

Economism and ways to overcome it

Abstract

In the article “economism and ways to overcome it,” at the center of the study is the ratio of the society, economy and the phenomenon of economism. It is proved that economism is related to mechanism, being its ontological, epistemological and methodological heir and social analogue. As an ideological phenomenon, mechanics perverts the philosophical picture of the world, and economism - a picture of the development of social being. Their relationship to the author sees in reductionism of the complex to the simple, the whole to the part. The methodological basis of the research is the principles of objectivity of being and its development, the unity of historical and logical, the opposition of positive and negative dialectics, ascent and degradation. The relevance of the study of the phenomenon of economism is due to the negative impact that it has on the development of modern man and mankind, giving rise to a transition from a positive dialectic of development, in which ascension prevails over descent, into a negative dialectic of degeneration, degradation, puts mankind on the verge of extinction. It justifies the idea of the need to overcome it, as a phenomenon contrary to material being, its change and development. It reveals the essence of the universal nature of man as a social being, generated by being and its evolution, through which and in which the development of being is prolonged. Man does this in the course of that universal process of “production”, which the ancient Greeks called the word “praxis”. An important role in this process belongs to an economy designed to meet human needs, without which “production” is impossible. This process is stopped by economism. The article reveals the inadequacy of economism to the process of ascent from classical to post-non-classical, “human-dimensional” rationality, objective content, the dynamics of science and philosophy. Contradicting the ascending branch of social development, economism is a prerequisite for falling out of a positive dialectic into a negative one, which makes it necessary to substantiate its overcoming in theory and practice.

Keywords: picture of the world, mechanism, human nature, “production”, society, economy, economism, development, degradation

Volume 2 Issue 6 - 2018

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Received: February 05, 2018 | **Published:** December 31, 2018

Introduction

The purpose of the article is to study the phenomenon of economism, which the author distinguishes and contrasts with economics in the structure of society. According to T. Parsons, the society consists of several interacting subsystems - from culture, values, norms and patterns that regulate the actions and actions of people, the economy, whose main function is adaptation to the external environment, and the socio-political subsystem with the function of integrating society as a system. Analysis of society implies a transition from knowledge of self-regulating systems to self-developing “human-sized” systems. “The methodology of their research introduces the notions of “turning the possibility into reality”, “target causality” and the development direction encompassing all levels of organization of matter in the “evolution of the main spheres of the Universe — nonliving nature, living nature and society”.¹ Such a paradigm is the core of the “research program”.¹ For specific sciences. Tsya it extends to the sphere of economy. It is contradicted by J. Gray’s statement that “economic activity is not just different from all other manifestations of public life, but, moreover, conditions society as a whole, and sometimes dominates it”.² The author aims to explicate the content of the phenomenon of “economism”, within which actually detects an excessive desire to determine the general public solely by economic factors, as opposed to the economy, which is understood as the fields and create wealth to meet human needs. J. Gray notes the dominance of the phenomenon of economism, still embedded in the mechanisms by which people produce and reproduce their material life. The article reveals the relationship of economism

with mechanism and outlines ways to overcome it. The phenomenon of economism is considered in a specific sense, from the standpoint of Marxism, but not terminologically, but in fact, in fact, the problem. She passmatrivaetsya Marx, involving the concept of the classical “political economy”, which has been criticized to explicate itself Marxist s approach to the problem. A second proposed further development of the Marxist approach, taking into account occurred in the history, science and philosophy changes.

Mechanism and his historical forms

Mechanism is a worldview based on the idea that the mechanical form of movement is the only and the last objective and most fundamental reality, on the basis of and within which all that exists and can be explained. He “transfers” into mechanical notions not only the concepts of physics, chemistry and biology, depriving the corresponding phenomena of their specificity, but also philosophical categories (causality, interconnections, etc.), not taking into account the universal complexity of the movement and development of the material world and its phenomena. This was the “absolutization” of the laws of mechanics, into the scope of which all types of material movement were immersed (according to H. Wolf, “the world is a machine”, according to Lametri, man is a “man-machine”). It is unlawful to “reduce” complex phenomena, to reduce them to simpler forms. The first “historical form”.¹ Mechanism is generated by the consideration of motion as external to the unchanging, eternally self-identical substance. The statements that cognizable objects may or may not be in motion are recognized as logically equal, although motion is

the way being exists. At the same time, the endowment of matter with a movement by a supernatural beginning was asserted sophistically. J. Locke claimed that the movement of bodies emanates from God, that matter itself is a product of divine creation. Mechanism was confused in the disengagement of philosophers into materialists and idealists, as he introduced confusion in the interpretation of the relationship between philosophy and science. The definition of being as matter, in accordance with the division of philosophers into materialists and idealists, was given by V.I. Lenin, from whom the term acquired an adequate, philosophical, without confusion with natural science concepts, meaning. Overcoming the confusion of “scientific” and “philosophical” concepts was important “for understanding the essence of the main philosophical confrontations”.³ For example, S. Clark (1675-1729) recognized the “materialistic” “cosmogonic-mechanical naturalism”: according to “the materialists, the structure of the Universe arose exclusively from the mechanical principles of matter and motion” in contrast to I. Newton’s Mathematical Principles of Natural Philosophy, which I was unable to build a satisfactory model for the action of electromagnetic waves and the propagation of electromagnetic waves within the framework of the mechanism and justified the proposition that “the structure of the Sun and the planets can arise only through reasonable and free Pr rank”.⁴ In the New Age, the existence of special types of fantasy “weightless” matter - caloric, luminous, electrical and magnetic fluids and equally imaginary natural simulacrum forces, and their connection with the studied body changes (“swimming force”, “magnetic force”, etc.). When it was discovered that the diverse natural forces and forms of energy are manifestations of the same single self-movement of matter (the law of conservation and transformation of energy), this form was overcome.

The second historical form of mechanism is connected with the understanding of motion only in the “narrowed” sense of the spatial movement of bodies, ignoring the infinity, universality, inexhaustibility of the world. Even when statements about motion as an attribute and mode of existence of matter (Toland, Golbach, Diderot) were made in philosophy, this meant simple mechanical movement, not change and interaction “in general,” in all the richness of its inexhaustible manifestations. The third historical form of mechanism (preserved at the present time) is connected with the application of the reduction method of more complex forms of movement to simpler ones, when the multi-level nature of the internally contradictory nature of movement and the qualitative peculiarity of the laws of each level, not reducible to the laws of other levels of movement of existence, are ignored. “Part”, one of the forms of the movement of matter, appeared as the whole in which everything “melted”, replacing the philosophical category of “matter”. The “anthropo-social philosophy” of thinkers who sought to improve human society in accordance with the aspirations of the people who wrote P.A. did not fit into the hypostasis of mechanics. Holbach, “they take up arms in order to put an end to their sufferings, risking their lives”.⁵ According to V.N. Kuznetsov, “Holbach’s anthropo-social philosophy rode to his materialistic “philosophy of nature”, but in essence was not (despite the appearances and statements of the author himself) its logically necessary consequence”.³ Mechanism as a whole as a world-view paradigm was generated by the fact that mechanics was at one time the only science that received sufficient development and application in production, and seemed to be “science in general”. In the history of the XVI-XVIII centuries, a mixture of “materialism” and “mechanism” arose, although manifestations of mechanism were also characteristic of idealist philosophers.

Human versatility, “production”, economics and economism

The world process generates a person in which and through which the world change continues. Hence, the essential characteristics of a person are the potential universality, infinity and universality, realized in the course of transforming the surrounding reality. Such a “production” is a “full development of a person’s potential”, “the development of all human abilities as an end in itself” or a development “without any predetermined measure” [2, p. 167]. It presupposes the “proportionality” of a person to all being, his movement, in the unity of variability and stability, and development, in which the tendency of ascent leads, as a leading one. “Production” refers to any activity that provides for self-realization of people, be it playing the flute, peach treat, arguing about Plato, a quick dance, giving a speech or organizing a celebration for the birth of children. Marx wrote about the essence of production as the essence of humanity. He did not mean that the essence of humanity consists in “filling sausages”; labor is an alienated, secondary form of what he called praxis. In ancient Greeks, the word praxis meant a kind of free, self-organizing activity, “through which we transform the world”.² The development of man as a social being and the progress of culture, inheriting the natural ascent to the mind and continuing it in the direction of greater humanity, is associated with resolving the contradiction between the potential universality of man and the actual limitation dictated by specific historical conditions, a certain era, a system of norms and values. This contradiction lies at the base of the activity. In the life of all society, the economy is designed to create conditions for the upward development, being associated with the universal dialectic of being and with the overcoming of all sorts of limitations. The place and role of a person is given by his generic essential universality, universality and infinity. Due to this, being preserves and continues its ascent, having its “continuation” in man. Otherwise, the economy would become a fundamental obstacle to the development of being, society, man and humanity. Such an obstacle is not the economy, but the phenomenon of economism, which predetermines the fallout from the positive dialectics, where progress dominates the regress, into the negative dialectic of degeneration. The dialectic of development makes it possible to identify the criterion of progressive development, its dominance over the manifestations of negative dialectics. “Reformers” in post-Soviet Russia refused this criterion, which should be trusted to the economy and its dynamics, when they declared their famous: “We cannot choose between bad and good, we are forced to choose between bad and even worse”, which predetermined the chosen strategy as a course of “survival”, rather than the development of the country, society and each person as a subject (goals in themselves, according to I. Kant) and the development resource of the country and society, which have been neglected, putting in the forefront the interests of the oligarchs, in an alliance with logged in / ext officials came forward as they built the “vertical of power”. It is not by chance that E. Gaidar in his work “The State and Evolution”.⁶ recognized only businessmen and officials as subjects of history who lead a “domination / subordination” struggle between them, and they recognized the other population as a “suffering category”, “means of production”, Tools of labor. It’s about not recognized as subject of history as a result of “economism” Gaidar. Forming in Russia “power vertical” has not made any fundamental changes lo. On its basis, the position of state officials began to strengthen, while E. Gaidar dreamed of “freeing business from power” (stated in the book’s subtitle), weakening the state so that Adam

Smith's famous hand "managed" everything so that everything was "submerged" into a market so that the market was not only an economy, but also a society being transformed into a mass consumer society. The society, of which the economy is a part, is "immersed" in the market as a whole, whose "logos" are clearly absolutized in the metaphor "The hands of Adam Smith. "Such a device implies social inequality between the rich and the poor, the "means of production". And after building the "power vertical", other segments of the population remained "means of production". This led to the revival of the state.⁷ Renewed the hateful people seeking to be subjects of history, the extreme socio-economic inequality, fixed in the years of Gaidar's "privatization" and continuing to this day due to retaining its position of "economism", when the labor of some people increases the profit and power of others "Ruling". "Economism" has gone beyond EFFECTS I have on the economy, affecting the society as a whole and its parts or spheres. Today, it is necessary to overcome "economism", return to the progressive course of reviving the true economy, which would contribute to resolving the above contradiction, moving society to a new level, bringing people closer to the "generic essence", in order to realize their ability to universality and universality, proportionality to being and its development. They only "produce it for real" when they do it freely, for their own sake, realizing the abilities of the "generic creature" and not in the form of coercion dictated by "unwillingness to starve". The contradictions of the contemporary Second Rossi and push to the key question: whether the country and its people need to scientists and thinkers "have advanced and substantiated options, scenarios, alternatives, prospects for future breakthrough, progressive, socially equitable development of Russian society and the Russian civilization, the Russian people, man, "or enough for them to" just comforted them, and urged them to be tolerant, to come to terms with an unjust, wild reality by taking action "from above" - from government, from political and spiritual rulers and shepherds?"⁸ This is a question of priorities that also extend to the economic sphere, for man is the highest being for the economy. Society and the economy must be raised to this height, seeing in man a goal, and not a simple means for the evolution of an economy that is all-consuming. The forms that took processes in Russia, as well as the state of the economy, undermined by the impact of economism that strengthened its position, led to devastating consequences. This was a consequence of the crisis of power and spiritual "elites" inadequate to the people and the country, the elite "deadlock",⁹ "corruption", "at all levels and in all spheres".¹⁰ Russia needs an assembly of subjects of progressive development, in the context of which it must be "placed" for its development, and the economy. Economism is a brake on the economy, a successor and a social analogue of mechanistic, distorting its beginning, hindering the development of the country. Its appearance corresponds to the spirit of the transition "from positivism to postmodernism," which relies on the hypostasis of the concepts of not the natural, but the humanities. In its most general form, economism is characterized by the fact that the whole diversity of phenomena associated with man and his existence "sinks" into the economy, as if the economy were not a party, a part of society, all social life, a social system, but this "universe" общественной жизни, который она подменяет и «подминает» под себя — как в механицизме механическая форма движения претендовала на подмену всех иных, более сложных форм движения материи; "Crush" them for themselves. So, in Russia, the spheres of education (regarded as a service sector), science (recognize the applied and deny the fundamental), art, medicine, management, and physical culture are immersed in the economy, as if they were not

parts of society, of all social life, to which The economy is also concerned, but with parts of the economy hit by economism. K. Marx drew attention to the phenomenon of economism. He gave a critical analysis of anthropo-social philosophers and Classic second political economy and also laid the bases to overcome economism.¹¹ are similar to overcome mechanistic, but does not consolidate these views terminology. This was done in the context of the "philosophy of history". In 1845, he wrote that all former "philosophers only explained the world in various ways, but the point is to change it" ("Theses about Feuerbach"). And at this time, he in the most general form already knew what exactly was subject to change. This was clarified in the "Economic and Philosophical Manuscripts of 1844", which dealt with human history, which, in principle, had already been described by the classics of "political economy" by that time. They have already shown the "prison imprisonment", the "cave existence" of man in the world of economics, which, being a part of society, subordinated its power to it as a whole. The materialistic understanding of history was directed against this state. Marx. He was sure that economics is a necessary condition for life, because without an economic basis human life is impossible, as he was confident that the goal and purpose of human life does not lie at all in this necessary basis of life, which can and should be put in place parts of society so that it does not subjugate the life of society as a whole. It was at this point that Marx disagreed with the "political economists" who were positive about the domination of the part over the whole.

