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CIDE

NÚMERO 20

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**RATIONALITY AND NORMATIVITY
IN (ECONOMIC) THEORY AND PRACTICE**

Introduction

I have chosen as the subject of my lecture: rationality and normativity in theory and practice. I have added in brackets: 'economic' to point out that I will apply the theme to the field of economics although I am not an economist myself and do not claim any professional knowledge of the field.

The problem I wish to deal with is the relationship between rationality and normativity. Often they are separated. Rationality is supposed to deal with the facts. Normativity is related to values. And facts and values are supposed to be kept apart. Thus rationality is the concern of science and technology, both the natural and the social sciences, including economics. It characterizes the knowledge as discovered and taught at universities and applied by industrial companies and governmental bureaucracies. Normativity is the concern of the churches, of protest groups and partly also of the government. Rationality is applied for the control of nature and man and for making profit. Normativity is concerned with the negative consequences thereof: unemployment, poverty, arms risks and pollution, to mention only a few.

Another, even wider problem, connected with the implied rationalization of society, is a sense of a loss of meaning. I do not know how far this applies to your country but it has been a central issue in the analysis of European society for almost a century.

I will pursue my theme in 3 parts:

- 1) I shall broadly discuss the analysis and solution of the problem by the German philosopher Jürgen Habermas.
- 2) I will point out some problems I see in his approach.
- 3) I will make some alternative suggestions.

I. Habermas's Theory of the Modern Age

Habermas's largest work hitherto can be described as a theory of the modern age.¹ The central elements in this theory are the concept of rationality —modern society has sprung from processes of rationalization and is characterized by them— and the problems of rationality —modern society suffers from a lost sense of meaning and freedom. In his analyses, Habermas particularly links up with the work of Max Weber. However where Weber concludes that the tensions resulting from rationalization are unresolvable, Habermas tries to find a way out with the help of his theory, convinced

¹ I am referring to J. Habermas, *Theorie des kommunikativen Handelns*, Suhrkamp, 1981, 2 vols. (*Theorie I and II*). My discussion of Habermas does not consider his development as shown in the Tanner lectures. For this, see J. Habermas, *Recht und Moral: Zwei Vorlesungen*, Salt Lake City, University of Utah Press.

as he is that the elements allowing a solution must be present, if anywhere, in modern thinking itself.²

1. The Link with Weber

There are two factors which play an important role in the process of rationalization as seen by Weber and which at the same time have given rise to the problems mentioned: an objectifying attitude to reality and differentiation in society.

1) It is important to note that objectification already begins with the transition from magical thinking to religious-metaphysical world-views.³ In the magical or mythical experience of reality, everything is charged with meaning, is personal and mysterious. The world forms a whole in which everything is interrelated, full of a deeper meaning of the divine. It is enchanted and enchanting. This changes fundamentally with religious-metaphysical world-views, which arose as a response to the problem of theodicy: the injustice of the unequal division of happiness, for which mythical thinking can offer no satisfactory solution. The answer of religious-metaphysical world-views is the assumption of a different reality behind or above this world.

The great monotheistic religions start from the fundamental dualism of God the Creator and creation —Weber calls this a theocentric world-view. In East Asian religions and, in a more or less comparable way, in Greek philosophy, we see the rise of a fundamental distinction between what could be called a foreground world, which is illusory, and a different eternal or divine reality in which the illusory world is overcome —Weber speaks here of a cosmocentric world-view. In both cases concrete reality loses its enchantment. It is objectified, deprived of its intrinsic value. The mystery and the deeper meaning disappear. Man's purpose and his true happiness come to lie outside earthly existence. It is there that the problem of injustice is solved. This world literally becomes a point of departure, a means of obtaining bliss elsewhere.

This process of objectification continues in the modern age. Rational thought, which first shaped the religious-metaphysical world-views, subsequently perceives these to be its own product and in doing so deprives them of their credibility.⁴ The divine secret behind the world has been exposed.

