

# THE CRITICISM OF ECONOMIC REASON AND THE REASON OF SOCIAL CRITICISM

José Félix Tezanos

Possibly the two most important identifying elements of socialism from the outset have been the demand for a public sphere in the economy, reflecting the conviction that the common good – the public good – must prevail over private interest, and the development of a component of critical analysis against the assumptions and unfair social manifestations of the established economic order. In effect, the most important common element of the different conceptions of socialism have historically been based on the affirmation of social rationality and of the impulse toward solidarity and cooperation, as opposed to the individualistic lack of solidarity and boundless competitiveness.

Socialism since its origins has been defined in opposition to classical economic theory, which has largely been no more than an impressive intellectual effort to justify the logic of social inequality, to the benefit of efficiency understood as material productivity and economic functionality. The culture of socialism has been established on the affirmation of a culture of public life and on the defence of *social* rationality, and not mere *economic* rationales.

Socialism, opposing those who have tried to reconcile 'economic efficiency', 'rationality' and 'unlimited markets' and thus try to protect the logic of capitalism from being brought into question, has emphasised its conviction that the functioning of the social whole cannot be evaluated solely on the basis of the criteria of optimising the production of goods.

Against this so-called scientific fallacy of some theoreticians of capitalism, socialism has historically refuted all attempts to consecrate the principle of the prevalence of the 'economic criterion', quite apart from the political and social considerations, insofar as this criterion represented – and represents – a truly aberrant analytical inversion of genuine logic. Therefore, socialism sets off from the belief that any known social and economic order can be improved and perfected and that no effort at sacramentalisation and fetishisation escape critical analysis.

Nowadays only some simplistic popularisers have tried to sustain with certain 'theoretical' pretensions the thesis of 'the end of the story', of supposedly scientific sacramentalisation of the established liberal-capitalist order. Nevertheless, in spite of the fact that in the most reputable intellectual circles it is accepted that 'economics does not exist apart from politics' (as the very history of economics has shown),<sup>1</sup> it is true that the dynamic of recent historical events is giving rise to the spread of many simplistic interpretations, in which it is attempted to raise the recent collapse of the communist systems to a general and universal category, as a demonstration of the dysfunctionality and unviability of the socialist model of economy itself, and of any socialist approach to an alternative and different model of organising the production and distribution of goods and services in an economically developed society.

Certainly, the present – and future – debate about socialism should not be enclosed, and limited to an

exhaustive and reiterative analysis of the reasons and causes that may explain the failure of so-called 'real socialism', as is happening in certain leftist circles, due in great part to the logical immediate influence of such extraordinarily historical events. Thus, we socialists must attempt to avoid becoming caught up in closed debates involving explanations and rationalisation a posteriori of events that are already part of the past. In any case, in the analysis of these events any effort to justify what is unjustifiable would be vain and sterile. We must, then, find the courage to confront the facts as they are and take a cool and objective view of current public opinion in important circles of the most advanced societies, recognising our share of responsibility in the crisis of ineffectiveness of certain traditional models of criticism of capitalist economic rationality.

The criticism of capitalist economic reasoning, as it has been formulated from the theoretical points of view of the left which have most influenced political action, has been insufficient. It has not been capable, from both the point of view of practical demonstration (communist regimes) and the specific political dynamic of the industrialised world (with its shortcomings and on one occasion without sufficient support for social democratic policies), of submitting, in practice, the empire of economic reasoning to the rationality of social criticism. And such criticism must also be judged on its results.

Largely, Marx and many of his epigones ended up placing themselves on the same wake of 'ideological' influences and 'economistic' reductionism which they intended to – and had to – attack. The fetishisation and ingenuous absolutisation of Marxism as a doctrine and as dogma ended up giving way to a notorious carelessness in the critique of 'economic rationality'; and to a practical assumption of the conception of 'homo economicus'. In terms of the contrasts of opinion, many leftist debates turned into mere debates of general 'principles', far removed from specific 'realities'. For many years, whole generations of Marxists applied an inductive method (the same as Marx used by and large to refute the ideas of other great theoreticians like Ricardo). In this way critical discussion contingent upon social rationale ended up being applied very poorly and partially in the refutation of the logic of economic rationality, while the development of the specific experiences of 'real socialism' in no time at all turned much of the brilliant theorising based on those points of view into so much wasted effort.

Thus, if one wishes to correct the degree of critical ineffectiveness reached along this route and turn around the current tendency towards virtual unilateral 'economisation' of theoretical reflection and of political action, it is necessary to start by assuming and overcoming the insufficiencies of the historically familiar critique of

the absolutisation of economic rationality formulated to date.