In the section "Wages," Marx shows that it is, firstly, determined by the hostile struggle between the capitalist and the worker. "According to political economists the interest of the worker is never opposed to the interest of society, whereas in reality the society is always and absolutely opposed to the interest of the worker", because he "owes his oppression to this society's order". On the contrary, "the interest of the capitalists... is hostile to the interest of the society", and this can only be mitigated, but not canceled by the "competition of capitalists".¹² In this they saw the reasons for the defeat in such a war of those who are forced to sell their labor — and when the wealth of society progresses, and in times of crisis, when it "declines". The one who lives only by his work is not even considered by the classics of political economy as a person, distinguishing "between the work of a person with a machine and his work as a machine" (Marx quotes p. 69 of the work of V. Schultz "Movement of production. Historical and statistical study to substantiate the new science of state and society", published in 1843 in Zurich).¹² They - "not the people, but only the means of production" (Marx quotes page 68-69 of the first volume. And works by E. Bure "On the poverty of the working classes in England and in France", published in Paris is, in the 1840 year).¹² On page 74 E. Bure adds that "in the future life of nations, the blind forces of nature operating in machines will become our slaves and serfs". Marx writes this idea.¹² This is the departure of a person from the sphere of production in the sense of alienated labor, the transition to technical means with artificial intelligence that implements the functions of creating the goods necessary for people, which were previously created with the direct participation of man. Now a person becomes "close" with such production, carried out with the participation of IT-technology. This is a qualitative change that coincides with the transition to communism.¹³ In the meantime, the owner, who buys labor at a price so low that it is barely enough for the worker to meet the most urgent needs, is not guilty of either insufficient wages or excessive work duration, because he himself obeys this "power of things". The emergence of the phenomenon of economism in ancient Greece was

recorded by Aristotle, called “chrematistics”. ON. Berdyaev wrote that mankind of the twentieth century still lives in the “economic century”.¹⁴ Although man is a universal being, commensurate with being and his development, which appeared at the level of society. Arose at the turn of the X I of the X - the XX-th centuries Economism in Social-Democracy criticized VI Lenin, expressing his political essence with the thesis: “the workers are economic, the liberals are political struggle”.¹⁵ (sounds quite modern - MP). He was against the “economic tasks of struggle” narrowed in the spirit of economism, since classes are not a purely economic phenomenon.

Economism, science and philosophy

The affirmation of human sociality as a universal being generated by the development of being, which led to the separation of society from nature and continuing its development in this new form of being of matter with domination of ascent over descent, degradation will inevitably lead to overcoming economism. In this sense, the coming revolution is the restoration and prolongation of the development of being, in which the economic sphere is called upon to create the necessary conditions, ensuring the human needs of people, if it is freed from economism. “P The policy-economy s” similarly entomologists studying t any insects and positively relate to a society where “private interest” prevails, this is the “misfortune of society”, the phenomenon of economism. Therefore K. Marx treated him “critically,” negatively - with the aim and in search of overcoming the existing inhumanity in the future. Political economists position themselves simply as scientists who, according to E. Bure, study and describe how “industry became a war, and trade as a game”, state that “the position of a worker in the face of who uses his work is not the position of a free seller “, because” the capitalist is always free to use labor, the worker is always forced to sell it “, that” in order for human life to be a commodity, slavery must be allowed “, that until now the industry was in a state of aggressive war,” she squandered life The people who form its army are as cool as the great conquerors. The purpose of it was the possession of wealth, not the happiness of people. “Representatives of “economism” can be compared with historians studying the distant past, when literally slaves existed. We cannot, they say, like the hopes of L. Shestov, “the former to make unbecoming,” but we simply study “what was”, we reproduce it scientifically, we describe it. Here is a positivism. K. Marx takes a different position.¹⁶ Giving instead of superficially pragmatic, in the interests of the bourgeois, a universal, philosophical substantiation of economics. For him, philosophy is a “mirror” of the dialectic of the process of development, a way of self-consciousness of the “ascending subject of development”. The philosopher puts on the court of the era the course of action and methods used by the ascending subject. Being generated by a social movement, philosophy represents this movement and extends its influence to the future. Its concrete generalization develops into a project of future development, a project of change of the world. It revives confidence, conviction of the subject of the development of being, being theoretical and practical, for its “method” is “social and political weapon”. Marx also points to another pole, the thinking of whose representatives is determined by attempts to find refuge from objectivity in subtle subjectivity so as not to see one’s future, which is determined by degeneration, negative dialectics.

He explores historical boundaries. the cave conditions of economism, the possibility of transition to the “kingdom of freedom”, which “begins where work, dictated by need and external expediency, stops,” concluding that “by the nature of things it lies on the other

side of the sphere of material production”.¹⁶ But not on the other side of the development of being. The first is relatively, transient, the second is absolutely, non-transient. He is looking for ways of reviving sociality in order to prolong the development of being, putting the development of the economy under the control of people, society, not to live in the “cave” of economism and not look at everything through bank notes (today - ruble, dollar or euro), but to appreciate everything according to its own characteristics and criteria. Consequently, Marxism does not approve materiality as the eternal domination of the economy, defeated and defeated by economism, as is often stated in the literature. On the contrary, it opens the limitations of economism opposed by economism. Consequently, it is not a statement of economism, but a search and invention of ways to overcome it. For this, it took comprehension of the essence of the economy, the discovery of the laws of its development. Therefore, to call such “economic” interests material in order to perpetuate them is tantamount to identifying mechanism with materialism. Economism obstructs being and development, as does mechanism. To debunk and overcome economism, like mechanism, it is necessary to counterpose it to the philosophical and scientific picture of the world, being and being. In the framework of the mechanistic picture, the world was likened to a clock, a mechanical device. In non-classical science, when mastering complex systems in technology and with the development of cybernetics in the middle of the 20th century, the world was likened to an organism, viewed as a process that eliminates “dead balance” and “predetermination ahead by established harmony” in the spirit of G. Leibniz.¹⁷ The world of objects began to be perceived on the basis of the ontology of complex self-regulating systems.¹ The revision of the ontology of objects continued in post-non-classical science. From self-regulating systems moved to self-developing and, further, to the “human-sized “, including people, subjects, pursuing their own goals, for the realization of which they select certain means of achieving them. Classical and non-classical rationality does not lead us into the field of human activity, which has the goal of remaking reality. This distinguishes them from post-non-classical science, which deals with premeditated a change in the ontology of the object by man (instead of the “contemplating consciousness”). “The human action itself is not something external”, but “is included in the system, changing each time the field of its possible states”.¹⁸ The transition to the post-non-classics stage suggests the idea of “universal evolutionism”, it “constitutes the conceptual core of the modern scientific picture of the world” and its “research program”.² They take both mechanism and economism beyond the boundaries, demanding to take into account that the properties of the economy as a subsystem of society are determined by a society consisting not only of economics.

When studying “human-sized” objects, the search for truth turns out to be associated with the statement of “humanistic values”: “an objectively true explanation and description applied to “ human-sized” objects not only allows, but also assumes the inclusion of axiological factors in the explanatory provisions”, as well as solving ethical, defining the boundaries of possible (and necessary! - MP) intervention”.^{18,19} As can be seen, the norms and ideals of post-non-classical science make it possible to overcome the depiction of a private, economic process that is universal in economism and open the possibility of representing the economy as a private manifestation of the general development of being and society. Well, if the “pre-human”, devoid of reason matter still managed to ensure the priority of ascent over descent, overcoming the mechanism for which the supporters of mechanism were doomed, then for reasonable matter

represented by opponents of economism, ensuring such a priority should be recognized as an ideal and normal. The “imprisonment” of mankind cannot last forever. It is necessary to free oneself from excessive “submission”, “mediocrity” of a person (M. Heidegger), asserting “the subjectivity of the personality, in order to raise the individual-responsible way of life in the world to a historically significant value”.²⁰ This is the way to overcome economism, a form of alienation from sociality, as a result of which not only post-Soviet Russia, but all of humanity, the entire earthly civilization clearly embarked on the disastrous path of self-destruction.²¹ Overcoming economism will help to overcome the alienation from social reality in general and its development, as the overcoming of mechanismism has helped to overcome alienation from the whole of material reality and its movement.

Conclusion

The article contains a new interpretation of a number of well-known philosophical positions, gives a comparative analysis of economism and mechanism, proves their ontological, gnoseological and methodological similarity - reductionism. Economism, like mechanism, reduces the complex to the simple, the highest to the lowest, seeks to plunge all phenomena of society into the economy, turning it into an all-consuming factor in relation to social reality. The author concludes that economism is the heir and the social analogue of mechanism. is he based on the provisions of the works of K. Marx, V.I. Lenin, I. Kant, N.A. Berdyaev, K. Popper, V.S. Stepina, V.S. Semenova, E.T. Gaidar, N.G. Kozina and others. The failure of economism is justified by the advancement of man in modern society to the fore, whereby the subject of science becomes “human-sized” objects. Important for overcoming economism is the disclosure of its inadequacy to the objective content of science and philosophy, revealing the universality of human nature, commensurate with being and the unfolding process of ascent from classical to post-non-classical, “human-sized” rationality in science and philosophy.

Acknowledgment

None.

Conflicts of interest

The author declares that there is no conflict of interest.

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Dupuy's view on economism

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Dates:
Received: 18 Apr. 2013
Accepted: 19 July 2013
Published: 11 Nov. 2013

How to cite this article:
Simons, P., 2013, 'Dupuy's
view on economism', *Koers*
– *Bulletin for Christian*
Scholarship 78(1), Art.
#2110, 7 pages. [http://
dx.doi.org/10.4102/koers.
v78i1.2110](http://dx.doi.org/10.4102/koers.v78i1.2110)

Note:
This article is an extended
review of Jean-Pierre
Dupuy's (2012) book: *L'avenir
de l'économie; sortir de
l'econo-mystification*.

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French economist and philosopher Jean-Pierre Dupuy has drawn attention to the dominance of society by not only the powers of finance and commerce, but also by economic rationalism, a methodology of maximising profit, rent, utility, happiness, given suitable sets of incentives. Financial markets are largely irrational as they move from major booms into busts and instil a speculative mentality throughout society. Society itself is compared to a supermarket in which we choose from amongst a wide range of closely related alternatives, without having any clue of adverse consequences. This is a form of fatalism. Similarly, threats of major catastrophes are downplayed, including a nuclear conflagration, climate warming and moral collapses, especially individualism stimulated by desire as a key motivator of indefinite economic growth. The author's proposal of enlightened catastrophism is discussed and an alternative is proposed in the form of enlightened subversion inspired by moves that would strengthen the ability of families and those responsible for managing businesses, education and health to exercise their own vocations in mutual service.

Dupuy se siening van ekonomisme. Die Franse ekonoom en filosoof Jean-Pierre Dupuy het die aandag gevestig op finansiële en handelsmagte se dominerende rol in die samelewing. Hy het ook aangetoon hoe ekonomiese rasionalisme 'n dominerende rol in die samelewing speel, spesifiek deur die metodologie vir die maksimering van wins, nut, verhuring, geluk en die verskaffing van geskikte insentiewe. Finansiële markte is grootliks irrasioneel in hulle beweging van grootskaalse oplewings en plotselinge prysstygings tot bankrotskap en bevorder 'n spekulatiewe mentaliteit regdeur die samelewing. Die samelewing self word vergelyk met 'n supermark waarin ons 'n keuse maak uit 'n wye reeks van nou-verwante alternatiewe sonder om 'n idee te hê van wat die ongunstige gevolge inhou. Dit is 'n vorm van fatalisme. Die bedreiging wat grootskaalse katastrofes inhou word onderspeel. Sodanige katastrofes sluit in 'n atoom-ontbranding, klimaatsverandering en morele ineenstortings, veral individualisme wat gestimuleer word deur begeerte as 'n kernmotiveerder van oneindige ekonomiese groei. Die outeur se voorstel van verligte katastrofisme word bespreek en 'n alternatief in die vorm van 'n verligte omverwerping word voorgestel. So 'n alternatief is geïnspireer deur bewegings wat die vermoë van gesinne en diene wat verantwoordelik is vir die bestuur van besighede, onderwys en gesondheid versterk om hulle eie roepings in gemeenskaplike diens uit te leef.