As a result, only the objectified world remains. It is now up to man himself to find a meaning for his existence. He cannot find it in the world as such, for that has already lost its intrinsic value. The secrets which it still holds no longer command real awe. As

² Cf. J. Habermas, *Der Philosophische Diskurs der Moderne*, Suhrkamp 1988, 1985¹, p. 425 (*Diskurs*).

³ Cf. *Theorie I*, pp. 279f.

⁴ *Op. cit.*, p. 467.

an object, the world has become an instrument which can be used by man in his attempts to give meaning to his existence. The only source of meaning now lies in man himself.

2) Here the second point becomes important: differentiation in society. Again I can provide only a brief outline. There has always been diversity both between people and in every individual existence: a plurality of relations, functions, and positions. However, in both mythical and metaphysical thinking, this diversity is incorporated into a comprehensive unity: the communion of the divine powers which govern life or the single, all dominant power of God, Nature, or Reason.⁵ In the modern age, the diversity increasingly crystallizes into independent social units such as the state, the company, the church, the family and the school, in a plurality of institutions such as law, art, the market, science, and in mutually unrelated values and interests such as individuality and solidarity, freedom and equality. The crucial point is that an all-embracing entity which creates unity is absent. Society lacks a normative framework of meaning that assigns a place to all things and people. There is a pluralism of values, as if anarchy has broken loose in the world of many gods.

Against this background we can now sum up the problem of the modern age as seen by Weber. On the one hand, rationalization of society involves an increasingly widespread process of objectification: various aspects of existence are simply means to a future end subjected to the rule of rationality. Everything is bureaucratically and technologically organized. The resulting loss of freedom and initiative leads to a lost sense of meaning. At the same time, rationalization goes together with increasing demands on the individual. There is no other source of meaning than man as subject. The progressive differentiation and individualization heightens the pressure on the individual human being to give meaning to his or her existence —a pressure which many are unable to bear. The loss of a sense of meaning here is caused by the absence of a guiding normative framework. Everybody has to design his own!

2. Habermas's Version

In the development of his own theory, Habermas can link up with Weber and at the same time dissociate himself from Weber's conclusion by distinguishing between the inner logic of the process of rationalization and its actual realization.⁶ The latter is influenced by all kinds of external factors which are not necessarily from within the process. In other words, the process of rationalization contains possibilities other than those which have actually been realized. It is these other possibilities which Habermas tries to bring to light in his theory of the modern age. Two points are especially important: the view of rationality and the analysis of modern society; both of which I will shortly discuss.

⁵ *Op. cit.*, pp. 334f.

⁶ *Cf. op. cit.*, pp. 272f., 277f.

1) I start with the view of rationality. Habermas has developed his theory of the modern age as a theory of communicative action.⁷ This term, the title of the work which I mentioned at the beginning, contains a criticism of the scheme which has largely determined modern thought. Since Descartes, philosophy has used the individual consciousness as its starting-point. This, as subject, came to be opposed to the world as object. In the framework of this thinking, rationality is linked to the scientific determination of facts and the possibility of manipulating them. Rationality is aimed at certain knowledge and at power based on that knowledge. It is objective and instrumental. Weber's view of rationality is strongly influenced by this scheme. Rationalization thus coincides with objectification. Habermas rejects this view of rationality as being too limited. He chooses his starting-point, not in consciousness, but in language.⁸ Language is conceived of as speech or discourse. The subject-object relation loses its central and dominant position. It becomes one of three relations.⁹ In the speech situation, modern language analysis distinguishes the speaker, the addressee, and the object. With a statement, a speaker establishes a relation with an object, with the addressee, and with himself, to the extent that his statement represents what he thinks. Thus for Habermas, language reflects the fundamental distinction in reality between the objective world of facts, the intersubjective world determined by norms, and the subjective world of inner experiences. There are three corresponding kinds of rationality, relating to the truth of a statement, its normative correctness, and its subjective sincerity.¹⁰ Normative correctness requires that the statement is justified or ethically sound with regard to the addressee. Every statement as such claims to be true, normatively correct, and honest, even if this assertion is not made good in practice. These claims can be supported with arguments and critically tested. Rationality consists precisely of the arguments that are used to reach agreement. Hence Habermas speaks of communicative rationality.

