an engaging citizen to a passive consumer-citizen is a product of the convergence of both the economic and political space, with the former dominating the latter. This brings into question the legitimacy of a democratic process that seems to be driven by cultural forms which celebrate personal change and indifference, but not collective progress. The question then would be- should we be at all concerned about this malaise of the consumer-citizen phenomenon?

## **The Analytics of Complexity**

The convergence of both the economic and political space has brought another malaise to bear on society and the democratic process, namely: the corporatisation of the public service (Saul 1997: 76). It was a calculated assault on the independence of public servants, which hindered any meaningful analysis on policy, regardless of whether it may be contrary or not, to the policy line of the government of the day.

It is instructive to reflect on the Thatcher years of public reform to understand the machinations of public policy ‘reform’. David Willetts (1987: 445) provides an illuminating account of such change, while he was a member of the Prime Minister’s Policy Unit. Mrs Thatcher disbanded the *fifteen* members of the Central Policy Review Staff (CPRS) and replaced them with *eight* members comprising the Prime Minister’s Policy Unit in 1983.

Unlike the CPRS, the Policy Unit did not undertake long-term or large-scale studies, but rather offered policy advice on ‘current’ matters of concern, with dead-lines ranging from an hour to few days. More importantly, the advice did not go to Cabinet for rebuttal or debate by departmental ministers. It was for her eyes and ears only, given that the Prime Minister’s Policy Unit was not a Cabinet Office body serving all of Cabinet, like the CPRS.

The composition of the Policy Unit in 1986 was at eight or nine, with at least three members on secondment (Willett 1987: 546) from large private sector organisations, such as: McKinsey’s, Consolidated Gold Fields and Shell, advising on their respective specialisations (and possibly their corporations’ interests). A fourth was a retired senior partner from Coopers & Lybrand. The rest were civil servants and a university professor. Rosenhead (1995: 309) argues that her Policy Unit “did not, could not, originate the flood of radical but untested policy ideas” which reached Cabinet, as many emerged from right-wing think-tanks, and the Policy Unit was simply the messenger. Rosenhead (1995: 311) explains the ‘robust simplicity’ by which those think-tanks justified their policies.

*It starts with strong value assertions and then proceeds directly to detailed prescriptions. Argumentation is intuitive (with a ‘public choice’ flavour), and proposals are not costed or quantified. There is appeal at most to anecdotal evidence, but certainly not to research.*

One very ‘unpopular’ policy, which was announced in a glare of publicity, and without advanced notice to the relevant departments, was the Poll Tax.

The preceding account of events seems hauntingly familiar, not just at federal or state governments in Australia, but wherever economic rationalism is dominating public policy discussion. There has been a catastrophic retreat from reason in public affairs, in which a quasi-mystical ideology attributes magical powers to the markets (Saul 1997: 80, Stiglitz 2002: 138, Glyn 2006: 77). Since the collapse of the Soviet Union, this ideology has gone far towards establishing a hegemonic hold in the form of neo-liberal regimes in the UK, USA and Australia, which manifests a centrist political platform, which enabled economic development friendly to globalisation, flexibility and meritocracy (Sennett 2006: 163, Stiglitz 2002: 53).

Markets are thought to be correcting government malfunctions (rather than vice versa). No matter that, in so many instances of infrastructure privatisation, such as: electricity and water, the most convoluted socio-economic reengineering can only produce “a market which is artificial, rigged, imperfect and imperfectable” (Rosenhead 2006: 313). For the uncritical mind that dwells with fervour for intelligent design, the market is seen as a ‘pseudo-natural’ phenomenon, which substitutes for the exercise of collectively rational choice. The elevation of the market to almost divine, omnipotent, omniscient status has been at the expense of the down-grading of rational choice based on analysis. It is of no surprise then, that hyper debate concerning public policy issues such as surveillance is taking on similar omniscient status inflating surveillance into überveillance (Michael & Michael 2006: 361).

Setting public policy is a complicated business. Porter (1987: 87) outlines the difficulty facing the US President and others in positions of comparable authority:

*They are expected to make a large number of decisions about issues on which they themselves are not expert, and therefore they are going to rely on the other people for information, for analysis, for structuring alternatives and for an assessment of the advantages and disadvantages associated with the alternatives. Many of the issues coming at them, and on which they are expected to decide, are interrelated, in the senses that what they decide on issue A today will affect the choices, and the relative attractiveness of those choices, on issue B, C and D that they are going to be considering two weeks, three months or a year from now.*

Rosenhead (1995: 316) rhetorically asks the question of how can diversely interested parties, many of them largely excluded from influence, become active and effective advocates in public debate when analysis-free policy is on offer? He believes that data and information are no longer sufficient, in such an information-rich and complex world, to have power over one’s own life. Rather, ‘analytic capability’ (Rosenhead 1995: 308) would help us shape, discard and manipulate information in order to understand our situation, devise an appropriate strategy, and advance convincingly our own *problematique* or to garner support for our causes or to undermine or demolish competing propositions.

Freedom, then for Rosenhead (1995: 319), is not just an individual matter. The complexity of issues in our world, are no longer affecting social life details but predominantly its structures and opportunities. Individualised responses are ineffectual, when only collective responses backed by critical analysis can effectively confront the totalising discourse of the powerful, and force its own reality on the public agenda.

## Conclusion

This paper outlined three challenges facing the transparent society, when discussing some of the issues associated with surveillance and privacy. Firstly, the unholy union between the economic and political space is problematic, because the *unintended effect* of this alliance is often political oversight that

sanctions the interests of the economic space to the detriment of the political space.

Secondly, the evolution of the passive consumer-citizen shaped by their experience of the new institutional structures. The shift in our role is a direct product of the convergence between the economic and political spaces, with the former dominating the latter. Surveillance technology, among other issues of public concern, chiefly used for its perceived *economic* efficiency, are nevertheless dubious as to their accuracy and precision, given their ambiguous practice within society, which leaves room for misinformation and misinterpretation.

Thirdly, the corporatisation of government and analysis-free policy is yet another malaise from the economic-political convergence. In order to be involved in the democratic process, one needs to be able to *analyse* the information that may affect one's own interests. Obviously, this is quite problematic in an information-rich society, given the information quagmire that we have to sort through. Hence, the right to information is of limited use by itself, for any effective involvement in the democratic process.

In conclusion, the discussion of those challenges brings two points to the fore: the right to analysis, and the passive citizen-consumer. Having the right to information about our privacy or the lack thereof, for example, is not sufficient for us to be involved in any discussion concerning its potential use. Having the right to analysis is paramount for us to do so, but we must be willing to seek that right. Today, we have a better opportunity in having access to better analytical tools through the internet. The paradox of our time might be if the passive citizen-consumer will be 'bothered' to seek the right to analysis, so as to be able to engage in the democratic process.

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