Introduction

Jean-Pierre Dupuy (born 1941) is professor emeritus of the French École Polytechnique and professor at the University of Stanford. After a career spanning 30 years as an economist, he turned to philosophy. During the 1970s he collaborated with the philosopher, Ivan Illich (1926–2002), on issues of health.

Dupuy's (2012) view of the world has been influenced by the French philosopher, René Girard (born 1923), who is known for considering human culture as a realm of violence, marked by, amongst other things, envy, leading to mimesis, or attempts at rivalry. Given that Girard contrasts our violent human culture with the Kingdom of God, Dupuy's analysis of the financial crisis which erupted in the United States of America (USA) and swept around the world in 2008 and the following years should deeply interest adherents of reformational philosophy.

In the light of this philosophy's emphasis on 'sphere sovereignty', or the differentiation of culture into distinct spheres subject to their own specific norms, but yet forming an interdependent society (known as 'sphere universality'), Dupuy's view that the State (politics) has become subservient to financial markets (*legio*), whilst the matters economic (i.e. the whole sphere of business, finance and money) have far too large a place in our lives, should have our immediate sympathy.

Dupuy denounces the view that it is right for economics to have the upper hand because it stands for what is rational and efficient, whereas politics is full of irrational influences. By bowing to the

demands of the economic without questioning them, we are turning it into a religion and this endangers our future – and, indeed, our politics – because we have no way of limiting its scope. This is what the author understands by economism, but which I would prefer to call ‘economism’, because it involves an absolutisation of what is meant to be no more than a mode of being: the responsible stewardship of resources given to us, alongside many others that are equally important.

Overview of Dupuy’s essay

Dupuy (2012) has written a conceptual pamphlet to demonstrate how modern society has become subservient to economics and its rationality and, therefore, cannot be regulated from the outside any more. Economics rules by the ethics of ruthless competition. A summary of seven key points of the analysis is provided below.

The dominance of financial markets

Governments reacted in panic to the financial crisis which erupted in 2007 and 2008. Their leaders have made many compromises and unheard-of efforts to balance their budgets so as to pacify the markets. Journalists have referred to the crisis as a tsunami, a blind natural force. Yet it was a moral crisis. Sacrifices have been made to placate the markets at the expense of employment, the environment, education and other vital services.

Sacrifices used to be made only to what was considered sacred. Over the past four centuries, the world has become disenchanted and desecralised. Commerce and economics have taken the place of the sacred as a remedy for being ruled by our passions. Friedrich A. von Hayek argued that incentives should play no role in economic life, because that would subject people to the arbitrary will of another human being. If the economic system were to work without human interference, it would provide an abstract, impersonal rule, similar to a law of nature, so that passions such as envy and resentment would cease to have any impact.

Analyses of the financial crisis often make false distinctions – for instance, by contrasting the real economy, which produces goods and services, and the speculative economy. We speculate by buying what we do not need in the belief that somebody else will desire to have it and be prepared to pay a higher price for it at a future date. However, desires also play a strong role in the ‘real’ economy. Financial operators have been speculating on future rising values of food and rare raw materials, even by buying or constructing warehouses.

By casting doubt on the ability of states to repay their debts, the financial markets have forced central banks to create massive amounts of liquidity to keep the financial markets operating. Such panic reactions indicate that the economic or financial system is unable to limit or regulate itself.

This is also borne out by the enormous swings in the financial markets from booms to busts. During the 1990s a speculative

boom developed around the Internet (dot.com). It collapsed not long after the turn of the century. When speculators turned from shares to real estate (based on sub-prime mortgages issued in the USA), another major boom occurred. Its collapse is the cause of the current crisis.

When a boom is in full swing, the participants believe that it will go on forever. Benoit B. Mandelbrot (1924–2010), a complexity theorist, illustrates this with the story of the captain of a ship that is sailing across a lake in thick fog and who does not know where the opposite bank is. The longer he sails, the more he thinks that the water is very wide and that the bank will be a long way off yet. But he may hit that bank sooner than he thinks!

Nobody believes that globalisation, and capitalism as its core element, will come to an end: it will end, it is thought, only as a result of a major catastrophe. Yet, we are moving between the destruction of nature caused by the operation of our technical-economic system, on the one hand, and, on the other, extreme human violence, especially in the form of a general nuclear conflict. Financial investors put this reality far out of their minds.

The excessive place of economics in life today

By so closing their eyes to the destructive tendencies of the technical-economic system, the financial investors prove to be followers of ‘homo economicus’. As long as expected profits appear to exceed costs, all expressed in monetary terms, investments should proceed. Such calculations are now made by most modern citizens, as documented by Schirmacher (2013). Everything is for sale, even politicians (through funding of their election campaigns in exchange for promises). The only norm that counts nowadays is efficiency, which works by a rational or economic calculation of costs and benefits. As soon as costs exceed benefits, one should terminate a service, a car or even the life of a human being.

Dupuy (2012) refers to the ‘statistical fact’ that we incur most of the costs of medical care during the last year of our life. By that time the monetary benefits we contribute to society will have declined to almost zero. Utilitarians are inclined to use this statistic to question why we spend such large amounts of money on the last year of life when it could have been spent on our younger years.

Take the scenario where a certain sum of money could be spent on (1) cancer research and/or (2) the elimination of black spots on roads. Here one maximises the number of lives saved by comparing marginal revenues and marginal costs for each activity. If the number of lives saved could be increased by switching money from road improvements to cancer research or vice versa, one finds the point where such switches would not save any more lives. At this optimal point the value of a human life is determined. When costs exceed this value, no more effort to save lives should be expended. Similarly, one can calculate the maximum number of patients who can be treated cost-effectively. By means of

such calculations the Intergovernmental Panel on Climate Change (IPCC) international panel of scientists who study climate change for the United Nations) has worked out that a life lost because of climate change in Mexico is much more valuable than one lost in Bangladesh. In other words, a human being is valued only as a sum of money.

Violence

When economics, with its maximisation of 'utility', becomes the dominating religion of our time, it ceases to be able to limit itself. No limits are imposed upon it from the outside. Government cannot do this because it has become part of the economic system. This implies that all barriers to violence have been removed; climate warming cannot be stopped; as nuclear weapons are being miniaturised, they become like 'normal' weapons and this may lead to a general nuclear conflict. In the light of real and potential disasters, the protection of nuclear power stations may not be as strong as required, as was shown by Fukushima in 2011.

The only regulation that applies to economics is a form of self-transcendence. Under conditions of perfect competition, individual firms and consumers take prices as a given. Yet, through their buying and selling, they collectively set prices. In contrast, since no monetary values are set for restoring the natural environment or the climate, such regulation is unable to prevent pollution, climate warming and armed conflicts over scarce resources.

Dupuy (2012) relates an enlightening fable. An inventor visits the president of a large country that is suffering a severe business downturn and tells him that he has an invention that would accelerate growth and return the country to its former prosperity. However, there is a price to pay: he should accept an annual death toll of 20 000 people. The president shudders and decides not to proceed. He has just rejected the invention of the motor car. In actual fact, worldwide, 1.2 million people are killed every year in car accidents, according to the World Health Organization (WHO).

The general issue raised here is this: How many innocent victims are we prepared to sacrifice on the altar of the common good? The moral issue of deaths on the roads is easily turned into a natural phenomenon by saying that the deaths result from car traffic flows which are subject to hydro-dynamic laws and statistical regularities.

Time and prophecy

Why is it that we so easily accept such large numbers of fatalities? Is it possible to say that our failure in this regard results from a lack of faith in the future? This would be the more surprising, given that the economic system presupposes that there will be a future and that people will honour the promises they make. One makes and sells something only if one believes that the buyer will pay for it. Capital investment in new technologies or new products assumes that once they are ready, they will have a market. Indeed, the (silent)

assumption is that we have an indefinite future. Were we to know, for instance, that the future will end in 20 or 30 years' time, no long-term capital investment would take place. All structures with a long-term value would become worthless. This would effectively also reduce the values of shorter-term assets. As a result, the whole economic system would seize.

The current financial crisis is based on doubts as to whether creditor states will repay the loans they have contracted themselves into or underwritten. As a result, such states find it very difficult to keep borrowing, if only to refinance their borrowings. Consequently, interest rates rise and add to everyone's debt burdens.

Given the crucial nature of the future, forecasts are important. Some forecasters have such a high reputation that people act on their views, with the result that the forecast future tends to be realised (self-fulfilling prophecies).

Economic rationalism and the future

Since the outcome of our investing and financing lies in the future, the theory of rational choice says not only that 'rational people respond to incentives' but also that 'they will also consider the future consequences of present choices' (Harford 2008:9). Dupuy (2012) casts doubt on this last statement. In supermarkets we may choose one brand of washing powder from 30 available; but would we consider any future consequences of the choices we make there?

Max Weber ([1930] 1992) held that the belief of the Puritan Calvinists in predestination, as well as the Lutheran emphasis on our God-given calling to work, explains their work ethic and the spirit of capitalism. Up to this day, key capitalist centres tend to be Protestant rather than Catholic.

Especially with reference to Puritans such as Baxter in New England (in the 17th century), Weber believed that Calvinists sought a guarantee for their election to eternal life by working hard in their earthly callings. If they experienced success, then this indicated a blessing from God and a sign that he had truly elected them.

From the standpoint of economic rationalism, this is very strange, because they should have chosen a dominant strategy or 'sure thing principle' of doing little, given that their eternal destiny was beyond their control. Clearly, the Calvinists rejected such a dominant strategy, although they might have admitted that they could have opted for it.

Dupuy (2012) believes that this strange way of believing simultaneously in predestination and in free will may be similar to existentialism. He quotes Jean-Paul Sartre: 'I believe that my friend Pierre is friendly to me i.e. I decide to believe it and I conduct myself as if I were certain about it.' In rational choice theory such a position is known as evidentialist. It is a story we tell ourselves, a fiction. We can also apply this to Weber's ([1930] 1992) thesis: the Calvinists know that they have been predestined and that by refusing

the choice of fatalism and choosing to work assiduously, with such works being the effect of their predestination, they 'choose' their predestination counter-factually. From this point of view the actual choice of the Calvinists springs from a 'logic' that is different from, perhaps even superior to, that of rational choice theory.

In this regard, Dupuy (2012) refers to a paradox suggested by William Newcomb. Suppose there are two boxes. One is closed and one is transparent. The latter contains R10 000; the other may contain R1 million, if and only if a predictor foresees that the person will choose this box only. So, one may choose the closed box or both boxes. Rational people are inclined to take the two boxes and end up with ten thousand rand. This is also the choice of fatalists. Those who do not follow this logic and take only the closed box end up with R1m.

Calvinists are like those who take the closed box only. They work very hard because they want to convince themselves that they are elected forever.

Dupuy (2012) sees a similarity in the story of his daughter, who travelled from Rio de Janeiro to Paris one day before a plane crashed on the same route at the same time. He told his daughter that if she had left a day later, she would have been killed. 'But papa,' she said, 'if I had booked that flight, it would not have crashed.' He characterises such a belief as follows: the future determines the past counter-factually, although the past determines the future causally. This may involve either 'bad faith' or 'good faith'.

Competing individuals

Our author illustrates 'bad faith' on the basis of Camus's (1942) novel *The outsider*. The protagonist, Meursault, tends to look at himself, his relationships and the world at large, as it were, from the outside. He kills an Arab involuntarily. At the end of the story, when he is facing execution, he makes a confession to a priest. As a sulk he believes that he wants to be alone and that it is society that is envious of him as somebody who is different and it is society which, therefore, persecutes him. Compared to the 'self-election' of the Calvinist, Meursault self-excludes himself. Moreover, he needs others (god for him) so that they might know that he does not need them. Dupuy calls this a feature of modern individualism. As such, individualism is a lie, but a collective lie to itself. It requires a strange and negative co-operation with others. We need others to compete with, to surpass, if not to eliminate.

This is similar to the dialogue in Adam Smith's 'Theory of moral sentiments' between the man within the breast, who is subject to passions and desires, and the rational impartial spectator. All desires converge on material wealth, because it attracts the admiring regards of others. Compared to the immutability of God, the value of what others think is very fickle. It is this desire for admiration (self-conceit) that is the basis of our desire for indefinite economic growth.

Dupuy's (2012) preference is for 'good faith' in the form of the time of a project. Before I acted, I could have done something different; but once I have acted, it will always be true that I could not have acted differently. This metaphysics is shared by most of the world's rural populations. One should always act in such a way that the action would be causally possible if foreseen by an omniscient predictor. One should therefore not make promises that cannot be kept.

No to fatalism

However, in contrast to such 'good faith', 'bad faith', or the fatalism of economic rationalists, prevails today. Fatalists adopt a dominant strategy, that is, taking the two boxes in Newcomb's problem and finding the closed one empty or leading a life of idleness as we cannot change our eternal destiny. A society which believes that it is led by rationalism does not believe that the future can be forecast, because it is formed by human will. This is exactly the fatalism of the dominant strategy rejected by Weber's ([1930] 1992) Calvinists.