With this broader view of rationality, Habermas achieves three things: a) All rationality is a matter of arguments and convictions, rather than a formal logical order which relates a claim to a state of affairs. The universal validity of a statement is necessarily provisional. In this way Habermas establishes a link with recent conceptions of truth.¹¹ b) Rational testing is not only possible for cognitive statements relating to the world of facts, but normative statements, too, can be justified and criticized with arguments which legitimately claim universal validity. Intersubjectivity can give a normative framework a rational basis, so that a universally valid orientation can be given to subjective meaning.¹² c) Because rationality applies to man's threefold relation to the objective, intersubjective, and subjective worlds, it can establish internal coherence in the motley diversity of his existence, without violently reducing this diversity

⁷ Cf. J. Habermas, *Der neue Unübersichtlichkeit*, Suhrkamp 1985, pp. 179f.

⁸ Cf. for instance *Theorie I*, p. 523; also *Diskurs*, pp. 344f.

⁹ Cf. for instance *Theorie I*, p. 149.

¹⁰ Cf. for instance *op. cit.*, pp. 410f.

¹¹ Cf. *Unübersichtlichkeit*, p. 227.

¹² Cf. *diskurs*, pp. 375f.

itself to a unity. Rationality can above all provide unity by means of formal frameworks in which conceptions of facts, norms, and values are tested. It acts, not as an umbrella, but as an internal link.¹³

2) Habermas also qualifies Weber's analysis of modern society. He does not deny that Western capitalism, in which the process of rationalization has found its expression, has had far-reaching negative consequences. And, like Weber, he is not thinking here of material exploitation and impoverishment—these are largely cushioned and compensated for in modern Western society—but of the deformation of life by rules, planning, and pragmatization, which have seriously limited the margin for self-realization and spontaneity necessary to human meaning.¹⁴ Habermas, however, interprets these phenomena in a different light.

Weber regarded this loss of meaning as a necessary consequence of the process of rationalization, since it has brought society under the complete control of instrumental and objectifying thought and action. Habermas introduces a distinction which makes the consequences lose their inner necessity.

He points out that we can view society from two angles: from the outside as observers and from the inside as participants.¹⁵ For the objectifying observer, society appears as a system with functional interconnections which are not determined by the intentions of agents but by internal laws. Neutral mechanisms, such as money and market in the sphere of economy, ensure that people's actions are geared to one another. Actions are functionally determined, independent of normative convictions. The analysis from this point of view makes use of cognitive-instrumental rationality. The working of the system is investigated. Its steering mechanism has an autonomous nature, even if the system can be adjusted by influencing factors within the system.

However, society can also be studied from within, from the point of view of the participant. Society then takes on the aspect of a *Lebenswelt*. It is formed by normative convictions and subjective notions of meaning. People think, decide, and act according to this perspective. Their behavior is geared to that of others because they try to reach agreement. Their actions are communicative. Communicative rationality provides a basis for a common orientation. Within the *Lebenswelt*, existence is felt to be meaningful.

Weber's analysis of modern society can be summed up now in the following formula. In traditional society, life is determined by given normative frameworks. It is experienced as a *Lebenswelt* and therefore as meaningful. Modern society has become a system, controlled by neutral steering mechanisms. It has lost the nature of a *Lebenswelt* and is therefore no longer felt to be meaningful. It is precisely in this reversal that we see the effects of rationalization.

Nevertheless, because Habermas takes a different view of rationalization, his analysis also takes on a different form. Rationalization occurs in two forms. In the

¹³ Cf. *Theorie*, I, p. 339.

¹⁴ Cf. *Unübersichtlichkeit*, p. 151; *Diskurs*, p. 420.

¹⁵ Cf. for instance *Theorie II*, pp. 179f.

Lebenswelt, rationalization condemns the development from agreement on the basis of traditionally given normative frameworks —tradition determines what is good— to agreement on the basis of arguments —tradition itself has become open to criticism.¹⁶ Rationalization is related here to communicative action. It is precisely with regard to normative convictions that people have become independent and rational instead of traditional in the modern age.

