

4 1989

A philosophy of immediacy

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While 1989 swallowed up the USSR and Communism, it also swept away an entire way of representing social change. The old style of representation was substituted by a new one based on the idea of immediacy. Two novel hypotheses were formulated at the time. The first holds the view that transition to capitalism and democracy necessarily go hand in hand, since capitalism is impossible without democracy and democracy is impossible without capitalism. This is the era of 'capitalist democracy'. The second hypothesis sees such a transition occurring rapidly and immediately: as soon as political elites express the desire to implement the change or they are able to receive decisive external support.

The year 1989 saw the emergence of a new, deeply voluntaristic, representation of social change. It overthrew all previous representations of such change – stressing, as they did, the importance of preconditions for the transition to capitalism or to democracy. Hence, 1989 wiped out any notion of transition, replacing it with the idea of immediate change. This new representation of social change is not very distant from what Durkheim called 'collective effervescence'. Initially, Durkheim saw these moments as taking place within a limited social framework: for example in a heated and excited assembly. But very quickly he widened the notion to historical periods and to political events that allowed individuals to seek each other out and to merge forces. He used the example of the night of 4 August 1789, in the wake of the French Revolution, during which the French Constituent Assembly abolished the feudal privileges of the landed aristocracy in a matter of hours. This sociological and historical reference is important. It helps us to grasp the existence of moments, in which history seems to run out of control and in which the break between 'before' and 'after' appears decisive. In these moments of collective effervescence, anything – or almost anything – seems possible. The sense of a common movement galvanizes all who share its point of view, or who see themselves as part of it. It is an exceptional situation in which representations and behaviors suggest that the traditional constraints and routines of collective action can be disrupted or even completely thrown off in quite unprecedented ways.

In what follows, we shall attempt to show how this radically new conception of social change developed with regard to the transition to both capitalism and democracy. Finally, by analyzing the case of Iraq we shall observe its geopolitical implications.

Capitalism in 500 days

The American economist Jeffrey Sachs is the founding theorist and architect of the doctrine of shock therapy, which advocates the implementation of immediate and simultaneous structural reforms in all fields to foster economic development. However, structural reforms, Sachs claimed, make sense only within the framework of a new, effective price system, which is the central element of the transformation. Such a price system will, according to Sachs, make possible the transition to a convertible currency, stave off the dangers of hyperinflation and select in Darwinian fashion the public enterprises capable of survival.¹

Shock therapy has three goals: stabilization, liberalization and privatization,² and assumes that social change is barely constrained by time (if by 'time' we understand the existence of a form of social viscosity that makes any change by definition slow and difficult).³ In this apparent indifference to the depth of time there is, however, a genuine paradox. On the one hand, there is a belief that the market economy can send signals that instantly modify the behavior of actors. On the other hand, there seems to be a fear that social inertia is liable to derail the 'shock therapy' reforms. Sachs was, in fact, much less worried by the prospect of the return of Communism than he was by the idea that shock therapy reforms would be bogged down, as they were in Argentina, instead of aiming for a sufficiently rapid mobilization so as to disarm the opponents of reform.⁴

The preachers of neoliberalism think that the market is able to break through the social time barrier. In many respects, this view of social change was – and remains – deeply utopian. But Jeffrey Sachs has always rejected this criticism, pointing out that his project did not aim to offer another world, but simply to replicate what had clearly worked elsewhere. In other words, it was not a matter of invention, but merely of duplication. This is a teleology that in no way aspires to *make history* by proposing a new cosmogony, but to *remake it* by duplicating 'real capitalism' as it exists in North America and Western Europe. In all this, there is no trace of utopianism unless one takes the view that it would be utopian to believe in the pure and simple reproduction of a model existing elsewhere.⁵

According to Sachs, there is nothing to learn from market economies that we do not already know. Shock therapy has, in fact little to say about the historical realities of the economies of Central Europe, Eastern Europe, and Russia. Rather, with Communism rejected, all the institutions inherited from Communism were doomed to disappear. The argument was sound but omitted that under Communism there survived societies, national histories, particular traditions and local specificities that were not all identical and not all necessarily obsolete. Ultimately, shock therapy committed the same error as Sovietism. It was sold on the idea that Communism had structured societies to such a degree that it was no longer useful to take an interest in their particularities.

