1. Existential economics and the way we organize the world

My attitude towards contemporary economic life is an awkward mixture of four emotions: indignation, sadness, hope, and enthusiasm. None of these emotions are foreign to my intellectual endeavor to understand the roots of capitalism’s persistent, and in many ways paradoxical, malaise. Under current circumstances, the balance (or, rather, the various types of balance, ranging from neo-liberalism to social democracy) we have established between free-market capitalism, top-down democratic provision, and bottom-up social entrepreneurship—that is, the balance we have been seeking between private profit-seeking, public redistribution, and non-profit grass roots—has not fully delivered what we were looking for, and what we have been looking for at least since the end of the Renaissance: an enlightened society inhabited by emancipated persons, united despite their differences by bonds of solidarity and—why not—of love. I say “not fully” because, obviously, in the richer parts of the world, the so-called “First World,” capitalist economies with various degrees of public harnessing have generated unprecedented wealth and a virtually complete—though perhaps only temporary—eradication of deep poverty. This has not been the case, to say the least, for most of the so-called “Third World,” where globalization has created a huge rift between a very small, well-to-do jet set and a sprawling, asphyxiated underclass: per capita incomes may have risen sharply in some Third-World countries, but measuring poverty reduction with the (allegedly falling) number of persons living on less than US$ 2 per day is nothing short of obscene. That those who used to starve on US$ 1.75 now starve on US$ 2.60 or even 3.75 seems quite irrelevant when a 30 percent tax on the world’s two hundred highest fortunes (which include a number of Third-World citizens who have “made it”) could give every poor person on the planet a lifetime of nutrition, health, and education. The irony of the situation is that the psychological suffering of a handful of billionaires each “robbed” of one third of his fortune would quickly overshadow the physical and psychological suffering experienced today by the “bottom billion” of the poorest among the poor.

This indignation is mixed with a particular sort of sadness. This is because I fully realize that in the depths of my own body and my own psyche, I am just like those billionaires who would feel destroyed if their fortune fell from 500 to 350 billion dollars. I would feel as if my life were no longer worth living, or at least as if a part of my own body and mind had been torn away from me. We are all like that, in the West. Even those of us who have little wealth wish they had more, so that they could finally be happy and joyful. For Western man, asking for a third, or even a tenth, of his income in order to feed, house, and educate the whole world is simply too much to ask; each Western Man is the whole world unto himself—we have been manufactured that way by our culture. It’s called modern individualism. In Belgium, surrounded by material goods and comforts, I’m completely part of it. We’re all part of it.
But it’s not our fault. At least not totally. We can choose differently, we can choose to look at our lives in another way and to realize that we have made the capitalist market economy into our church, and modern economic science into our religion. And that’s what makes me hopeful nevertheless, despite the gloomy outlook of a globalized economy gone mad.

I have spent quite some years as a standard economist. Then, started to work on what I call an *existential analysis* of contemporary economies. It is a field within a broader area I like to designate as *existential economics*. What led to me into this—somewhat iconoclastic—direction was a twofold factor: on the one hand, an anchoring within what, roughly, we might call Christian humanism, a way of doing philosophy that accepts that anthropological reflection need not (and, in fact, cannot) disconnected from radical reflection on religious and spiritual issues; on the other hand, a deep indignation with the injustice of capitalism, together with a growing difficulty to fit my thinking into Marxist schemes of reasoning. Thus, I gradually became a left-wing, liberation-oriented existentialist. In the 1950s or 1960s, this might have been a rather classical trajectory—from Marxist materialism and Christian humanism into “optimistic” existentialism; in the late 1990s, maybe less so. In fact, among my fellow economists the move was not always very positively appreciated. After all, existential economics has as one of its central postulates that what looks, on the surface, as “rationality” in our economic actions—and can be analyzed as such—is, in fact, underpinned by “irrational” fears of an existential kind. Most importantly, existential economics establishes a clear connection between our economic decisions to consume, save, invest, produce, compete, and work and our anxieties in the face of the fragility and precariousness of our mortal existence. In short, economic life is secretly connected to the fear of death.

This is certainly a controversial claim, especially in today’s climate of “capitalist exuberance.” Consumption, investment, and competition are routinely associated with dynamism and, more generally, with a life principle: growing, going forward, creating, entering new territory. *Generating constant economic growth within a framework of constantly expanding globalization*—this is, in a nutshell, the capitalist project when it comes to economic development. I want to argue that such a view—the massively dominant view—of development is existentially wrong. “Surviving development,” as the French economist Serge Latouche has expressed it, has become the crucial issue for both rich and poor countries on the globe. But to survive development, to move towards a genuinely post-development view, we need to tackle the issues raised by existential economics. For us in the rich, Western countries, capitalist, growth-oriented development has been a three-century-old cultural choice. It has been based on specific anthropological premises. It has been an anthropological and spiritual disaster.