Apart from this, rationalization also plays a role in society as a system. Subsections of society, in this case economy and political government, become so complicated that the decisions which have to be made can no longer depend on agreement on the basis of normative views. They develop into independent subsystems with laws of their own. It is characteristic of modern society, not that the *Lebenswelt* is replaced by a system, but that the subsystems are detached from the *Lebenswelt* and only remain indirectly anchored in it via social institutions such as legislation.¹⁷

In fact, the problem for Habermas is not that the spheres of economy and political government no longer leave room for human experience of meaning. In principle, they can be accepted as they are. The steering mechanisms are, rightly, not agreements on the basis of norms, but the norm-free mechanisms of money and power. Merely relating to man's material existence, they are only indirectly necessary for his experience of meaning. They do not necessarily belong to the *Lebenswelt*. For Habermas, the problem of modern society is that the neutral character of the subsystems of economy and political government have also gained control over the spheres which belong essentially to the *Lebenswelt*: culture, including art and science, normative convictions, and development of the individual personality. The instrumental rationality of economy and bureaucracy has penetrated into the areas where communicative rationality is essential, where arguments should be the basis for agreement. The *Lebenswelt* has been colonized. That is why existence is no longer experienced as meaningful.¹⁸

If this is the problem, it is also clear in what direction a solution can be sought, even if this will be difficult enough in practice. The imperialism of economy and bureaucracy must be pushed back out of the *Lebenswelt*. The laws of economy and political government, of money and power, must be confined to their own spheres. Then freedom and the experience of meaning in the *Lebenswelt* will be able to gain full scope again.

This theory of the modern age allows Habermas to hold on to the project of the modern age: a life based on reason. The entire criticism of the dialectics of the Enlightenment has been refuted as flowing from too limited a conception of what is rational. The problems remain real, but there is also an awareness of progress, both material and spiritual. In principle, science can once again be valued positively. The objective world can stay disenchanting, open to manipulation, without intrinsic value. Subjective meaning remains possible, because it finds a framework in intersubjectivity.

¹⁶ Cf. *Theorie I*, pp. 108f., 455.

¹⁷ Cf. *Theorie II*, pp. 230f.

¹⁸ Cf. *op. cit.*, pp. 448f., 539, 549.

The subject as such is connected with other subjects; this is guaranteed by language. Rationality here means that the subject's orientation in intersubjectivity can be rationally underpinned and can therefore lay claim to universal validity. As a speaker, the subject has to rely on the search for agreement on the basis of criticizable arguments.

It is in this perspective that the practice of science takes place: the observer has an objectifying position with regard to nature and with regard to society insofar as it can be seen as a system; the participant's point of view interprets meaning with the help of values and norms and is therefore confined to human society. Values have their origin in the subject—in his valuation of phenomena. The criterion of norms is found in intersubjectivity—the frameworks within which the other can also be respected as a subject.

II. Questions about Habermas's Theory

I would now like to make some critical remarks about Habermas's thought as sketched above. I will formulate them as questions and argue why I believe they have to be answered in the negative.

1. An Insoluble Problem

I start by asking the most obvious question: does Habermas's reinterpretation of modern society and its problems succeed in offering a solution to the impasse observed by Weber and others? This question can be approached from both a theoretical and a practical point of view. With regard to the practical aspect, Habermas, in a speech made before the Spanish parliament in 1984, suggested the founding of a new body from within the *Lebenswelt* which would have to halt and reverse the penetration of the subsystems of economy and political government via money and power into the *Lebenswelt*.¹⁹ Does this proposal have any chance of success? Theoretically, the question is whether the proposed solution is internally consistent with the analysis of the problem. First, I would like to say something about the theoretical aspect. The answer to the practical question follows from that.