If we think of our society as a supermarket, then we all have myriad ways in which we can go. We choose the best. So we believe. Since, as individualists, we do not trust anybody else, economic transactions are hardly possible (will a buyer pay his bill?). Ethics has to come into play as a *deus ex machina* [an unexpected power or event saving a hopeless situation], often in the form of state law, to prevent chaos and violence. General mistrust, as evidenced in the current financial crisis, closes the temporal horizon as people and organisations turn in on themselves. Economic rationalists are those who will find Newcomb's closed box empty.

Rejecting this approach, Dupuy (2012) opts for a version of project time which he dubs 'enlightened catastrophism', which is the (unknown) time that separates us from the occurrence of surmised tragedies. We should let ourselves be guided by the future we have projected. Although we possess all the information needed to surmise major moral, natural, industrial or technical catastrophes, those threatened by them refuse to believe that they are imminent. Their knowledge is not translated into faith. In contrast, enlightened catastrophism acts as if the worst will come to pass and then assumes that we are free to refuse that destiny. By positing the worst as a fatality sure to happen, all powers of intelligence, imagination and determination are called upon to prevent it.

Politics should have a prophetic content such that prophesied adverse futures will not occur. This is impossible when financial markets use politicians as their servants. By suffering this econo-mystification we allow financial markets to be the masters of our destiny. It means that they become a blob, a very dangerous animal ready to devour nations and individuals, without any malicious intent, of course.

Strong points

Dupuy's (2012) analysis sheds light on some important problems we are faced with today. Those who are of 'green'

persuasion and are alarmed by the on-going pollution and destruction of the world's ecology as well as by the now certain warming of the climate as a result of greenhouse emissions have in fact been relegated to the function of an ecological conscience, or a *deus ex machina* that should put a stop to the destruction perpetrated by the current economic system.

His concept of enlightened catastrophism would call on all members of society to accept that nuclear power and nuclear armed conflicts as well as climate change are likely to generate major disasters within the foreseeable future. The precondition for such acceptance is that politicians are prepared to break with their sycophancy towards financial markets. There are historical precedents which show that this is possible. In 1953, for instance, a conference was held in London to deal with the enormous financial problems facing West Germany (Tsipras 2013). Effective government action then forestalled the types of problem now faced by Greece and other highly indebted European states.

Dupuy's suggestion that the state should not be ruled by financial markets and capitalist corporations is very important indeed. In the United States it would be necessary for Congress to kick out the lobbyists and govern on the basis of public justice rather than being beholden to corporate financiers. Moreover, electorates should cease to connive with business influence in the realm of politics.

Dupuy's metaphor of modern society as a supermarket is very apt. It is a system in which individuals – all of us – compete for the best portions of material wealth, regardless of how such wealth is produced and what catastrophes might result from it. Our behaviour is indeed a form of fatalism, inasmuch as we keep doing things that we know have adverse consequences.

In this regard, his analysis of economic rationality in conjunction with neo-classical economics as it is applied to areas such as medical care is worth noting. It shows in fact that the supermarket model applies also to hospitals and care for the dying as if there were no qualitative difference between medical care and the running of a fleet of jeeps by the army (an analogy used by Dupuy).

Despite the lack of faith in the future (given the fatalism of economic rationality in the competitive model of the supermarket) our society, not to mention the politicians, becomes upset when there is either little economic growth or no growth at all. Unless our material prosperity keeps growing indefinitely, we believe that we are somehow in trouble. In this respect, Dupuy makes a point that is rarely made: capital investment takes time and if, for whatever reason, there were to be a final point in time, all such investment would be worthless and also all current assets would lose their value. In this light, the insistence of financial markets that states should repay their debts and that any doubt about this leads to major problems becomes understandable.

Weaknesses

It is difficult to see how Dupuy (2012) would tackle the dominance of financial markets over politics and politicians. Would these markets, including their speculative activities run by means of supercomputers, be willing to play their part in tackling major threats as identified under enlightened catastrophism? No, along with other powerful interest groups, the financial markets would do their very best to downplay the severity of acute disasters.

So, how should the financial markets be constrained to play a servant role in society rather than that of a demanding taskmaster?

One of the problems is that each of the disasters referred to by Dupuy involves a long process over time, and that each produces incidents, events out of the ordinary, which may or may not foreshadow major calamities. Dupuy's response would be the story told by Mandelbrot above to the effect that if we have not yet experienced the potential calamity such as a financial collapse or a nuclear conflagration, we might still be very close to it.

Moral disasters

Economism, driven by self-interests, blinds people to moral issues. In the USA, there has been a series of mass shootings which has caused the second Obama administration to work towards gun control. Barack Obama, however, has yet to persuade a majority of USA citizens of the need for such control. Similarly, the intertwining of corporate business and government is well known – documented, as it has been, by Hauter (2012). But such unhealthy intertwining fails to arouse the indignation of the electorate.

The growing inequality between rich and poor, exacerbated by financial speculation, is another moral consequence of economism.

Climate warming

Discussions on climate warming focus on issues such as: by how much will sea levels and average world temperatures rise by 2100 and by when will the warming trend be irreversible? Meanwhile, weather events which are much more violent or frequent than in the past serve as warning signals, but without triggering determined attempts to reduce the volumes of carbon dioxide, methane and nitrous oxide in the atmosphere. Activists have suggested that the world should attempt to reduce carbon dioxide from the present 390 ppm (and rising) to no more than 350 ppm if the worst of climate warming is to be avoided. James Hansen, National Aeronautics and Space Administration (NASA) climate scientist, together with other scientists, wrote in 2008:

If humanity wishes to preserve a planet similar to that on which civilization developed, paleoclimate evidence and ongoing climate change suggest CO₂ will need to be reduced from its current 385 ppm to at most 350 ppm. If the present overshoot of this target of CO₂ is not brief, there is a possibility of seeding irreversible catastrophic effects. (Weir 2009:32)

Nuclear disasters

Recent nuclear disasters, such as the explosions at Chernobyl in 1986 and Fukushima in 2011, were part of a series of accidents and near misses since the first nuclear bombs were exploded in August 1945. Dupuy (2012) rightly calls attention to the dangers of nuclear weapons losing their special status as a result of miniaturisation. However, decisions taken after the Fukushima disaster to cancel or delay the construction of new nuclear power stations are already being questioned.

Technicism ignored

The main reason why Dupuy's (2012) proposal of enlightened catastrophism is unlikely to stand a great chance of success is that he has ignored the fundamental motive of our culture to control the future by means of scientific technology or technicism. Schuurman ([1972] 1980:252–254) analysed approaches to the future of positivist thinkers who would seek to control it by means of science and technology, including planning and cybernetics, and by those critical of modern technology (transcendentalists) who would bet on creative disorder or permanent revolution. Schuurman's ([1972] 1980) own view of futurology is based on an analogy from technological development, especially its two traits of continuity and discontinuity. By drawing this analogy, he demonstrates that technical development is always both continuous, based on what is already known and available, and discontinuous: 'Invention, as the expression of human freedom, creativity and ingenuity, prevents such petrification' (Schuurman [1972] 1980:252). In addition, smaller changes are made regularly. Without recognising this combination, we are in danger of absolutising either technological–scientific control of the future or freedom and the new. The chaos brought about by freedom would call forth technical or scientific control, and extreme order would issue in a call for freedom.

Dupuy sees disasters looming that have their origin in the positivist attempt to create a better future by means of scientific technology. His own enlightened catastrophism runs the danger that it would be applied from a technicistic perspective. One might opt for geo-engineering, for example, to reduce the volume of carbon dioxide in the atmosphere, but run the danger of unexpected adverse consequences.

If enlightened catastrophism were accompanied by a general repentance of the ways of technicism and economism, it might well work through major changes in the 'supermarket', because motor cars and aeroplanes would be used only as a last resort, ships equipped with sails, biofuels phased out and the land so freed restored by biological methods.

This is, of course, easier said than done. A general repentance or renewal movement involves a deep conversion, which is wrought ultimately by the Holy Spirit working through the Word of God.

The road ahead

A world dominated by technology and finance is unable to ban violence. On the contrary, it increases it. This appears

to fit in with René Girard's views. In March 2005, he said in an interview with Thomas Assheuer that Christianity is the only religion that has broken with anarchic religions in which the sacrifice or scapegoat is always guilty. Because Christ died as the innocent Lamb of God, taking away all our sins, we are unable to kill innocent 'sacrifices'. The West has colonised and exploited Islamic countries on the basis of its technical superiority. In this respect, the war in Algeria was a prophetic situation: we are now confronted with the sudden arrival of a violent Islamic movement on the world stage. Girard compares this with the Soviet Union, which turned politics into religion, but hopes that this is a corruption of Islam rather than its essence. When Christianity refers to things eschatological, then it does not talk so much about God destroying this world but rather about people destroying the world themselves. Christianity is a non-violent religion inasmuch as it localises violence in ourselves. It does away with the guilty scapegoat of primitive religions (Assheuer 2005:49).

One would therefore expect Christians to be in the vanguard of peace movements, including the movement for nuclear disarmament, and against police brutality, the destruction of the world's ecology and climate warming.

The dominance of finance over the State and the rest of society is strongly at variance with the so-called principle of sphere sovereignty, a view which says that there are spheres in society that are intrinsically different from one another, each subject to God's sovereignty and called as such to serve one another, but not for one or more to supplant the others. Abraham Kuyper called on this principle to defend the establishment of a free Christian university in 1880, that is to say, free from State governance but called to serve society in its own specific scholarly way. As he expounded this principle, Kuyper emphasised the crucial task the State has to be on the lookout for those who would try to rule over other institutions for their own benefit and that it nip in the bud all attempts of other spheres to lord it over others (Kuyper [1880] 1956:51).

In this way of thinking, the State should call the sphere of finance and economics to order and take measures to ensure that they serve rather than dominate others. The problem Dupuy (2012) is wrestling with is that the State has become subservient to financial or economic powers and, consequently, is unable to do its job properly. This implies that it is effectively powerless to contain the violence involved in the powers' increasing dominance over society. Financial speculation based on foodstuffs may trigger food riots in various countries, as it did in 2008. Since business corporations rely on the power of scientific technology to outwit competitors and seduce customers into buying whatever they produce, no matter what the effects are on the environment and employment, there is no chance that we will be able to constrain the trajectory of economic life to a truly sustainable one which will allow current and future generations to live in true peace and freedom.

When education and medical care must adhere to competitive business models, using economic tools such as operations research and rational choice, their provision becomes dominated by the need to maintain a balance of income and expenditure. This cannot be good for such vital public services.

The problems posed by a globalised system of financial dominance have deep historical roots. The economic system, shaped by Western technology, has always sought to extend itself by colonisation. Many non-Western cultures have been affected by this or split between westernising elites and those adhering to their now marginalised religion and culture. The current trend towards an increasing gap between rich and poor, both within Western countries and between Western countries and the many so-called developing countries, has increased violence.

Enlightened subversion

If we cannot rely on the State to liberate us from the oppressive rule of financial markets, and if for the same reason Dupuy's (2012) proposal of enlightened catastrophism offers little chance of success, what, then, can be done?

Dupuy's emphasis on time should assist us. If we were to change our very short-term focus to much longer-term thinking, pressures would abate. His analysis of the interrelationship between travel and work might point the way. Many people experience frustration in driving to work by car as a result of traffic jams or by being tortured at work by monotony and stress. Many others are frustrated as a consequence of becoming and being unemployed. Some manage to find compensation in leisure activities. But would it not be possible to create a different lifestyle by enhancing the world beyond the sphere of jobs? Recent initiatives – such as transitional towns, permaculture, developing communal gardens, collecting chickens from battery poultry farms that otherwise would be destroyed as being too old and having them around family homes, tending beehives and vegetable gardens on top of office buildings – could be extended and organised as part of new, sustainably organised communities. They all have a longer-term focus than conventional approaches. Unemployed people could be taught how to set up gardens and grow quality vegetables on plots of urban land without using chemical fertilisers and pesticides, and the produce could be sold to schools as an input to school lunches or supplied to hospital kitchens, soup kitchens and food banks. Skilled tutors would be provided by social welfare organisations, city governments, and so forth. Gradually, new communities would develop and start to displace modern supermarkets and their suppliers.

Essential to success along these lines is that we reinstate the importance of the commons, areas that are publicly

owned and managed. A feature of modernity is that private property has expanded to such an extent that the commons have virtually disappeared, or are about to be privatised. Yet, well-run commons are an important means of strengthening sphere sovereignty, as they provide families, schools and churches with scope for interaction and development that is not available within the private spheres of business and finance.

Since the financially powerful would strongly resist bringing the commons back (land, clean rivers, health, local currencies, railways, roads, raw materials, the radio spectrum, etc.), such a development should be adopted and advocated by politicians.

Conclusion

Dupuy's (2012) book should stimulate all who adhere to a reformational view of the world to ponder how far our modern society has moved away from what Kuyper ([1880] 1956) called 'sphere sovereignty'. It should also cause them to consider how this move might be subverted peacefully, for example by raising people's awareness of desire as a key motivator of economic growth, by fostering the development of new commons and by encouraging long-term rather than short-term thinking. Should these come to pass, it would amount to an enlightened subversion of the current economic or financial power structures.

Acknowledgements

Competing interest

The author declares that he has no financial or personal relationship(s) that may have inappropriately influenced him in writing this article.