2. The way the West got lost

The identification of growth with development comes from a deep-seated conviction in the Western cultural landscape: *more stuff is better than less stuff*. By “stuff” I mean material goods but also all sorts of non-material objects such as services and images. The Western human being is a being who has made consumption into an existential imperative. Why? Because there has occurred, some time in the past of our culture, an anthropological catastrophe: the replacement of the triadic human by the dyadic human—the replacement of
the image of Man as *soma-psyche-pneuma* (or body-mind-spirit) by the image of Man as *soma-psyche* (or body-mind). To put it still differently, *psychosomatic Man* has gradually replaced *pneumatic Man* or *spiritual Man* in our deep-seated self-image.

Our Western culture has, over several centuries, engineered a radical choice—the choice to psychologically overvalue the mortal body; and this overvaluation actually led, through a well-known mechanism, to the psychological denial of death.

I personally come from a Christian background—actually, an orthodox Christian background rooted in the theology and anthropology of the Fathers of the Church—and I like to couch the issue in terms of the much-maligned myth of the Fall. (It’s actually, of course, a Jewish myth.) The primordial Man—the ‘Adam’—was created by God in His image, and with the capacity to actively acquire His resemblance. Instead of patiently going through the stages of becoming God by becoming the fruit of the Tree of Knowledge, he eats the fruit—consumes it hastily. From then on, the myth tells us, the road towards divine Resemblance will be a path through matter—heavy, painful, opaque, mortal matter. Such is the myth of Genesis: both radically pessimistic and radically optimistic. It’s pessimistic because every single bit of the Universe is, henceforth, inhabited by death, under the guise of inevitable entropy; and it’s optimistic because this mortal life isn’t the final word—the way towards the radical humanization of divine Resemblance remains open through a transfiguration, a “spiritualization” of matter … All the great spiritualities contain this basic scheme: a transcendent Image deposited in Man, then a foundational move of Man’s freedom which leads him into exile, forgetfulness, or ignorance, and finally a path of return or conversion through which the transcendent Resemblance can be recaptured—but this time in the sphere of matter, through the existential energy of transfiguration or transmutation.

Don’t expect me to draw from this brief theological excursus a well-meaning denunciation of economic materialism in the name of “spirituality.” If I did that, I’d be ignoring the very roots of modern economic thought. In reality, in fact, the great thinkers of economics were working very consciously for the salvation of humanity; in their eyes, poverty, mortality, and bodily as well as psychological misery were the visible signs of this painful and deadly opacity of matter of which I just spoke. I think we need to go as far as saying that economic thought has a strictly spiritual root; production, productivity, and growth—what we have come to see as “development,” and which the Portuguese language nicely calls *desenvolvimento* or “dis-enveloping,” “dis-engaging”—correspond to the deep-seated human desire to tear oneself away from this absurd matter that rivets us to death. Through the growth of our output and our consumption, we seek to escape the envelopment in matter—to escape this “mortal coil,” as Platonists have called the human body. The economy is, therefore, less a technical-operational domain than an existential-spiritual one—it’s one of the places where Man tries to live with his mortal fragility and to give it meaning. This is what I have tried to show in *Crítica de la existencia capitalista*. The economy is one of the places of our radical humanization. *Economics, therefore, the science of the economy, is part and parcel of theology—not only neo-liberal economics (as some left-wing critics claim, using the word “theology” as a degrading term), but all of economics to the extent that it ultimately seeks to liberate Man*. Marx, Keynes, and Hayek were, literally, the most influential theologians of the 20th century; I say this not by analogy or as an image, but as a literal description of what their study of economic activity was about.

But of course, merely to say that economics is an intrinsic part of theology doesn’t imply that whatever economists say (no matter how major and influential they are) is well-adjusted
to our human condition. The history of theology in all great religions is filled with more or less dangerous heresies which jeopardize the very roots of authentic humanization. And here is a very important point: economic thought as it developed in parallel with Western capitalism and modern culture—whether this economic thought be classical, neoclassical, Marxist, or Keynesian—is a “heresy” when measured against the stakes of our humanization.

Why?