The problem I see in Habermas's theory is that the analysis of the problem is at odds with its solution. The tension between the two derives from the incommensurability between the *Lebenswelt*, characterized by normative thinking, and the subsystems of economy and political government, which have detached themselves from it. Consequently, from the perspective of these norm-free subsystems, the *Lebenswelt* itself can no longer be seen in terms of normative categories, but must be viewed as an environment for the system: a means by which the system itself can function. Conversely, the *Lebenswelt* can only try to confine the subsystems from the perspective of

¹⁹ Cf. *Unübersichtlichkeit*, pp. 158.f; *Theorie II*, pp. 582E.

normative notions, so as to push them back out of the *Lebenswelt*. However, being norm-free, the steering devices of the subsystems, money and power, are by definition insusceptible to this stratagem. Therefore, the *Lebenswelt* will have to make use of these devices itself. The systems characterized by them will in turn do their utmost to neutralize the measures taken, in order to maintain and develop themselves as systems.

Practically speaking, this means that the new body considered necessary by Habermas can only succeed, now that government itself has become a technical system which threatens the *Lebenswelt*, if it too starts to behave like a technical system and tries to wield control via money and power. For it is, by definition, incapable of imposing norms on systems, and can only influence these indirectly. This only serves to aggravate the problem of the colonialization of the *Lebenswelt*. It must belie its own nature in order to protect itself.²⁰

2. The Subject-Object Scheme Unsurmounted

The negative answer to the first question automatically raises a second. One of the reasons why Weber's analysis fails, according to Habermas, is that Weber continues to think too much in terms of the subject-object scheme. Has Habermas himself surmounted this way of thinking?

There can be no doubt that Habermas is fully aware of the problems involved in the philosophy that takes its point of departure to be the subjective consciousness.²¹ And it cannot be denied that, by taking his starting-point to be language, he is able to bring elements to light which mark a break with modern subject philosophy. The structure of language proves to be constitutive for the subject and cannot be derived from it or constituted by it.

Yet I believe that on essential points Habermas remains entrapped in the subject-object scheme. The facts of the objective world remain contraposed to the values of the subjective world and the norms of the social world. As Habermas points out, one achievement of the modern age as opposed to mythical thinking is that it makes a

²⁰ As mentioned in the text, Habermas introduced law as the connecting link between *Lebenswelt* the subsystems of money and power. Because Habermas distinguishes within law between law as medium (as such it has the nature of a system) and law as institution (as such it is part of the *Lebenswelt*), "the problem of the connection between system and *Lebenswelt* turns into that of the connection between law as medium and law as institution" (cf. W. van der Burg and W. van Reijen, in their introduction to Jürgen Habermas, *Recht en moraal*. Ingeleid door Wibren van der burg en Willem van Reijen, Kampen, Kok Agora, 1988, p. 29). Besides, law as medium itself appears to violate the *Lebenswelt* (*op. cit.*, p.28).

In his later development, Habermas considers law as a whole to be part of the *Lebenswelt*. (See, e.g., *The Tanner Lectures on Human Values*, University of Utah Press and Cambridge University Press, 1988, vol. 8. The quotation is from the introduction to the Dutch translation of this book). It is not clear, though, how law in this way can serve to prevent the subsystems of money and power from penetrating in the *Lebenswelt*.

²¹ Cf. *Diskurs*.

distinction between fact and interpretation, between internal connections of meaning and external connections of fact, between language and world, between inside and outside world.²² For Habermas there is still a fundamental boundary between the internal relationships of meaning and the external facts. The subjective and intersubjective worlds together remain opposed to the objective world. The basic scheme is still that of man as a subject in relation to the world.

Therefore Habermas does not take a principled stance against the distinction between facts and values, as Hilary Putnam does in his book *Reason, Truth and History*.²³ For Habermas, the beginning of the process of rationalization remains located in the objectification of the world, which thereby loses its intrinsic meaning. As a result, the fundamental relationship remains that of a subject who assigns meaning to the world versus a disenchanting world.