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The paradox of economism

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Among progressively minded theorists and other commentators, the financial crisis of 2007-08 produced an instant consensus that the days of neoliberalism — which involved above all financial expansion and capital-friendly public policies — were over. As a consequence, the turn to austerity over the past years, which has been extraordinarily effective in making the world a worse place to live in, took that community completely by surprise. The unexpected rise of austerity suggests how right Slavoj Žižek (2008) was when, at the height of the crisis, he encouraged talking and thinking instead of jumping to conclusions and rushing to action.

For some decades now, progressively minded social scientists have argued that markets are too important to leave to economists — indeed, entire new subfields have formed in response to this concern. But this engagement with economic life has often been somewhat half-hearted. Particularly telling in this respect is the fact that these new fields have organized themselves centrally around the rejection of ‘economism’ — the idea that markets have self-regulatory properties. Scholars in fields such as political economy and economic sociology have devoted a great deal of energy to normative critiques of the market, and they have displayed much less interest in rethinking the core categories and principles of economic life itself.

It is against this background that we can appreciate emerging critical approaches that seek to move beyond the concern with social or institutional context to focus on the characteristics of economic life itself. The books that are the subject of this forum are part of this trend, alongside other interventions such as that of Urs Stäheli (2013) on the spectacle of speculation, Ole Bjerg (2014) on the philosophy of money, Randy Martin (2015) on the logic of the derivative, as well as publishing initiatives such as *Finance and Society*. Amin Samman’s (2015) introduction to this forum offers a penetrating reading of the theme that ties these books together: they all advance a variation on the argument that the apparently rational sphere of modern money and finance is held together by faith, magic, and belief. In this essay, I would like consider how we should understand the specific implications of this idea if we are to take it as a distinctive point of departure for a renewal of the study of economic and financial life.

In an important sense, existing perspectives on neoliberalism and capitalism already contain a critique of the belief in magic. They generally analyze financialized capitalism in terms of the tendency of markets to become ‘disembedded’ from their social and political

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context. As I argue in *The Emotional Logic of Capitalism* (2015), this ‘Polanyian’ approach amounts to a critique of idolatry or fetishism: the irrational tendency of actors to attribute independent powers to financial symbols means that markets are seen to take on a life of their own. From this perspective, whereas pre-capitalist fetishism is associated with spectacle and spirit, capitalist fetishism is considered a colorless affair, incapable of eliciting affective investment — the modern subject does not believe that she believes and consequently experiences no enchantment. This line of critique sees substantive irrationality at the heart of capitalism’s instrumental reason and, accordingly, revolves around the claim that market logics do not provide a sound basis for governance and order.

What this type of critique misses is that modernity’s relationship to money already reflexively engages with the issue of fetishism — a point that Samman (2015: 25) underscores when he asks: “Is there not something fundamentally pragmatic about the magical properties of money?” The modern subject hardly needs to be reminded that money is symbolic — the mystery of money consists in the paradoxical fact that an acute awareness of its fictitious character in no way leads us to question the incontrovertible reality of its practical operations. In my book, I approach this paradox through a discussion of Weber’s (2003/1905) ‘spirit of capitalism’. The Protestant ethic’s condemnation of the idolization of money motivated not a retreat from but an intensified commitment to money’s valorization. Believers proved their faithfulness by approaching this mundane sign in a spirit of austerity, repudiating all superstition while assuming personal responsibility for the production of economic order. The faith at work here is not a corrosive movement of irrational fetishism that entails disembedding and disordering. Instead, it powers an ordering logic, serving as ‘the ghost in the financial machine’ (Appadurai, 2011) — a paradoxical affective charge that allows imaginary projections to operate as coherent facts.

But rather than rehearse the specifics of my argument, I would like to draw attention to the conceptual logic it follows and how that logic connects it to some of the other books featured in this forum. For reasons of space, I am focusing here on Yuran’s *What Money Wants* (2014) and Joseph Vogl’s *The Specter of Capital* (2015). An obvious difference between Yuran’s book and my own is that whereas the former analyzes the dynamics of money in terms of fetishism, the latter is highly critical of such an approach. Yet the books reach some substantially similar conclusions, particularly when it comes to the issue of money’s ability to provide historical consistency by serving as a focal point for our disavowals and repressions. Yuran’s *What Money Wants* does something that is quite unusual. Many critiques of financial fetishism assert that it should not be reduced to personal irrationality or a mere cognitive mistake, but then go on to offer an analysis based precisely on such assumptions. Yuran admirably avoids this. He situates his analysis at the level of desire, and he views the dynamics of interactive misrecognition as being driven by an affective logic that does not negate but rather thrives on reflexivity. Here, disavowal serves as a paradoxically constructive moment rather than as irrational forgetfulness, and we end up with a rich psychoanalytical perspective on how money works as both fiction and fact. Even though money is merely an “object [...] constituted by desire”, at the same time “from the financial point of view things are epiphenomena of money” (Yuran, 2014: 37).

A similar point can be observed in relation to Vogl’s book. He describes at some length how the rise of paper money gave rise to moral panic. Others have made this observation but have tended to frame the dematerialization of money as a rediscovery of its imaginary nature — which is taken to serve a political function by reminding us of the contingency at the heart of modern finance. Vogl recognizes that the fictitiousness of money was never really forgotten and that the structure of money always already includes an active awareness of its symbolic

character. On his account, the recognition of money's fictitious nature paradoxically occasions the production of its facticity. The advent of paper money set in motion a frantic dynamic of valorization, and the power of the money sign came to operate through a "temporalized self-referentiality" that abandons any pretenses of reference to a substance of value (Vogl, 2015: 54). The faith at work here is not an irrational belief in empty tokens, nor does it entail disembedding or disintegration; instead, it institutes a dynamic of self-referential expansion that holds the financial system together. To appreciate the magic of money, then, is to open up pathways for critique that are interested in its ordering capacity and its resilience.

I have sought to clarify this paradoxical logic through a focus on the affective force of austerity. But the broader point here is that we may think of the paradoxes of money as useful clues to the modalities of its practical operation. What the books considered here have in common, and what sets them apart from established ways of thinking, is a willingness to tarry with these paradoxes. This allows their authors to explore some of the key categories of economic life and to move critique beyond the moralism that has dominated progressive thinking about economic and financial questions. We cannot avoid a naïve 'economism' simply by prioritizing social and political processes over economic ones. Instead, we must think harder about money and its paradoxes.

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“Peculiarities of development and dynamics of economism and the commercialization of Ukrainian higher education”

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ARTICLE INFO

Maryna Stryhul, Olena Khomeriki, Serhii Yahodzinskyi, Lyudmyla Lyasota and Inna Semenets-Orlova (2019). Peculiarities of development and dynamics of economism and the commercialization of Ukrainian higher education. *Problems and Perspectives in Management*, 17(2), 289-302.
doi:[10.21511/ppm.17\(2\).2019.22](https://doi.org/10.21511/ppm.17(2).2019.22)

DOI [http://dx.doi.org/10.21511/ppm.17\(2\).2019.22](http://dx.doi.org/10.21511/ppm.17(2).2019.22)

RELEASED ON Monday, 03 June 2019

RECEIVED ON Friday, 05 October 2018

ACCEPTED ON Tuesday, 07 May 2019

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JOURNAL

"Problems and Perspectives in Management"

ISSN PRINT

1727-7051

ISSN ONLINE

1810-5467

PUBLISHER

LLC "Consulting Publishing Company "Business Perspectives"

FOUNDER

LLC "Consulting Publishing Company "Business Perspectives"



NUMBER OF REFERENCES

30



NUMBER OF FIGURES

4



NUMBER OF TABLES

0

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BUSINESS PERSPECTIVES



LLC "CPC "Business Perspectives"
Hryhorii Skovoroda lane, 10,
Sumy, 40022, Ukraine

www.businessperspectives.org

Received on: 5th of October, 2018

Accepted on: 7th of May, 2019

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PECULIARITIES OF DEVELOPMENT AND DYNAMICS OF ECONOMISM AND THE COMMERCIALIZATION OF UKRAINIAN HIGHER EDUCATION

Abstract

Upon nearly twenty years since the beginning of commercialization of the Ukrainian higher education system, the intensity of discussion of its purposes, results and possible amendments did not decrease neither among experts nor among the interested public. Supporters and opponents of commercialization note that education is the social branch, which participates in the formation of prerequisites of economic growth. The main point of the article is to disclose the essence of the phenomena of economism and commercialization. Economism is seen as part of globalization of education, a global corporatization of education provides training for the global labor market, using human capital economic theories. As noted by George Spring, the human capital, economists argue that investments in education lead to economic growth, reducing income inequality and increasing employment.

The article confirms that the state educational policy as a component of social policy is one of instruments of influence of the state on formation of social structure and is directed to the solution of problems of societal level. It performs relevant sociological examination of transformational processes in education and, in particular, results of commercialization. Thus, it is possible to claim that the educational system tests the uncommon influence of globalization, forming and building a peculiar system of the relations and interaction.

Keywords

university, sociology of education, economism, social
institution, higher education, modernization

JEL Classification

A14, I21, I23, I25, I29

INTRODUCTION

The attention of the Ukrainian sociological community is constantly drawn to education as a social institution and social aspects of higher education (Stryhul & Khomeriki, 2018). Modern theories consider the level of development and efficiency of the education system to be one of the most important factors of the socio-economic development of society; at the same time, it is noted that in developing countries, high level of educational development does not guarantee the proportional socio-economic growth. Hence, the emphasis is given for reproduction of the following efficiency conditions:

- rational structure of education agreed to the needs of society;
- efficient use of the present educational potential;
- high level and adequate structure of investments in education;
- high quality of education;
- correctly chosen education strategy.

The aim of the article is to represent the notion of the phenomena of commercialization and economism of the system of higher education throughout the system of sociological knowledge.

1. LITERATURE REVIEW

For the purpose of formation of a complete picture, institutions of higher education of an economic, humanitarian, pedagogical and technical profile were chosen for the research.

According to results of the conducted survey, it is noted that the reduction of the value of knowledge, increase in value of the diploma is characteristic for students of institutions of higher education with the non-state form of ownership.

Institutions of higher education of an economic profile are characterized considerably by bigger awareness in the use of enterprise technologies, however, don't understand the essence of the concept "enterprise university". Expert interviews have allowed to create ways of realization of the enterprise ideas in the Ukrainian formation and transformation of the universities in the enterprise.

Focus group researches have revealed the tendency: growth of the cost of training, payment for additional educational services, development of second higher education, courses, trainings, etc., absence of influence on the improvement of material and technical resources of institutions of higher education, teaching level, use of innovative technologies at all.

Economism and commercialization, according to us, are corner processes in modern education (Strihul & Khomeriki, 2018). However, the level of understanding and knowledge on these questions even among students of institutions of higher education and teachers remains quite low.

In the Ukrainian institutions of higher education, commercialization is understood as an introduction of payment for additional services, increase in the cost of training, increase in the number of foreign students, increase in the number of students in contract form of education and reduction of public financing of education (Swapnali, 2016).

Besides, it has a number of essential shortcomings: considering the students a source and clients, and institutions of higher education as institutions that look for profit in the form of capital (Yagodzinskyi, 2016). The Ukrainian institutions

of higher education have significantly other form of commercialization focused mainly on receiving the profit (Klyov & Khomeriki, 2014). Therefore, they face such problems as reduction of the value of knowledge, increase in value of the diploma, teaching deterioration, deterioration in material and technical resources, and it has to be essential opposite. Commercialization in the Ukrainian institutions of higher education causes a catastrophic falling of the prestige of science and the value of education (Khomeriki, 2015).

Institutions of higher education with the non-state form of ownership, unlike the state ones, attract a large number of students, foreigners and, without having public financing, resort to various methods: increase in the cost of training, diversification of sources of financing, introduction of payment for working off of occupations, repeating an examination and so forth. There is a tough compliance of the universities with the requirements of large business. "Depreciation of diplomas" is observed promptly. Such phenomenon is especially characteristic of institutions of higher education with the non-state form of ownership. However, it has to be essentially an opposite situation if institutions of higher education in Ukraine were considered as "the enterprise universities" (Ritzer, 2000).

Most of respondents don't understand in fact the concept "economism", don't consider expedient need of institutions of higher education to be engaged in business activity and don't recognize the need for the existence of elements of business structures for higher education.

It is appropriate to carry out the analysis of manifestation of commercialization in the structure of each of the studied institutions of higher education for the analysis of the state and non-state educational system.

There should be noted the increase in the number of students in contract form of education (14%) in connection with reduction of public financing of higher education (12%), introduction of payment for additional services (second higher education, courses, etc.). Deterioration in material and technical resources is noted (especially outdated equipment on technical specialties).

A special problem is the general insufficient funding of the educational sphere, which creates a number of shortcomings and forms a peculiar outlook in the opinion of the student, recognizes the university as the profitable organization.

Institutions of higher education of the pedagogical direction resort to increase in cost of training and increase in number of the foreign students studying only on a contract form (Lebedeva, 2017), don't resort to such methods as diversification of sources of financing, improvement of material and technical resources of institution of higher education and, certainly, improvement of quality of teaching rather (Klyov & Khomeriki, 2014).