Even beyond 'free-market' circles, there was an unquestioned consensus among economists in the early 1990s that shock therapy had to be radical.⁶ Broad and massive reform was required to increase the certainty of gaining results, and to ensure independence from the hostility it might initially

encounter.⁷ No less significant was the highlighting – unexpected among economists – of the crucial role attributed to certain political actors in the relative success of the economic reforms.⁸ This consensus on radical reform was also politically constructed to marginalize any competing philosophy. For example, shock therapy theorists massively dominated the intellectual production of one of the most important international institutions, the World Bank. It is interesting, in this regard, to examine the theoretical production of that institution and its breeding ground. In the World Bank's *Annual Development Report* published in 1996, the most cited author is, by far, Jeffrey Sachs. If we add in other shock therapy proponents, such as Shleifer, Vishny, Lipton, Fischer or Gelb, we find that these authors are over-represented in the World Bank's publications.⁹ In contrast, authors critical of shock therapy, such as Murrell, Roland and Dewatripont are mentioned merely for the sake of form.¹⁰

This domination was reinforced by the World Bank's complicity with certain Central and Eastern European elites that were particularly receptive to this reforming radicalism.¹¹ However, the idea that the latter were mere puppets of Western manipulators does not withstand a serious examination. Many economists from these countries were won over to the shock therapy idea. Many of them (Klaus, Jezek and Triska in the Czech Republic, Balcerowicz in Poland, Gaidar and Yavlinsky in Russia, and Kornai in Hungary) were extraordinarily frustrated by the difficulties they had themselves encountered in their attempts to reconcile socialism with the free market in the 1960s or 1970s. Their conversion was also facilitated by their participation in networks of economic socialization that had been bringing together economists from the West and the East from the mid-1960s onwards.¹² Hence, the dismantling of the socialist state became, in their eyes, a prerequisite condition to reforms.

Shock therapy thus appears both as a technology of economic reform and as an exceptional zeitgeist moment, a 'window of opportunity' to be exploited, during which it was imperative to act if the one system was to tip over into another. Change could happen here and now. Given that situation, why waste time testing that which had already been tried and proven effective elsewhere?

Instant democracy

Instant democracy did not have its Jeffrey Sachs. However, the processes that led to its conception – and subsequently, its implementation – turn out to be very similar to those that had led to the inception of economic shock therapy.

The rapidity with which outdated totalitarianism was swept away and replaced by democratic political regimes in Central and Eastern Europe was at first met with stupefaction. But the intense energy this exceptional moment unleashed had to go somewhere. It needed to externalize itself and find an outlet for its exuberance, and this could lie only in the reactivation of a democratic messianism that had previously been held in check by the vagaries of colonialism and the imperatives of the Cold War. As in the case of 'shock therapy', we find here the main ingredients of a political change that was conceived as both

thoroughgoing and immediate. Democracy was considered desirable here and now. The requirement that countries demonstrate a prior democratic culture now seems a suspicious request, as it bears the marks of a relativism that had been consigned to the past.

Democracy now meant first and foremost free elections. Once the tyrants were swept away, democracy became, in a sense, a formal matter, which was first and foremost electoral in nature and could draw on the trustworthy reservoir of electoral knowledge accumulated by the old Western democracies, which were willing to share their experience with anyone who asked for it. As with shock therapy, the argument claimed, democracy didn't need to be submitted to the ritual of experimentation because it was a social practice that was already sufficiently understood. On the day of his inauguration in January 1989, George Bush senior could say:

For the first time in this century, for the first time in perhaps all history, man does not have to invent a system by which to live. We don't have to talk late into the night about which form of government is better. We don't have to wrest justice from the kings. We only have to summon it from within ourselves.¹³

As with shock therapy, social imitation is implicitly seen as representing a kind of refreshing break with the age of utopias that has now been consigned to the past. Hence, the essential variable becomes the will of the actors. Also in the same way as shock therapy, the radical prescription of instant democracy seems to draw deeply on the reserves of common sense: the political failure of undemocratic systems eliminates any alternative to democracy; the existence of a supply of available democratic technology means the transition period to democracy can be shortened; it is presumed that the reputedly universal attraction of democracy is a problem only for the dictators and petty tyrants whose days are now numbered. The parallel with economic shock therapy is, in these respects, almost perfect.