Against this background, the problem of the *Lebenswelt* and the meaning-neutral subsystems of economy and politics cannot but become insoluble. As technical systems, the latter have been detached from both subjective and intersubjective meaning. They obey their own inner laws. Economy and politics, like nature, even if the former involve human action, have become deaf to a normative appeal. At most they can be manipulated with their own devices. Economy and politics belong to the objective world of facts to which norms do not apply. That is why they refuse to be driven back by an appeal to normative convictions.²⁴

I add two remarks to this analysis. It is striking how easily Habermas ignores the fact that economy and political government involve human action. I confine myself to the economic sphere for an example. Habermas has no compunctions about leaving human labour at the mercy of autonomous processes. Labour is merely a factor in the economic production process, not the self-fulfillment of a subject. Labour is a means of production and wages serve as compensation —the steering device is money. The situation which Marx characterized as alienating is accepted by Habermas as an objective fact.²⁵ Habermas rightly points out the weakness of Marx's position: man as a subject must actualize himself completely in his relation to the object. At the back of Marx's thought lies the subject-object scheme.²⁶ However, the way in which Habermas surrenders human labour to the norm-free control of money too easily makes a virtue of necessity. Meaning has been divorced from the subject-object relation and moved to the framework of intersubjectivity. Labour merely serves to reproduce material and therefore need not be experienced as meaningful in itself.

My second remark concerns the attitude towards nature. Habermas's thought

²² Cf. *Theorie I*, pp. 81, 83; *II*, p. 237.

²³ Cambridge University Press, 1981, pp. 150f.

²⁴ Cf. Duchrow/Liedke, *Schalom*, pp. 117f.

²⁵ Cf. *Theorie II*, pp. 475f., 493f.; *Unübersichtlichkeit*, p. 160. See also s. Griffioen, "De betekenis van Dooyeweerd's ontwikkelingsidee", *Phil. Ref.*, vol. 51, 1986, p. 100.

²⁶ *Diskurs*, p. 396.

basically excludes the possibility that nature might have an intrinsic value. Normative frameworks operate between subjects, not between man and nature. Protesting against environmental pollution is therefore linked to the *Lebenswelt*,²⁷ the horizon of values and norms which are based in the subject and intersubjectivity. The practice of environmental thinking confirms this to the extent that politics and society have only really stirred themselves now that environmental pollution is endangering our own conditions of existence, now that the careless use of nature turns out to rebound on ourselves. The same way of thinking is reflected in the fact that there is much less interest in the question of whether this process can repeat itself now that man has started to manipulate nature in the agricultural sector via genetics: nature, plants and animals remain objects without intrinsic value, subservient to the subject, man. Habermas's philosophy of intersubjectivity continues to promote this way of thinking, witness his off-hand comments about manipulation of the object world.²⁸

III. Some Alternative Suggestions

I would like to return now to the main problem of my lecture: the separation of rationality and normativity. The problems that I sketched in relation to the Habermas's solution lead to the conclusion that in spite of all his efforts, Habermas has not really succeeded in overcoming the problem. That brings me to the final part: is there a possible solution? Let me first summarize the problem again, particularly in relation to economic theory and practice.

For Weber, the rationalization of society leads to a loss of meaning and freedom. Rationalization is linked to objectification in theory and practice and objectification leaves no margin for the experience of meaning and freedom. Habermas rejects this conclusion by introducing a more differentiated view of rationality and by distinguishing between the subsystems of economy and politics, which have a neutral character, and the *Lebenswelt*, in which meaning and freedom can be experienced. In this view, the problem lies in the colonization of the *Lebenswelt* by the subsystems of economy and politics. I have already pointed to the self-contradictory nature of this solution. I would now like to discuss what lies behind it and then make some suggestions for an alternative.

In Habermas's view, the subsystems of economy and politics clearly belong to the object world on account of their neutrality with regard to normative action. They can be described as self-guiding systems in which no appeal is made to human responsibility or, in a direct sense, to our understanding of meaning. In society as a whole they have an instrumental character. They serve material reproduction. Above them we find the development of the *Lebenswelt* in culture and science, normative traditions and development of the individual personality. This is the sphere of meaning

²⁷ Cf. *Theorie II*, p. 579.

²⁸ Cf. for instance *Theorie I*, pp. 79f.

and normativity. The objective world of economy and political government is only anchored in the *Lebenswelt* by means of social institutions such as law.