Nevertheless, bright manifestation of a tendency of "depreciation of diplomas", described by Ritzer, takes place in the Ukrainian society (Ritzer, 2000).

The university has lost the prime appointment and became a huge supermarket, offering different types of knowledge. The rational action consists in the aspiration to take different types of knowledge. The rational action consists in the aspiration to buy the most qualitative goods – the diploma of the prestigious university, which can be successfully converted into the official and economic status (Vasilenko, 2016). The system of higher education of the students is not perceived as the successor of specific epistemological traditions of knowledge any more, joins many generations of scientists, but more likely as consumer of educational services. The intellectual model of students changes dramatically. The abovementioned makes a McDonaldization manifestation essence (Ritzer, 2000).

We consider the maintenance of economization through social education and in the context of its critical theories of understanding of economization through social education (Klyov & Popov, 2015).

This contribution is directed to ambiguity of sense of an economization as principle because of criticism of four sociologists: Marx, Weber, Polanui, and Luman. The most successful of the possible directions of the analysis of the concept "economization" through social education are:

- analysis of a concept of society, influence of society, socialization and its competing components;
- recognition of ambiguity of the concept of an economization by identification of possible reviewers;
- development of a concept a commodification (transformation of a product into goods) in relation to not commodity productions, quasi-goods, fictitious goods, real goods and the fictitious capital;
- communication explanation between an economization, expansion of the market and various values of economic determinism, including economic domination, economic hegemony and ecological domination;
- recognition of accumulation by one of concepts of an economization;
- establishment of connection of an economization with potentially ecological domination of the receipt focused, market mediated have arrived in the world community;
- consideration of world domination and economic growth;
- extension of the analysis of financialization and financial capital;
- research of borders of expansion of the market in relation to market economy and market society (Collini, 2012).

The present situation of the universities globally is also characterized by washing out of borders between the industry and the academic circles. Thinkers-economists claim that references to scientists should be changed to "the human capital", and "students" to call them "clients". The typical task of the universities has to be changed in the primary activity, and they have to become corporate players who deal with "knowledge as goods". In this regard, there is a question: do these economic concepts arise only as public requirement or new paradigm?

Nevertheless, it's worth claiming that the economic measurement of the universities shouldn't be

the main function of these institutions. The economic transformation of the universities establishes a progressively new paradigm and describes the purpose of creation of the universities.

In this connection, one should apply three key terms, namely “university”, “economism” and “the revolution of the paradigm”.

First of all, to understand the idea of the university of economic type, it is essential to define typifications of the characteristics of the university. In 2012, the British scientist Collini asked the determination of an entity of the universities. Collini specifies that such question, of course, should be researched, and addresses to Keynes who analyzes the needs of economy for society, particularly reminding people that “the pursuit of wealth was ended in itself, and means to wise and pleasant life”. Collini applies this statement in the universities and claims that any discussion of the place of the universities in the modern society will be inevitable and is finished with a statement. The scientist agrees that it’s not necessary to underestimate expenditures of these institutions or to assume that they were financed. At the same time, he emphasizes that it is necessary to attach significance and importance to the universities. According to Collini, there is a need to create intellectual, educational and scientific conditions for development of the universities. Under educational conditions the scientist means “something bigger than only vocational training” and “scientific” doesn’t mean being completely dictated, and requires the solution of urgent practical problems”. The scientist also defines the original idea of the university, which consists in the validity of knowledge and application of “some forms of institutional autonomy within the intellectual activity”. However, the scientist agrees that the universities have the spiritual purpose and they should be considered as a public benefit. We may find the interpretation of rather difficult point of view of Collini (2012) who marks out three (historically developed) points of view for tasks of the university: 1) formation of human life, 2) service to society, 3) scientific preparation. The first and second of them are treated by Collini (2012) as professional, practical, cultural and public functions of institutions of higher education, however, the third is too powerful.

The abovementioned in general allows to speak about negative tendencies of commercialization and its manifestation in the structure of the higher education, namely:

- firstly, the administration of institutions of higher education and the faculty doesn’t pay priority attention to improvement of quality of teaching;
- secondly, efforts of institutions of higher education are directed to receiving profit in a clean form (from a tuition fee and investments of foreign citizens);
- thirdly, poor quality of teaching by the caused low orientation of institution of higher education to innovative and creative activity, the outdated educational and methodical equipment, unsatisfactory material resources of institutions of higher education, increase in load of teachers and decrease in level of their salary. Institutions of higher education of an economic profile are more focused on innovative and grant activity (9%), improvement of material and technical resources (8%). The fact of improvement of quality of teaching (7%) deserves attention.

Institutions of higher education with the non-state form of ownership, unlike the state ones, are more focused on innovative and grant activity. For example, University of Modern Knowledge - 10%, Kyiv International University - 9%, European University - 11%, Interregional Academy of Personnel Management - 8%.

In modern conditions, the universities demand the increased financing, therefore, there is a need for diversification of sources of financing (Lyasota, Strigul, & Polovaya, 2018).

Besides, it is necessary to concentrate attention on institutions of higher education with the non-state form of ownership. Analyzing features of manifestation of commercialization, it has been noticed that:

- there is peculiar autonomy of institutions of higher education with the non-state form of ownership, which, in turn, provides increase

in a tuition fee, introduction of a payment for additional educational services;

- the promptly diploma value increases, the value of knowledge decreases (Kniaz, Shpak, Myroshchenko, & Kolomiyets, 2014).

On the basis of the conducted research, a thesis about an education decline in quality, its scale, mass nature at the same time and high cost has been created conventional.

Consideration of private institutions of higher education has allowed to compare all-statistics and to define the private higher education in Ukraine, which was more commercialized. A number of the university additional private services for the students are also focusing the attention more not on dissemination of knowledge as a main objective of an institution of higher education, but on receiving means for results of the activity (Strigul, 2018).

It should be noted that private institutions of higher education focus the attention on innovative and grant activity and also are guided by the principles of diversification of sources of financing, which arises as one of commercialization manifestation forms.

The universities which have turned into agents of education market create the conditions of the co-operation with business. It, in turn, leads to open competition between institutions of higher education, both on national and at the global level. In similar conditions, to replace accepted in the academic practice to joint methods of decision-making, based on reaching consensus, practice of corporate business management comes, and the speed of decision-making is more important than the development of the coordinated position of mutual understanding. Therefore, the universities are more and more perceived as the scientific enterprises having own autonomy. However, this phenomenon is more inherent only in institutions of higher education with private form of ownership, as institutions of higher education with the state form of ownership are in the state, providing, financing and control and the rights of own autonomy are often deprived (Collini, 2012).

Thus, the fact of existence of such indicator is denied: the population of Ukraine perceives

the higher education as a necessary component of policy of the state and anyway counts on the state support. Having the insignificant help from the state, institutions of higher education have to be able to provide the requirements of own institution of higher education (Khomeriki, 2015). However, in the conditions of insufficient financing from the government and the state, the Ukrainian universities turn into the centers of commercialization as work only in the interests (Burachek, 2017).

Ensuring the state support doesn't guarantee in Ukraine the skillful order public funds yet and, in turn, creates a number of obstacles:

- firstly, the system of higher education of Ukraine isn't calculated on diversification of sources of financing;
- secondly, outdated principles and traditions work in the educational system;
- thirdly, transformational and modernization processes in the educational sphere are necessary, which significantly reform the educational system.

2. METHODS

There was conducted a standardized questionnaire of students for the analysis of processes of economism and commercialization at the Ukrainian school of six state institutions of higher education - National Aviation University, National Pedagogical Dragomanov University, Borys Grinchenko Kyiv University, Kyiv National Economic University named after Vadym Hetman, Kyiv National University of Trade and Economics, Kyiv National University of Technologies and Design, and 4 institutions of higher education with private form of ownership - Kyiv International University (KyIU), European University, Interregional Academy of Personnel Management, University of Modern Knowledge (questionnaires with 31 and 20 questions) ($n = 875$: the stratified selection; controlled signs: gender, "age", an error $\pm 2.1\%$, reliable probability - 95.45%) and also focus group researches of students of NAU ($n = 40$).

The research was carried out in 2 stages.

The first stage – questionnaire of students – 3 weeks.

The second stage – a focus group student poll – 2 weeks and expert surveys – 2 weeks.

The first investigation phase consisted in studying the features of commercialization at National Aviation University and its influences on quality of providing educational services (150 respondents).

The second stage consisted in studying of forms of manifestation of commercialization and economism in the higher education system of Ukraine (725 respondents).

Target audience of the research stood on different investigation phases is as follows: students of NAU of all courses (various institutes), 150 respondents – students – representatives of other institutions of higher education.

The main methods of the applied research also became an interview with representatives of the administration of the state and non-state universities.

3. RESULTS

However, analyzing the processes of commercialization of higher education, it is impossible to bypass a question of quality of education in general. It should be noted that education is considered quality by 44%, though 38% don't see it in such a way, and 18% are at a loss with the answer.

According to experts, for today the educational sphere isn't provided with any certified system. It is not astonishing that after all the provision of quality of education needs modernization of education system, which isn't provided with any certified system for today. On the way to the creation of similar system, reforming and modernization of education is necessary. Collection and synthesis of data about the existing systems of ensuring quality of knowledge in institutions of higher education, innovative models of quality management of education on the basis of educational standards, introductions of the principles of the Bologna declaration have to become the first steps in this direction. Together with this, full and objective monitoring of quality of education has to be carried out. The quality and accreditation which are strongly connected among themselves put forward before not bad developed domestic system of licensing and accreditation new tasks to use of the European quality standards and therefore our participation in the European network in ensuring quality in higher education (ENQA) is obligatory already in the nearest future.

Addressing a main objective of obtaining the necessary level of knowledge occupies 12%, but receiving highly paid work – 54%. In general, it confirms a thesis that knowledge doesn't play the dominating role in modern society, and receiving profit has key value.

The cost of higher education has to correspond its qualities (64%). It is a quite natural phenomenon. However, payment cost on the highly prestigious specialties exceeds 20,000 UAH (the average value

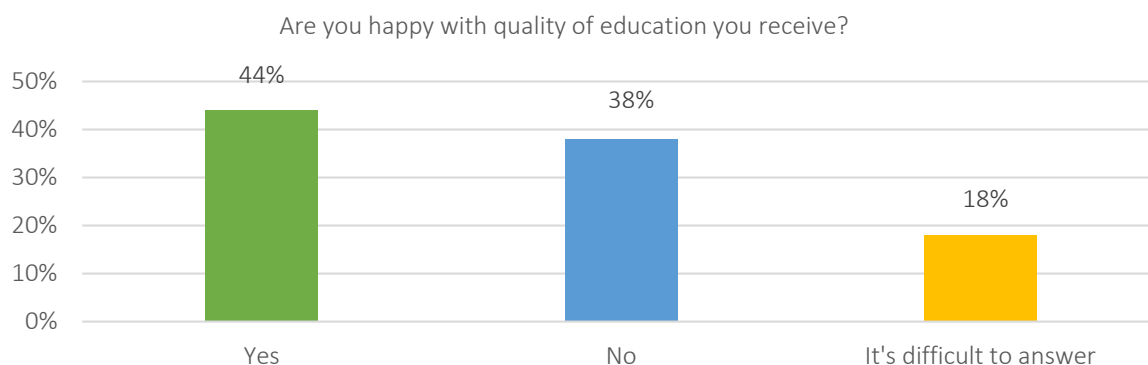


Figure 1. Level of satisfaction with quality of education, %

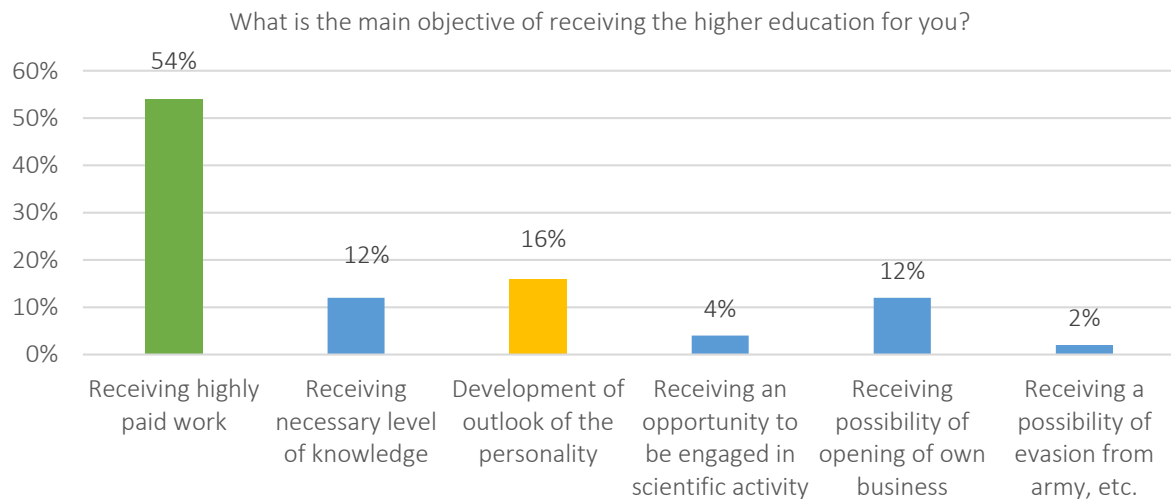


Figure 2. The main objective of receiving the higher education, %

calculated on specialties of the National Aviation University, namely “The international relations”, “The international information”, “The international business”, “Journalism”, “Tourism”).