Because Western culture, with the very best of intentions, has operated a choice which carried heavy consequences: the choice of localizing its economic theology—its science of salvation—entirely within the world of entropy. The consequences were that (a) linear and immanent time was idolized (in opposition to time as the support for an a-temporal Presence); and (b) human liberation was tied up with a weak and opaque (“fallen”) matter which, on its own, was incapable of offering salvation.

Here is where the anthropological catastrophe occurred. From a trinitary vision of body, mind, and spirit (soma-psyche-pneuma), our West drifted towards a binary vision of body and mind, so that we see ourselves more and more as a mind conditioned by an organism, or as an organism ruled by a mind. Psychosomatic Man has replaced “pneumatic/threefold” Man—who still lives (but for how long) in some non-Western parts of the globe. One of the crucial issues for globalization today is whether it will completely eradicate those non-binary visions of Man. We have reasons to fear that it will. This will be the source of a very dangerous and painful “underdevelopment”—the underdevelopment of developed, binary Man. As my book argues, it is this psychosomatic Man, terrified by death but seeking a response to it only within matter and emotions, who has laid the foundations of capitalism, hence of the ideologies of production, of productivity, of growth, and of consumption. “Never quite enough” is the main motto of this fallen Man who angrily globalizes his superficialities and vandalizes nature in desperate search for an impossible psychosomatic salvation. Judaism, Christianity, Islam, and Buddhism all have at least one idea in common: salvation is metaphysical and can therefore take place only at the “pneumatic” level—at the level of spirit.

Capitalism is not, in itself, to blame for this catastrophe which brought it about. Capitalism, like all economic systems, is merely a logic which has adjusted itself to the existential condition of modern Man. There is a catch, however: once capitalism is in place, it distracts us from our authentic human destiny, which is (to put in the vocabulary of the myth of Genesis) to walk the path back towards transcendent Resemblance, that is, to “spiritualize” ourselves more and more while being gentle with our bodies, our minds, and our natural environment. This is the reason why I believe that an existential critique of capitalism is absolutely essential. My book Crítica de la existencia capitalista tries to offer one version of such a critique.

In a sense, it is a book about the misery of “development.” It is an argument as to why Western capitalist market economies have, by and large, generated poor rich people. It shows that the existential slogan “Never Quite Enough” which describes our culture has generated frequently invisible, but powerful, pathologies. My book tries to give rigorous content to this striking passage from a famous Trappist monk, Father Thomas Merton:

For a man to be alive, he must exercise not only the acts that belong to vegetative and animal life, he must not only subsist, grow, be sentient, not only move himself around, feed himself, and the rest. He must carry on the activities proper to his own specifically human kind of life. He must, that is to say, think intelligently. And above all he must
direct his actions by free decisions, made in the light of his own thinking. They must tend
to make him more aware of his capacities for knowledge and for free action. They must
expand and extend his power to love others, and dedicate himself to their good: for it is in
this that he finds his own fulfillment. In a word, for a man to live, he has to become
wholly and entirely alive. He has to be all life, in his body, his senses, his mind and his
will. But this life must also have a certain special order and coherence. We often see
people who are said to be “bursting with life” and who, in fact, are simply wrestling with
their own incoherence. Life, indeed, is meant to superabound but not to explode. Those
who are bursting with life are often merely plunging into death with an enormous splash.
They do not transcend death, they surrender to it with so much animal vitality that they are
able to drag many others with them into the abyss. (The New Man, 1961, pp. 4–5)

Yes, we can be dead while seeming alive. Many prophets have lost their lives for saying that.
It’s true, nevertheless. My effort is to think about an economy that would no longer ground its
pseudo-vitality on the hidden obsession with death.

3. Towards post-capitalist existence

What is post-development? It is, essentially, a move from capitalism to post-capitalism in all parts of the globe. This includes pre-capitalist economies which still exist. These economies are no longer viable; the existential critique of capitalism should never be an alibi for a nostalgic—and completely illusory—return to pre-capitalist forms. The idea, instead, is that poor countries need not necessarily go through a capitalist “stage” in order to go beyond the misery which we, in the West, have bestowed upon ourselves through the massive growth of our wealth.

Pre-capitalist economies are maintained fundamentally by scarcity—real, physical scarcity and the need for a tightly collective management of that scarcity. The “miracle” of capitalist economies is that they have generated immense collective opulence—but the downside of the miracle is that this huge wealth is distributed much more unequally than the very small surplus of pre-capitalist tribes and villages. Why? Because capitalism functions on what I call imaginary scarcity: what makes accumulation, competition, and consumption “work” is the fact that each of us somehow feels he never has enough. Wanting to get more just deepens the feeling of “never quite enough.” This process is never-ending; it never exhausts itself; more not being enough, it calls for even more, and this creates growth and the need for growth to create existential reassurance. The core functioning of capitalism is based on existential anxiety and fear. (I have spoken about this extensively in my two conferences on Tuesday and Wednesday at the Catholic University.) What we don’t always see is that this whole mechanism of growth and creation has its root in cultural “choices” which occurred in the West during the 16th, 17th, and 18th centuries. The capitalist logic is something we chose by ourselves—via our ancestors—in the sincere belief that we were doing good.