Habermas's views here follow the standard approach, both in science and in practice. Economics as a science is concerned with an objective reality. It tries to find laws and designs models which leave no room for normativity and responsibility. Economic science tries to disregard the normative quality of economic life. This quality belongs to the subjective world of values and norms, from which the aims for the application of economic theories are derived. Thus, economic theory as such makes us insensitive to the intrinsic quality of economic relations as typically human relations. Sensitivity to the normative dimension has to be added from outside by ethics. Science is a neutral instrument. Economic actions are not regarded as being determined by qualitative and normative structures of meaning.

This view is mirrored in economic life itself. A company, for instance, is seen as a matter of technical management aimed at making the organization function as efficiently as possible.²⁹ As a result of this view, the entrepreneur or manager may come to feel guilty as a human being. The consequences of his decisions are often at odds with his ethical convictions. However the laws of the market are inescapable. Conversely, the entrepreneur may also find difficulty in deciding what to think of the satisfaction which he finds in his work. After all, a sense of meaning does not fit in with the standard view of a business company. A company, as a means, is only justified by external ends. Only the latter have an intrinsic meaning. What then if working for the company itself is experienced as meaningful action?

The market view tends to disregard the fact that all kinds of decisions are intrinsically determined by norms because they relate to the meaning and quality of the goods to be produced and involve all kinds of consequences for employees,³⁰ clients, suppliers, and the environment. In practice, though, this normative and qualitative dimension of a company can never be wholly ignored. In the same way the market view tends to overlook the fact that in a typically economic context, too, action can certainly be experienced as meaningful.

This tension between the neutral view of the market mechanism and reality as actually experienced, can only be removed when companies and economic activities in general are regarded as being themselves characterized by normatively determined qualitative structures of meaning. In the terminology of Habermas: they should not be considered as autonomous sub-systems which have a neutral factual character in themselves and only have meaning in relation to life and its values in the *Lebenswelt*. They should be seen as themselves part of the world of meaning and value. If you like, of the *Lebenswelt*.

Is such a view possible? Does this not require going back to the simplicity of earlier societies and ignoring the complexity of our own world? Should we ignore all

²⁹ At the same time there seems to be a new interest in company ethics and company culture.

³⁰ Cf. J. D. Brüggemann, *Humanisering van de arbeid. Bijdrage tot de ontwikkeling van een humaniseringsprofiel*, Dissertation University of Amsterdam, 1989.

the results of abstract theoretical analysis and just rely on our common sense? I intend neither of these. I do not think it is possible. Nor do I think it is necessary. Let me just make a few remarks. They are inspired by the work of the Dutch Christian philosopher Herman Dooyeweerd (1894-1977).

1) First I have to come back to Weber's idea—which is presupposed, I think, by Habermas—that the idea of creation as taught by the great monotheistic religions already implies an objectifying attitude towards the world, as if life in this world is only a means to an end in a different world. This is certainly not true for the Old Testament religion which hardly knows about another life. However, neither is it true for Christianity either that the created world has lost its intrinsic meaning. The opposite is true. The very fact that the world is God's creation makes it meaningful. It can be enjoyed. It is not just material without intrinsic meaning to be used for attaining the world hereafter.

In some way the same could be said about the approach of Greek philosophy, and maybe also of eastern religion. There is a great difference between the modern idea of objectivity in what Charles Taylor has called the radical Enlightenment and which is closely related to Cartesian philosophy and the understanding of reality in classical philosophy. This difference can be summarized by saying that in Greek philosophy rationality in the sense of intelligibility is closely related to the meaningful nature of being. It is only the modern sense of rationality that Weber has in mind and which is part of the objectifying attitude in which reality has lost its intrinsic meaning and becomes material for human manipulation. Its consequence is a loss of respect for everything which is given both in nature and in society.

For this reason the first step necessary in overcoming the separation of rationality and normativity will concern a radical critique of the Cartesian way of thinking in terms of an objective world of contingent relations and a subjective realm of meaning and values. Reality as a whole should be respected as intrinsically meaningful and of a qualitative nature.