Being considered necessary, the main objective of higher education has been defined (see Figure 2).

In modern conditions, second higher education and additional education arise to some extent from commercialization development factors. Eighty-five percent of the interviewed respondents note the need of its receiving, and sixty-six percent note the existence of need for second higher education in general, however, it is irrelevant today.

Assistance in career development, desire of the organization of own business (18%), self-development (15%) arise motivation to receive additional and second higher education.

It is worth paying attention to such indicators as criteria of the choice of educational institution. The majority prefers criterion of the data (94%), criterion of popularity (83%), criterion of the recommendation (82%).

It should be noted that the Ukrainian society doesn't perceive a phenomenon of “the enterprise university”. It confirms a thesis that most of the respondents (60%) don't recognize the existence of the principles of business in institutions of higher education and, in particular, creation of enterprise bases of the universities.

In general, on the basis of a research, it is defined that the Ukrainian society doesn't recognize economic bases of business at the universities, but their existence isn't denied in the scientific community. Analyzing characteristics of institutions of higher education, it is recognized that there is

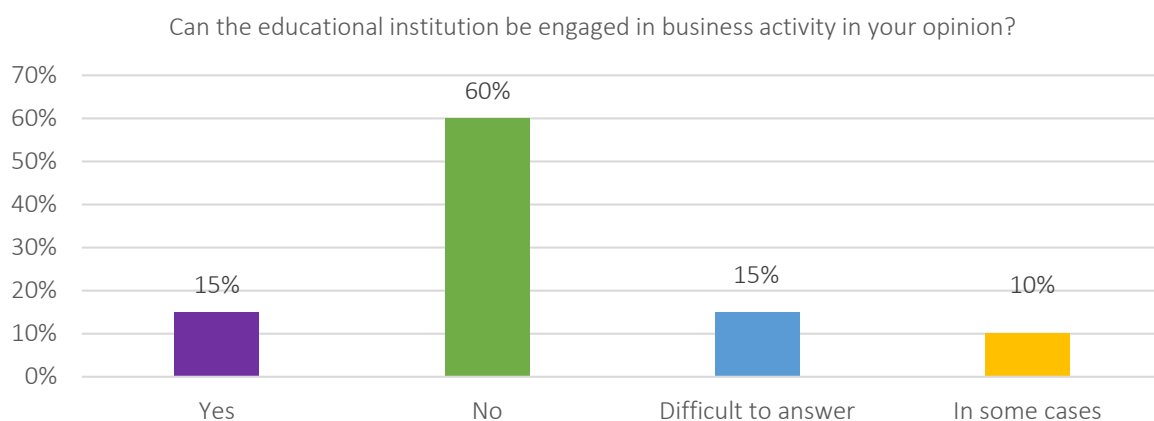


Figure 3. Features of business activity of institution of higher education, %

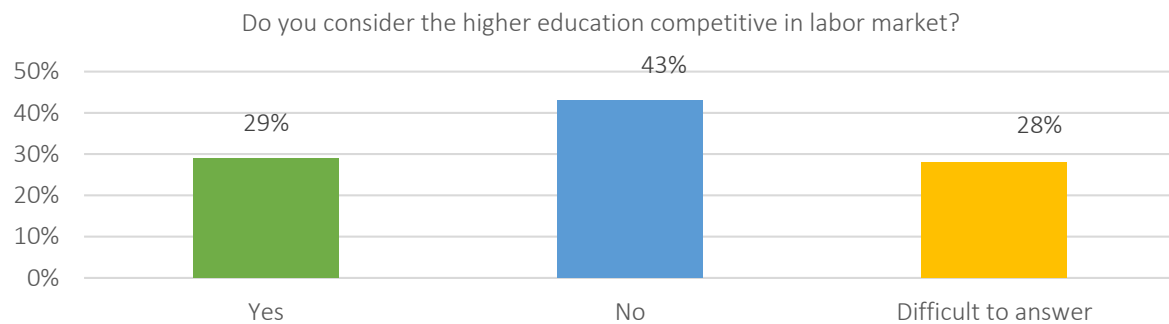


Figure 4. Competitiveness of the higher education, %

competitiveness, whereas 43% don't think so, and a third part (28%) is at a loss with the answer. In general, it confirms the value of the diploma and recognizes that education for the majority is getting the diploma, but not knowledge acquisition, professional development and the place in the labor market.

However, a bright form of manifestation is higher than the designated tendency as follows: 85% of the interviewed respondents thought of receiving second higher education, whereas 15% of respondents reject such requirement. However, telling about essential possibility of receiving second higher education, 66% of respondents are recognized by opinion that such requirement exists, but isn't relevant yet. Eighteen percent are noted by its relevance and sixteen percent in general deny existence of requirement of receiving second higher education now.

The thought concerned is interesting if there is a requirement of second higher education, then what can be not relevant. Fifty-two percent of respondents consider that they have no time for additional education, whereas thirty-three percent note that there is no financial opportunity.

Increase in the number of students in contract form of education (14%) in connection with reduction of public financing of higher education (12%), introduction of payment for additional services (second higher education, courses, etc.) is defined. Deterioration in material and technical resources is noted (especially outdated equipment on technical specialties). Institutions of higher education of an economic profile, unlike technical, are more focused on innovative and grant activity (9%), improvement of material and technical resources (8%).

The fact of improvement of quality of teaching (7%) deserves the attention. However, analyzing processes of commercialization of higher education, it is impossible to bypass a question of quality of education in general. It is noted that 44% consider education as qualitative, at the same time, 38% don't see it as such, and 18% are at a loss with the answer. Most of the respondents (60%) don't recognize the existence of the principles of business in institutions of higher education and, in particular, creation of enterprise bases of the universities. According to main objective of education, it is established that 12% are engaged in obtaining the necessary level of knowledge, but receiving highly paid work – 54%. In general, it confirms a thesis that knowledge doesn't play the dominating role in modern society, and receiving profit has key value.

During expert assessment (10 competent experts-heads of structural divisions and representatives of the faculty of institutions of higher education have participated in the research), it has been defined that rather adverse economic and social situation of the country causes a number of problems in the educational sphere. Educational actions have to be directed to growth of expenses of the educational sphere, increase in its efficiency, creation of necessary conditions for attraction of extra budgetary funds, assignment of information support, formation of the transparent control system of quality of education.

However, it is necessary to avoid educational inequality, social stratification, reduction of the number of the budgetary places, and eventually, replacement of the state form of payment.

In a present economic state, the state order doesn't reflect objectively public needs for experts with

higher education. The feature of the educational system is that its normal functioning takes place only when it isn't connected with the solution of temporary tasks and considers the prospects of economic development and growth of the need for certain experts. In the educational sphere, all actions and movements have to be weighed, because they cause negative economic consequences. Development of economy and society assumes expansion of activity of the educational system. The special attention should be concentrated on institutions of higher education of a technical profile, as educational laboratories of technical colleges and engineering schools are created within many decades.

Reforming of educational system in similar conditions demands attraction of extrabudgetary funds to the educational sphere. It is necessary to provide for the educational system the financing of not lower than 6% of GDP. However, from the economic point of view, it means that the average salary of the teacher has to exceed the average salary in the industry. The level of the salary won't affect the creativity level, however, will influence personnel structure and development of modern educational techniques and updating of the educational process. However, the means received out of the budget shouldn't play a role and it isn't necessary to create conditions under which the existence of extrabudgetary funds will influence the volume of the budgetary financing. Correctly constructed tax policy of the state is capable of providing additional receipt of extrabudgetary funds in an educational system.

Everything in general promotes the emergence of actually Ukrainian forms of commercialization, which differs from Western Europe. Its essential difference consists in tendentiousness, orientation on profit, consumerism – a peculiar type of consumer behavior. In educational system, the principles of consumerism are postponed for introduction of payment for various additional services (trainings, advanced training courses, working off of occupations, retaking the examinations, etc.). However, not all these concepts have to invest in a commercialization basis of Ukraine.

The prospect of the creation of the enterprise, universities in the territory of Ukraine is rather

far-sighted, as commercialization mechanisms in the Ukrainian education arise due to:

- adverse economic and social situation of the country in general;
- low and sometimes unsatisfactory level of the state support of higher education;
- insufficient financing of institutions of higher education and the choice of irrational forms of government in the educational sphere;
- insufficient reforming of system of higher education;
- rapid development of private education and emergence of institutions of higher education of non-state form of ownership;
- choice of ways of modernization of the educational sphere and insufficient support of the European educational tendencies;
- existence of a peculiar type of culture, mentality and consciousness of individuals that actually promotes rejection of innovations.

4. DISCUSSION

The interview with representatives of the administration of the universities was carried out on the basis of the interview developed by the author the article. The Chairman of labor union of Ukraine Hennadii Trukhanov, the Vice-Chairman of labor union of Ukraine Serhii Romanenko, the Doctor of Pedagogical Sciences of Lillia Baranovska, the Doctor of Social Sciences, the honored worker of science and technology of Ukraine Mariia Piren, Doctor of Philosophical Sciences Leonid Chupriy.

The content of the interview has been directed to obtaining profound information concerning the features and characteristics of administrative management of innovative processes in the surveyed institutions of higher education, perception of the Bologna innovations and assessment of dynamics and their advance, the main problems of introduction of innovations. The guide contained the questions concerning sources of those infor-

mation channels on which the interview gains knowledge about Bologna process, a question of assessment of activity of divisions of the university, a condition of implementation of provisions of the Bologna declaration, assessment of results of multilevel training of students, the personal relation of the interviewer to occurrence of Ukraine in uniform European educational space, about demand in labor market of bachelors and masters, about threats on institutional barriers of native education at the present stage, the main problems of higher education.

All expert interviews contained data about the respondents: the name of institution of higher education in which the respondent works, position, length of service in positions, length of service in administrative structures, academic degree works.

An important condition for comparison is the community of welfare bases in the educational systems of Ukraine and the leading European countries. It is known that the Ukrainian higher education has developed under the influence of the European educational and cultural traditions. Therefore, communicating with respondents on a subject of changes in modern higher education, first of all, their views of the effectiveness of the introduction of the Bologna system and assessment of the main disadvantages and advantages of reforming of modern education interested us. All respondents have complained about:

- insufficient attention of the modern power to higher education;
- vulnerability of the rights of educators;
- shortcomings of introduction of the Bologna system, in particular small awareness of teachers of opportunities of the Bologna system.

All respondents noted:

- crisis insufficient funding of education and innovative technologies;
- lack of support of integration processes from the state, in particular academic mobility.

The system of assessment of quality of education accreditation remains an important question for native education.

Efforts of private institutions of higher education with the low level of teaching and the lack of a concept of the state order for certain specialties create prerequisites for:

- commercialization of education, profanation of quality of the diploma of the state sample;
- depreciation of a mission of education in general.

Falling of the general level of training of teaching personnel communicates with:

- lack of strict control of the process of receiving an academic degree;
- corruption of the leading device.

The most widespread diseases, which have struck the modern higher school, are as follows:

- corruption;
- low level of the scientific sector in education;
- weak work practice of students on a number of specialties.

In the opinion of heads (their deputies and deans) of four universities, the basic indicators of the crisis phenomena of the higher education are as follows:

- weak material and technical equipment of institution of higher education;
- aging of research and educational personnel of the institution of higher professional education and, as a result, weak susceptibility to innovations;
- misunderstanding by scientific and pedagogical community of the reasons and problems of the carried-out changes in the organization of management of institution of higher education in the context of accession of Ukraine to the Bologna declaration;

- weak knowledge of scientific and pedagogical workers in the sphere of the carried-out transformations and insufficiency of various forms of education for managers and teachers of institution of higher education.

The transformation of higher education in perception of the management has to be followed by mass training of personnel. In the institution of higher education, especially state, not enough financing from the budget is allocated for these purposes, therefore process goes very slowly. Understanding the relevance of the solution of this problem, heads allocate money from extrabudgetary funds, but they aren't enough.

For the solution of tasks of transformation of institution of higher education in the conditions of Bologna process, heads call such necessary conditions: the publication of the regional and departmental regulations promoting an institutionalization (regulation) of activity of institution of higher professional education at entry into uniform European educational space; on their basis, development of the local documents of institution of higher education regulating process of creation of new administrative structures of the organization in the field of education quality management; multilevel preparation; international cooperation; systematic professional development of administrative shots and increase in financing from budget funds for the solution of these problems.

Among answers to a question about threats of higher education, it is necessary to mark out dissimilarity in thoughts of the respondents concerning formation of the non-state sector of the higher education. Heads of state universities consider that commercial institutions don't pay due attention to fundamental disciplines, in training applications, quality of training of students very low prevail. Heads of non-state institutions of higher education (University of the Right, Interregional Academy of Personnel Management) don't agree with it. On the contrary, they consider that the functioning of the non-state sector at high school shows how success can be the institution of higher education, which isn't burdened with strict control of the state on material and technical resources and quality of teaching on the deficiency of the faculty. Practitioners agree that of the state control

of results of activity of institution of higher education, but not behind training process is admissible.