Democracy as procedure, not as culture

This dramatic change in the representation of the conditions for the emergence of democracy leads to democracy being regarded as a procedure, not as a culture. This means that democracy comes to be defined as: 'That institutional arrangement for arriving at political decisions in which individuals acquire the power to decide by means of a competitive struggle for the people's vote'.¹⁴ Democracy is, then, first and foremost the election that enables the leading elites to be selected. This procedural definition, provided initially by Schumpeter, is very close to what Przeworski elsewhere terms as the minimal definition of democracy: the right of individuals to choose their leaders freely through competitive elections.¹⁵ Giuseppe di Palma echoes this exclusively procedural, minimalist definition, taking the view that democracy is no longer a value expressing the

defense of the common good. It is thereby inevitably disconnected from any reference to social progress.¹⁶

In such conditions, politics becomes akin to a market wherein various offers for meeting a political demand compete with each other. The prerequisite for a democratic political culture – one of the famous preconditions for democracy – is submerged beneath the imperatives of rational calculation and the associated game of incentives. The prerequisites for democracy come to be seen, on the contrary, as products of democracy.¹⁷ And adherence to democracy comes to be measured by the concrete advantages that it brings. It becomes a product traded in a public marketplace. The fact that Schumpeter's definition has made a comeback after 1989 is not a mere coincidence. Schumpeter had largely copied his definition of democracy from the definition of the market. For him, politics had never been a matter of representation. It was always first and foremost a product tradable on an electoral market.¹⁸

The consequences of opting for procedural democracy are twofold. The first is lower costs of entry into the great brotherhood of democratic nations. Anyone can enter: it is no longer a British club, but a universal association. This simplification of the conditions for entry and for recognition as a democracy will clearly not be without consequence for the very definition of democracy and its political and ideological instrumentalization. To the Western advocates, lowering the access threshold to democracy makes it possible to bring strategic allies under the democratic banner without a too obvious threat of self-contradiction. At the same time, it makes it possible to apply the promotion of democracy as a political lever towards those who might happen to resist this new world order. For those on the receiving end, the advantages are not negligible either, since, once the criteria for democracy are primarily procedural, it is possible – if not always easy – to fabricate free elections in the way that non-democratic elections were fabricated. Naturally, free elections are, by definition, the opposite of prefabricated elections. But authoritarian regimes have, in fact, turned out to possess a great democratic inventiveness. When democracy is reduced strictly to an electoral 'game', there is a danger that the political contest will be open only to a small elite capable of 'low-cost' legitimization in the eyes of both its own citizens and the international community.¹⁹ Market democracy has accordingly lowered the threshold of transition to democracy. It has also detached democratic progress from, among other things, any idea of social progress.

Market democracy is therefore based on a central paradox. On the one hand, it draws on a minimalist definition that limits itself to the procedural aspects of democracy. On the other hand, it conceives the introduction of democracy and the establishment of the free market as indissociable. But the paradox is merely apparent, since, as we have seen, despite the ambitiousness of its aims, shock therapy was itself procedural. The question of who would be the social beneficiaries of the privatization of the economy was not asked. Privatization was simply assumed to be a necessary prerequisite for achieving a market democracy; the assumed idea being that everyone would benefit from it in the end. Market democracy was thus built upon an ambivalence that is at the very heart of 'the

ideas of 1989'. In certain respects, it appears extraordinarily ambitious as a perspective for social change, since economic and political reforms are regarded as indissociable. In other respects, given the stress it places on the procedural dimension of change (elections and privatization) it allows substantial room for adaptation and 're-branding' once it limits itself merely to a procedural form (electoral democracies).

The Iraq war as an illustration of the ideology of immediacy

The Iraq war may be said to be the best political illustration of this ideology of immediacy, even if its political justification was not initially based on the desire to export democracy to the country. There can be no doubt, however, that the thinking of the American neoconservatives was pervaded by the idea that democracy could be implanted rapidly there, as it had been in post-war Germany and Japan. The famous Bremer 'debaathification' decree – modeled on 'denazification' and 'decommunization' – which is said to have marked the beginning of civil war in Iraq, is, from this standpoint, symptomatic of a simplified worldview that pays scant attention to the dense texture of local situations and believes that what was done in Berlin and Tokyo in the 1940s could be done in Baghdad in the 2000s. Admittedly, the United States could legitimately take the view that the majority of Iraqis were probably in favor of the American intervention. But the desire to be rid of a tyrant in no way implied a desire to build a democracy. The idea that there was a democracy in gestation, ready to emerge once the authoritarian lid was removed, is, to say the least, simplistic. Saddam Hussain was, admittedly, a despicable tyrant, but to think that his regime merely hovered above a society with which it had no relation is of the order of a fairytale. Here, the artless anti-ethnocentrism of Wolfowitz ('Why should the Arabs not be allowed to have democracy?') is disarmingly naïve.