Now, real scarcity could, in principle, be eliminated through a form of egalitarian
capitalism. You could try to “channel” the dynamism and incentives of capitalism into a
system where we produce, distribute, and consume (and even “exploit” each other, which is
inevitable whenever there is division of labor)—a system that would establish one single
barrier to capitalist rationality: everyone should be protected from real scarcity, so that there
should be massive and constant redistribution. But alas, egalitarian capitalism is an unstable creation; when you establish it (as did the promoters of social democracy in the mid-20th century), it gets attacked from all sides by those who have no interest in it. Why? Simply because capitalism and equality are like oil and water: you can mix them up vigorously, but if you don’t coerce them into staying mixed they will separate again. The basic reason is that egalitarian capitalism eliminates real scarcity but is incompatible with imaginary scarcity. Egalitarian capitalism is an unequal battle between two slogans: One the one hand, “I’ll do what I can to help. What’s mine can also be yours. We are united”; on the other hand, “Nothing’s ever quite enough. What’s mine is not yours. We are separate.” Unless there is a profound change in our theology—a change towards a new fundamental reflection on what it means to be human beyond liberal individualism—the second slogan will always win. Capitalism can’t transcend itself.

To reach a truly post-capitalist existence on a scale today attained by capitalism, the road will be long and hard. But I feel enthusiastic about it. It is, in fact, our only real chance of radical change—of genuine “human development.” The most crucial thing is to foster a culture in which we relate to our existential anxiety through means other than “psychosomatic wealth.” The other crucial thing is that we shouldn’t count just on need and fear to coerce us into solidarity. Thus, in a truly post-capitalist world, human beings should be free from both real and imaginary scarcity. The idea that constantly growing aggregate wealth can be stimulated only through relative poverty—an idea that lies at the heart of capitalist market incentives—has to be replaced with the idea that moderate wealth can be maintained through relational and social investment. This may sound very distant from the immediate preoccupations of today’s development economists, but actually I think that without such a profound change in consciousness, intellectual approaches such as Sen’s wonderful capability theory or superb social-entrepreneurship initiatives such as Muhammad Yunus’s Grameen Bank will end up being methods for re-inserting poor people into the mainstream of capitalist production, consumption, and accumulation. This is certainly not what we want.

To conclude, let me emphasize again that, just like the proponents of the very successful human development approach, I don’t particularly think that so-called Third-World countries are, overall, less developed than so-called First-World countries. The First World’s obsession with development as growth is a clear sign of pneumatic/spiritual underdevelopment, especially since we know that within the strict logic of capitalism—which is supposed to be our “growth engine”—the wealth thus generated has no chance of ever being distributed equally. It is the slogan “Never Quite Enough” which generates capitalist growth—so don’t expect those who have bought into that slogan to subsequently give up the fruits of that growth. They’d be too scared of death to accept.

In that sense, one thing that is very urgently needed is development aid to the First World from the Third World—to the extent that the Third World hasn’t itself already given up its traditions. As I said at the beginning, the triadic body-mind-spirit Man has survived more in the Third World, sheltered by remnants of pre-modern tradition and by … yes, poverty. This is no excuse for those countries remaining in their state of material poverty, but neither is it an excuse for the rich countries to consider they have nothing to learn from the materially poor. What the Third-World traditions are still rich in, and what we tend to have become very poor in, is spiritual resources to deal with existential anxiety in “adjusted” ways—integrating death into the rituals of life, and developing a way of living that relies on actual (as opposed to illusory) immortality. All true spiritual traditions end up at the assertion that Man is in fact
immortal; we Westerners recoil from this idea and prefer to plunge into economic growth while our bodies are still alive and while our emotions can still make us dizzy. Spiritual resources would allow us to see things differently, and to live differently, giving economic wealth production its rightful—and relatively minor—place and giving relational and social investment the priority.

A small fraction of rich Westerners have realized that this is the way forward. Most others still believe in development as growth, and still confuse material resources for spiritual ones. Until this is changed, our conception of development will remain unsatisfactory.

Thank you.