The analysis of answers of respondents of the sociological research conducted by the author has revealed the following:

- practitioners agree that of the state control admissible by results of activity of institutions of higher education, but not throughout training. The statistics demonstrates that only the few non-state institutions of higher education left at a boundary of criteria of state universities;
- the system of the Ukrainian higher education undergoes changes of high degree of complexity, the economic, organizational and socio-cultural living conditions of institutions of higher education caused by change now. These transformations are expressed in politically operated processes of reforming of the higher school in various ways and consequences of adaptation of institutions of higher education to the changing conditions, a conversion of the relations in labor market and also in sociocultural dynamics of motivations of subjects of the higher education.

In recent years, in the sphere of native education, certain experience was accumulated, but still there are unresolved problems, despite the existence or lack of such factor as Bologna process. Therefore, it is expedient to define main of them. According to respondents, they are as follows:

- difficult system of scientific degrees in comparison with all-European that complicates mobility of scientists in Europe;
- existence of a large number of institutions of higher education, but at the same time, in Ukraine, the menacing tendency to education deterioration is observed;
- unsystematic, unmotivated creation of a large number of structural divisions of institutions of higher education with all forms of ownership and submission;
- excess quantity of the educational directions and specialties;

- insufficient recognition of the bachelor level as qualification level, disinterest with it by Ukrainian economy;
- duplication of training of specialists in some directions and specialties within a certain region;
- increase in a rupture of communications between education and labor market;
- low level of financing of education and so on.

CONCLUSION

All this in general allows to define factors of manifestation of commercialization and economism in the Ukrainian society and to tell about economism and commercialization as two separate the social processes existing in the Ukrainian educational system. However, the form of their dynamics and development remains quite peculiar.

At the same time, because of the existence of political and transformational factors in Ukraine, the higher education became more a source of cynicism and corruption and also negative moods in society. The Ukrainian higher school hasn't passed examination in the Ukrainian state in the confirmation of ownership advantage. The innovative ideas, transformational strategy hasn't been carried out. However, institutions of higher education together with the statesmen occupied in the management of the educational sphere bear considerable moral responsibility for similar miscalculations and a catastrophic state in which there was today's Ukrainian state. The modern history of Ukraine has a lot of on expectations, the lost losses and unrealized hopes. The system history of Ukraine is rich of expectations, the lost losses and unrealized hopes. The executive system and monitoring have to be effectively adjusted as without fully reforming the system of higher education can be doomed to losses.

Thus, in the sphere of the higher education of Ukraine, there were certain contradictions, main of which are:

- contradiction between the sphere of the higher education and labor market;
- contradictions in education system (the conflict between requirement of an education system and uselessness of knowledge);
- contradiction in mentality of society (formation of "new mentality" in education: essential changes in the relation of students and teachers of institutions of higher education to training process).

All the abovementioned allows to draw a conclusion that the current state of mechanisms of functioning of the Ukrainian higher education is in the process of search of the most effective ways of development of education in the occurrence of the national educational sphere of world educational and scientific space.

From the point of view of rapprochement of the Ukrainian and European educational system, the timely solutions of a number of problems in the field of higher education of Ukraine, which have arisen in connection with the accession of the country to the Bologna process, becomes pressing. The National Institute of strategic researches has defined key problems of implementation of the requirements of the Bologna process in Ukraine.

So, according to experts, the next several years can be key and critical in the Ukrainian higher education, taking into account that, first, in connection with demographic recession, the number of entrants who will come to study to institutions of higher educational will decrease. At the same time, the offer of places in institutions will begin to exceed the real number of entrants that will lead to the competition where only those institutions of higher education will win, which have positively proved in the

education market. Secondly, the new law on higher education will be perhaps adopted, which in a new way will define operating conditions of native education. So, the future of higher education of Ukraine substantially depends on political decisions on activity of the branch.

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Economism

Economism, sometimes spelled **economicism**,^[1] is a term in Marxist discourse. It was used by Vladimir Lenin in his attacks on a trend in the early Russian Social-Democratic Labour Party around the newspaper Rabochaya Mysl:

The Economists [in Russia] limited the tasks of the working class to an economic struggle for higher wages and better working conditions, etc., asserting that the political struggle was the business of the liberal bourgeoisie. They denied the leading role of the party of the working class, considering that the party should merely observe the spontaneous process of the movement and register events. In their deference to spontaneity in the working-class movement, the Economists belittled the significance of revolutionary theory and class-consciousness, asserted that socialist ideology could emerge from the spontaneous movement, denied the need for a Marxist party to instil socialist consciousness into the working-class movement, and thereby cleared the way for bourgeois ideology. The Economists, who opposed the need to create a centralized working-class party, stood for the sporadic and amateurish character of individual circles [or collectives]. Economism threatened to divert the working class from the class revolutionary path and turn it into a political appendage of the bourgeoisie.^[2]

The charge of economism is frequently brought against revisionists by anti-revisionists when economics, instead of politics, is placed in command of society; and when primacy of the development of the productive forces is held over concerns for the nature and relations surrounding those productive forces. This debate was most notable upon Deng Xiaoping assuming leadership of the Communist Party of China, criticising the Maoist line as ultra-leftist and accusing them of building socialism before the economy was ready. In turn, Maoists criticised Deng Xiaoping for abandoning socialism in favour of opening up the Chinese economy to capitalist reforms in a needless pursuit of expertise and recognition from capitalist nations to fuel growth.

Contents

Other uses

See also

References

Bibliography

External links

Other uses

The term is often used to criticize economics as an ideology in which supply and demand are the only important factors in decisions and outstrip or permit ignoring all other factors. It is believed to be a side effect of neoclassical economics and blind faith in an "invisible hand" or *laissez-faire* means of making decisions, extended far beyond controlled and regulated markets and used to make political and military decisions.

Conventional ethics would play no role in decisions under pure economism, except insofar as supply would be withheld, demand curtailed, by moral choices of individuals. Thus, critics of economism insist on political and other cultural dimensions in society.

Old Right social critic Albert Jay Nock used the term more broadly, denoting a moral and social philosophy "which interprets the whole sum of human life in terms of the production, acquisition, and distribution of wealth", adding: "I have sometimes thought that here may be the rock on which Western civilization will finally shatter itself. Economism can build a society which is rich, prosperous, powerful, even one which has a reasonably wide diffusion of material well-being. It can not build one which is lovely, one which has savor and depth, and which exercises the irresistible power of attraction that loveliness wields. Perhaps by the time economism has run its course the society it has built may be tired of itself, bored of its own hideousness, and may despairingly consent to annihilation, aware that it is too ugly to be let live any longer".^[3]

See also

- Economic determinism
- Gross national happiness

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This page was last edited on 2 February 2021, at 07:42 (UTC).

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Economic determinism

Economic determinism is a socioeconomic theory that economic relationships (such as being an owner or capitalist, or being a worker or proletarian) are the foundation upon which all other societal and political arrangements in society are based. The theory stresses that societies are divided into competing economic classes whose relative political power is determined by the nature of the economic system.

In the writing of American history the term is associated with historian Charles A. Beard (1874–1948), who was not a Marxist but who emphasized the long-term political contest between bankers and business interest on the one hand, and agrarian interests on the other.^[1]

Contents

Relation to Marxist philosophy

Criticism

Notable economic determinists

See also

Citations

References

External links

Relation to Marxist philosophy

According to Marx, each social mode of production produces the material conditions of its reproduction. Otherwise said, it is the ideology that is responsible for grounding secondary civil services such as politics, legislature, and even culture to an extent. Grosso modo, ideology is the guiding influence of the mode of production, and without it, difficulties would theoretically arise with reproduction. Marx did not believe that the same economic rules governed all of history, but that each new era brought with it new economic factors.^[2] Furthermore, Marx and Engels are said to have believed, should a revolutionary force change the mode of production, the dominant class will immediately set out to create a new society to protect this new economic order.^[3] In the modernity of their era, Marx and Engels felt the propertied class had essentially accomplished the establishment of a new societal and economic order, instinctively creating a society protective of their capitalist interests. They made this statement to the Bourgeoisie in the *Communist Manifesto*: "Your very ideas are but the outgrowth of conditions of your bourgeois production and bourgeois property, just as your jurisprudence is but the will of your class, made into law for all, a will whose essential character and direction are determined by the economic conditions of the existence of your class."^[4] Marx also believed that the same ideas could not grow out of just any economic system: "Don Quixote long ago paid the penalty for wrongly imagining that knight-errantry was compatible with all economical forms of society."^[5]

The young Marx hence criticized man's alienation. "Vulgar Marxism" has considered that the relation between the economical infrastructure and the ideological superstructure was a unicausal one, and thus believed in economic determinism.

Criticism

Other Marxists and Marx-scholars—including Eduard Bernstein,^[6] Gerald Hubmann,^[7] György Lukács, Antonio Gramsci, Louis Althusser, Maurice Godelier, Franz Jakubowski, Edward P. Thompson and Michael Lowy—completely reject the interpretation of Marx and Engels as "economic determinists". They claim this idea is based on a poor and selective reading of Marx and Engels' work. They argue that this interpretation originated in the early years of the Second International and was popularised by Karl Kautsky and Nikolai Bukharin, among others. They refer to the disclaimers by Engels (see historical materialism) to the effect that while Marx and himself had focused a lot on the economic aspects, they were very aware that this did *not* in fact constitute the totality of society or of social life. In *Socialism: Utopian and Scientific*, Engels notes how the same material conditions and class situation led to different political situations in Britain as that society tried to adapt to the results of the French Revolution and other external events.^[8] Richard Wolff also notes that Marx studied things he thought under appreciated by mainstream academia, but did not proclaim or think their theories to be irrelevant.^[9]

However, some have viewed Engels' claim to not being an economic determinist as an attempt to extricate himself from an untenable position: Max Weber and other influential sociological and economic thinkers agreed that Marx's views were really unidimensional in regard to economic determinism. They did not believe that economic determinism was a vulgar interpretation of Marx, but regarded this to be the explicitly stated and true interpretation of Marx. They criticized the perceived simplicity in Marx's arguments and held that ideas and cultural beliefs and values determine societal progress and the evolution of society. (See Weber's *The Protestant Ethic and the Spirit of Capitalism* (1905).

According to Marx, the dynamic of history was shaped precisely by clash of interests determined by material conditions, like inequalities between clearly separate groups (class struggle), and that clash *could not be understood* simply in terms of economic self-interest, because it also involved human needs, customs, traditions, morals and values encompassing a whole way of life. On the other hand, Lenin wrote that "an idea that captures the minds of the masses becomes a material force," meaning that the said needs, customs, traditions, morals and values can be equated to economic forces.

The end result of economic determinism in this view is both economism (a narrow focus on how people earn their livelihood) and economic reductionism (the attempt to reduce a complex social reality to one factor—the economic—such that this one factor *causes* all other aspects of society).

Notable economic determinists

American geostrategist Thomas P. M. Barnett describes himself as an economic determinist in his book *The Pentagon's New Map*.

See also

- Biocultural evolution
- Communism
- Dialectical materialism
- Economics
- Philosophy of history

Citations

1. Peter J. Coleman, "Beard, McDonald, and Economic Determinism in American Historiography," *Business History Review* (1960) 34#1 pp. 113–121 in JSTOR (<https://www.jstor.org/stable/311>)

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2. K. Marx (1952). *Capital*, (S. Moore and E. Aveling, Trans., F. Engels, Ed.). In R. M. Hutchins (Ed.), *Marx* (1st ed., Vol. 50, *Great Books of the Western World*, p. 10). Chicago, Illinois: Encyclopaedia Britannica. (Original work published 1883)
3. Karl Marx & Friedrich Engels, "The German Ideology," from *Selected Writings*, p. 120
4. Karl Marx, Friedrich Engels, *Communist Manifesto*, p. 35
5. Marx, *Capital*, Footnote 2, p. 36
6. "Eduard Bernstein: Evolutionary Socialism (Chapter 1)" (<https://www.marxists.org/reference/archive/bernstein/works/1899/evsoc/ch01.htm>). *www.marxists.org*. Retrieved 2020-06-20.
7. "Afgestoft en gerehabiliteerd" (<https://www.groene.nl/artikel/afgestoft-en-gerehabiliteerd>). *De Groene Amsterdammer* (in Dutch). Retrieved 2020-06-20.
8. "Socialism: Utopian and Scientific" (<https://www.marxists.org/archive/marx/works/1880/soc-uto/index.htm>). *www.marxists.org*. Retrieved 2020-06-20.
9. <https://www.youtube.com/watch?v=iFHVWBKrgZY&t=633s>

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- Helmut Fleischer, *Marxism and History*. New York: Harper Torchbooks, 1973.
- Friedrich Engels, *Socialism: Utopian and Scientific*. London: Mondial, 2006.

External links

- [Marxism's Internal Contradiction \(http://www.framingbusiness.net/archives/19\)](http://www.framingbusiness.net/archives/19)
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This page was last edited on 5 March 2021, at 01:56 (UTC).

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