Why, then, would what succeeded in Japan not succeed in Iraq? There are an infinite number of differences between these two experiences.²⁰ There is, however, one that is fundamental, and is also perhaps the only universal prerequisite for democracy: the existence of a *demos* whose nature, future and borders are subject to a prior consensus. The writings of Linz and Stepan are categorical on this point.²¹ If, in a given political society, there is no prior consensus – at least among the elites – on the *demos*, its borders and its identity, democracy quite simply does not make sense. It makes even less sense if, instead of stabilizing the *demos*, democracy weakens or destroys it.

Now, this is precisely what happened in Iraq. There was a majority that on essentially sectarian grounds wanted to see the overthrow of the Ba'athist regime, which, particularly since 1991, had become a Sunni-based regime. However, once that aim had been achieved, there was consensus on hardly anything else. This became clear when the constitutional debates on Iraqi democracy were held. Should it be an Arab democracy, or an Islamic one? It could not be Arabic since that would have meant discriminating against the Kurds who are not Arabs. Nor could it be Islamic, for even if 98 percent of the Iraqi population

are Muslims, the reference to an 'Islamic republic' would indicate a republic of the Iranian type, dominated by the Shi'ites.

Admittedly, ethnic pluralism is not necessarily at odds with the democratic idea. Lijphart's model of consociational democracy is precisely intended for regulating multiethnic societies.²² Moreover, one could easily imagine denominational balances being guaranteed, on the Lebanese model, under a foreign trusteeship, which was probably the hope of the Americans. However, to get to that point a minimal consensus is essential, and the Shi'ite majority probably feels strong enough not to have to seek a compromise with the Sunnis. The Shi'ites' intransigence is sustained by an Iranian neighbor working methodically to bring about American failure. Przeworski is right on this point: democratic pacts succeed only when the competitors are not sure of their respective strengths. When they are uncertain, each party seeks the greatest guarantees on the assumption that they may be the losers.²³ Linz and Stepan explain the successes of democratic transitions not only by a consensus of elites on the question of the *demos*, but also by the conviction that democracy is 'the only game in town'.

Iraq as precarious ethno-democracy

Here again, Iraq does not entirely fit the pattern. Its internal dynamic rests on three factors that are both indissociable and contradictory: the Shi'ite domination of Iraqi political life; the existence of a great degree of Kurdish autonomy; and the improbable risk of partition on account of the multiplicity of fault lines, though these are so numerous that they offer the advantage of not necessarily coinciding on all levels. If the initial political dynamic in 2003 rested broadly on an alliance between Kurds and Shi'ites to remove the Sunnis from power, the situation seven years later is remarkably more complex. Because the Sunnis are almost definitively out of power, their support is now essential for the Shi'ite forces that hope to exercise it. There is, therefore, nothing contradictory about having Shi'ites united, on the one hand, over an unwillingness to review the 2003 settlement and, at the same time, having this essential point of agreement lead to a divide amongst themselves in the exercise of power.²⁴

Nor is there anything specifically Iraqi about this reality. The problem arises in more or less the same way for the Sunnis. They know that, in all probability, they will not be able to regain power in Baghdad and that, in these conditions, they have to trade their support for the Shi'ite government against the best available offer. This is how most Sunni support for Iyad Alawi's party in the legislative elections of January 2010 should be understood. Moreover, though the Shi'ites and the Kurds are in fundamental agreement over not revisiting the new political deal that resulted from American intervention in 2003, Shi'ites and Sunnis are united in their desire not to see an expansion of Kurdish influence – particularly into the contested zones of northern Iraq (Kirkuk).²⁵ Furthermore, they do not wish to see the share-out of oil revenues leave the Kurds independent of central government. The absence of a political consensus on the division of

oil revenues provides confirmation of the genuine split between Arabs and Kurds. The fact that the Iraqi system is basically organized on denominational and ethnic lines which, at the same time, cannot remotely absorb the whole of the political dynamic, paradoxically represents the best guarantee of the preservation of the new political order insofar as no faction can govern alone unless it were to seize power by force.

Iraq is currently light years away from being a functioning, pacified political democracy. It is akin to a form of – extraordinarily fragile and possibly temporary – electoral ethno-democracy. For better or for worse, the Iraqis have in a way become masters of their own destiny again, even if that destiny is not the one imagined by the American neo-conservatives. Iraq has shown the US's ability to change a political order at the same time as it has revealed the US's difficulty in building a new political order that is in keeping with its aims and interests.

