

Political Economy

“We live in a period in which the specialists in macroeconomics come up with new hypotheses on the mechanisms which govern the economy and are look to formulate a new paradigm... Pluralism represents the best solution, its periodic manifestations being unavoidable anyway.”

Edmund S. Phelps

Economic research is most often stirred by political ideologies. Just for the fact that it has to search for answers to problems complicated in their evolution by political decision, the research positions the diagnosis at the limits of reality and, more often than not, beyond these. Somewhat symptomatic, economic research is a prisoner in the court of politics.

But there is something more profound and with wider consequences, relating to the gene of economical research, born at the dawn of modernity: the reality it tries to tackle is part of the plethoric phenomenology of politics. The principles to which Economics must conform are the rationality claims of the Prince. The world, with its powers and hopes, with its resources and its needs, has taken each time the appearance of the Prince. Only in the fictions of Athenian academies was the economy a domestic recipe, of household administration. In the Agora, the economy would listen to the orders of the King and Economics, entwined with Philosophy, would fashion algorithms to satisfy the King's ambitions.

In the preamble of modernity, which prepared the triumph of Machiavellian cynicism, Economics has invented its emancipation from the suzerainty of the Prince by proclaiming the market as of immanent reason and universal will. The sui generis secularization and the breaking of personalized dependencies has made the economy the sole adventure of winning, to counteract the impossible: personal happiness and social liberty. Money has completed the illusion of the redemption from the curse of solidarity and has opened instead a rational Eldorado for the confirmation of inequality. The access to power has become a problem with a rational solution called money. The Prince has quickly taken on the vestment of the money fabricant, his divine power being fully secularized.

In its new situation Economics did no longer feel degenerate in its ambition as it had felt when it had to deal with household chores. The altitude of interests has gradually increased, the stakes have risen in importance and the results have sublimed. The market encompasses everything, money produces freedom, close living means efficiency, insurance predetermine metabolism, energy anoints the Prince.

The imprint of rationalization became general. Life can be invented, beings can be replicated. In a rationalizing perspective emotions become an atavism, sentiments alter the sense of life if they cannot be marketed. Morality, by not generating efficient order, is replaced with contextually accepted norms. From the rule of relative majority the transition is made to the absolute truth of the self-legitimizing minority. The expansion of reason and rationality rediscovers the primal cause and the final cause

by the functionalization of political correctness. Hobbes is sanctified through the ritual of reason.

Within these lines, Economics seems to feel comfortable as a science. Its knowledge sustains the reproduction of the artificial to the detriment of the natural. The biological world is replaced in its productivity functions by the virtual world. The absolute efficiency is announced possible. Speculation becomes the royal path towards gain. The soap bubble has the consistency of the nōosphere. The frenzy of productivity justifies rational choices and the rising trend is a consequence of mutual expectations. The state of wellbeing is the profit, unlimited by the undervaluation of human resources. Production migrates so that the cost of labor stays low. The New Economy is irremediably still political. It is the politics of absolute efficiency. Which, no matter how we would try to exorcise partisan passions, excels against human nature.

The highway of modernity represented by rationalization has pushed Social Sciences, including – and maybe especially – Economics in the abyss of self-referentiality. The supreme mark of this failure is the value attributed to man as labor force in the equation of profit. To guard against the perpetuation of failure, Economics must remain entwined with Politics in its Aristotelian sense and not with its representation by the Enlightenment as the final cause of progress – the “Politically Correct”.

The ambition of Smithian regularization through the rationalization of the conflicts of interest in the alchemical melting pot of the Market – a sort of anticipation of paraconsistency – has pushed Economics beyond what was its natural source, meaning beyond what science historians call “the culture of uncultured people”. The attempt of inventing universal problems for Economics was and stays an epistemic failure each time when there was disregard for contextual determinations, experience, tradition, motivation etc. To the extent to which it considers itself a science, Economics solves particular problems, limited in space and time. In its modernity, Economics gains through the “culture of people without an economic education” – which today we call entrepreneurs, investors, developers a.s.o. – rather than through scientific research. The most nimble in finding rational solutions to the interests of Politics are exactly the crusaders of the profit. They are the ones to have intuited that there are gains to be made from Political Economy. They value true contradictions.

Stripped of the “culture of uncultured people”, Economics would lose itself in its illusory project: the rationalization of ideologies.

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