2) From this perspective the structures that can be discovered in reality, whatever abstract nature they might have, should be understood as structures of meaning. Theoretical analysis is related to a qualitative diversity in reality. On an abstract level this concerns a variety of general aspects such as those physical, biological, psychological, but also social, economic, esthetic, juridical and ethical ones. In a more concrete sense it concerns a great diversity of concrete phenomena that can be characterized in terms of the different general aspects. And connected with this qualitative diversity there exist innumerable relationships of coherence. If theoretical analysis takes this qualitative diversity into account it can intensify respect for the rich diversity of phenomena that we find in our world and support responsible stewardship instead of reinforcing a manipulative control without intrinsic limits. In the area of economics this would mean doing justice to the qualitative nature of economic structures. By laying bare structural connections in this way, scientific

analysis could enhance sensitivity to the normative dimension in economic relations as typically human.³¹

Of course not all the structural relations that can be analysed within reality display their intrinsic meaning immediately. Many might appear to be just facts. However, if their function within a wider context is taken into account, they will prove to be part of a meaningful reality which reveals its intrinsic quality.

The same is true for factual structures within human behavior. Phonetic laws might in themselves appear to be neutral facts. They just happen to be the way they are. They are disclosed in their meaning when seen as indispensable parts of human speech. In this way they are even taken up in structures of human responsibility because we can be asked to account for what we say. In the same way, abstract economic structures are an integral part of economic behaviour for which we also can be asked to account.

I am fully aware that, apart from all kinds of theoretical questions about the structure of economic life and the nature of what could be called the economic aspect, this approach again creates a tension: a tension between the normativity referred to and the actual influence of the market. I cannot resolve this tension. It is not a theoretical one. However I will say two things in connection with it: a) The reality of facts themselves cannot be understood without reference to their normative quality. Facts have a qualitative nature. As such they are characterized by meaning. They cannot be understood outside their context of meaning. b) Without some awareness of this normative quality, economic life would be unable to function. In connection with the normativity presupposed in language, Habermas points out that this normativity runs counter to the facts: the norms of truth, correctness, and sincerity are constantly violated and seldom entirely fulfilled. Yet all discourse continues to presuppose these norms. Without an appeal to them, discourse loses its meaning. In the same way it can be argued that norms are necessarily implied in economic actions. A simple act of production presupposes, in equal defiance of the facts, that the quality and supply of the raw materials, the human nature of the labour used, the character of the need the product is supposed to fulfill and the consequences of its production and use in terms of pollution are taken into account. The normative dimension can be suppressed. It cannot totally be denied. Decisions with a normative nature are unavoidable. Economic theory should be developed in such a way that sensitivity for these norms is enhanced.

To conclude, the fundamental problem of modern society is not the colonization of the *Lebenswelt* by the subsystems of economy and politics, but the progressive dissociation of human action from an integral framework of meaning. Normatively reprehensible human actions are effectively legitimized in this way. From this point of view, precisely the thinking of the modern age is an ideology in the bad sense of the word.

The solution to the problem should not, therefore, be sought in an attempt to limit

³¹ Cf. for an approach of economic theory that is akin to these suggestions: B. Goudzwaard, *Capitalism and Progress*; and R. L. Haan, *Economie in principe en praktijk. Een methodologische verkenning*, Groningen, Jan Haan, 1975.

the colonization of the *Lebenswelt*, but in the recognition of the integral meaning-character of reality, of the normatively determined nature of all human action, and of the intrinsic responsibility of all social relations. The complexity of present-day society poses great problems here. As a result, it is becoming increasingly difficult for the authorities to limit the consequences of the denial of this responsibility for those involved and for society at large. Nor can scientific inquiry prescribe what decisions have to be taken, even if it can clarify the nature of the problems, provided it is carried out from the right perspective. And much would be gained if the separation of subject and object, the thinking in terms of subjective meaning and normativity, were to be abandoned and replaced by the recognition of the integral meaning-character of reality and its qualitative diversity.

Perhaps it would be useful here if the poet and the artist, together with the prophet and the priest, each with his or her own sensibility, were to look over the shoulders of the scientist at the reality which they investigate, so that other abilities besides the analytical and theoretical would help to determine our view of reality, from an awareness that they are all necessary if we are to do some justice to reality as it exists in the light of its original purpose as God's creation.