The year 1989 unquestionably provided a global structure of opportunity favorable to the extension of democracy throughout the world. There are unquestionably more democracies in the world now than there were some 20 years ago. This dynamic, however, offers neither evidence against democratic backsliding nor its misrepresentation through 're-branding', it only confirms the pluralization of the contents of democracy. As is often the case, the philosophy of immediacy has gained ground, but the ground it contests is furrowed more than ever before by the particularities of each different society.

Notes

- 1 D. Lipton, J. Sachs, S. Fischer and J. Kornai, 'Creating a Market Economy in Eastern Europe: The Case of Poland', *Brooking Papers on Economics Activity*, vol. 1, 1990, pp. 75–147.
- 2 Ibid.
- 3 J. Sachs, 'Understanding Shock Therapy', *Occasional Paper of the Social Market Foundation* 7, 1994.
- 4 Ibid., p. 100.
- 5 J. Sachs, 'Shock Therapy in Poland: Perspectives of Five Years', *The Tanner Lectures on Human Values* 6–7 April 1994, p. 270.
- 6 Peter Murrell has clearly demonstrated how a consensus was created around economists from Sachs's Harvard University, showing both the role played by the theme of shock therapy and the contrast that existed between the deep conviction of the rightness of the therapy's solutions and the absence of a critical distance for assessing its effectiveness or otherwise. See P. Murrell, 'The Transition According to Cambridge, Mass.', *Journal of Economic Literature* 33, March 1995, pp. 164–178.
- 7 R. Fernandez and D. Rodrik, 'Resistance to Reform: Status Quo Bias in the Presence of Individual-Specific Uncertainty', *Journal of Economic Literature* 81, December 1991, pp. 1146–1155.
- 8 A.C. Harberger, 'Secrets of Success: A Handful of Heroes', *American Economic Review* 83, May 1993, pp. 343–350.
- 9 Jeffrey Sachs, for example, is cited 17 times, whereas the second most cited author is cited only nine times. If the citations of Sachs are added to the citations of Shleifer, Vishny, Lipton, Fischer or Gelb, who all favored shock therapy, we arrive at the total of 41 citations. Of the 130 citations in the report, 61 are attributable either to authors

particularly committed to the defense of shock therapy or to the authors of the report itself. For more details, see B. Kogut and A. Spicer, *Critical and Alternative Perspectives on International Assistance to Post-Communist Countries*, Washington, DC: World Bank, 2004, p. 43.

10 Ibid., p. 6.

11 Ibid., p. 43.

12 J. Bockman and G. Eyal, 'Eastern Europe as a Laboratory for Economic Knowledge: The Transnational Roots of Neoliberalism', *American Journal of Sociology* 108, September 2002, p. 341.

13 George Bush, *Inaugural Address*, p. 1.

14 J. Schumpeter, *Capitalism, Socialism and Democracy*, New York: Harper & Brothers, 1947/1978, p. 269.

15 A. Przeworski, *Democracy and the Market: Political and Economic Reforms in Eastern Europe and Latin America*, Cambridge: Cambridge University Press, 1991.

16 G. Di Palma, *To Craft Democracies: An Essay on Democratic Transitions*, Berkeley and Los Angeles: University of California Press, 1990.

17 T. Karl, 'A Research Perspective'. Cited in C. Gallo, 'Democracy by Default?' *Sociological Forum* 7, 1992, p. 713.

18 See I. Shapiro, 'Democratic Innovation: South Africa in Comparative Context', *World Politics* 46, October 1993, pp. 121–150.

19 This danger was identified very early by P. Schmitter and T. Lyon Karl, 'What democracy is ... and is not' in: L. Diamond and M.F. Plattner (eds), *The Global Resurgence of Democracy*, Baltimore: Johns Hopkins University Press, 1993, p. 42.

20 John Dower's fascinating book on the American occupation of Japan and the subsequent implantation of democracy in that country is greatly recommended in this connection. See J.W. Dower, *Embracing Defeat: Japan in the Wake of World War II*, New York: Norton Press, 1999.

21 J. Linz and A. Stepan, *Problems of Democratic Transition and Consolidation*, Baltimore: Johns Hopkins Press, 1996, p. 19.

22 A. Lijphart, 'Consociational Democracy', *World Politics*, XXI, January 1969, pp. 207–225.

23 J. Linz and A. Stepan, op. cit.

24 K. Katzman, 'Iraq Politics, Elections and Benchmarks', *CRS Report for Congress*, 28 April 2010. Online, available at: www.fas.org/spp/crs/mideast/RS21968.pdf.

25 A.H. Cordesman, *Iraq and the United States: Creating a Strategic Partnership*, Washington, DC: Center for Strategic and International Studies, 2010, p. 54.