## 1 THE INSUFFICIENCY OF THE HISTORICAL CRITICISM OF ECONOMIC RATIONALITY

In a text of this kind it is impossible to embark on a detailed analysis of the insufficiencies and limitations of Marxism as a critique of capitalist economic rationality.

It is not only a matter of questioning the validity itself of the method used by Marx, but also of being aware of the context in which Marx developed his theories. The question one would legitimately have to ask in this sense is to what extent Marxism was simply a premature attempt at formulating a theory of transition to socialism, set out in the 19th century on the basis of societies which had not yet fully evolved from agrarianism to industrialism, on the basis of insufficient empirical knowledge of the reality – and of the contradictions and shortcomings – of the new model of industrial society.

Currently, as we now have a detailed knowledge of the dynamic of capitalism, there is little point in continuing to formulate a criticism of the economic rationale of capitalism on the basis of Marx's analyses, to the extent that these analyses are largely a non-empirical critique of past ghosts, referring to problems and social contexts which have now largely been overcome. Hence their inoperativeness.

However, we should not therefore ignore the fact that from the historical point of view, Marx's works represented an intellectual effort of an impressively valuable erudition as far as the intention which constitutes, without a doubt, their basic contribution: the attempt to subject to criticism the economic reasoning of the classical economists in those precise historical moments in which the truly innovative and radical component of his theories reached greatest significance.

After many years of working in a form of agrarian socioeconomic organisation based on concepts which were 'not very innovative nor producing changes' in the models of the relationships between man and nature, and from the coordinates of quite a stable sociocultural order, the truth of the matter is that the champions of the Industrial Revolution managed to introduce into the theory and practice some revolutionary new conceptions about the relationships between man, nature and society, based on the conviction that much more wealth and new and greater potential could be achieved from 'human nature' than were originally and spontaneously present.

Concepts such as capital and productive labour implied fundamentally innovative approaches and ideas which meant an authentic break with the preindustrial order. Ideas which were logically preceded by transitional

social and economic experiences which were propelled by vigorous cultural movements as ideological propounders of change. Thus it is precisely in this context of change, and in the light of the new historical experiences – and their first results and confusions – that the first critical formulations against the newly emerging social order must be understood. Critical formulations which, in terms of antagonism, spring up in specific reference to a given social order, which still reflect the influence of the social structures typical of the transforming agrarian world. It is its historical nature, therefore, that explains its own limitations, as far as what from today's viewpoint would be considered criticism of past ghosts.

## 2 DIMENSIONS OF THE CRITICISED ECONOMIC REASON

The newly emerging industrial-capitalist order was driven by two important motors clearly perceived by the classical economists, both in terms of their nature and of their mechanism. And the early socialists too had something to say about these two elements, and about their specific operativity in a free-exchange economy.

The first element was capital, understood as something 'much more' than simply a quantity of money. Capital was seen as an instrument of productivity, which had to operate in accordance with new laws (depending on the new order) in order to make the most of itself: in particular in accordance with the criterion of maximum profit and minimum cost, in a context of evident non-regulation of the market, of *laissez faire*. Historically, however, the spontaneous operativity of capital was initially postulated from positions of a lively liberalism, intent on actively breaking up the previously established social order. Max Weber analysed perfectly the *finality* component of early capitalism as the 'doing' force – able to revalidate its destiny – in his famous study of *The Protestant Ethic and the Spirit of Capitalism*.<sup>2</sup>

The second driving force of the new economic reality was labour, seen not only as the application of merely a more or less arduous physical activity aimed at covering the satisfaction of necessities, but as productive labour, as an important source of wealth, along with capital and land. The revolutionary nature of this new conception of labour, and its enormous potential within the framework of the new forms of economic organisation, was the object not only of the famous theorisation of Adam Smith about the division of labour demonstrating its undeniable advantages, but it was soon clearly exemplified in practice with the application of the new techniques, machinery and organisational systems which made possible an extraordinarily excessive yield of industrial labour.

The trade union and political thought and practice of the socialists denied these new approaches, questioning the general practical subordination of the labour (human) factor to the capital (dehumanised) factor, and analysing the specific effects of what they had of exploitation – and alienation – of labour and of appropriation – and super-concentration – of capital, challenging also, in the case of communism, the material practice and the inherent suitability of the market self-regulation, with such important experiences as that of the organisation during more than half a century of a planned centralised economy in the USSR. But, nevertheless, the bases of the new economic rationality were never brought profoundly into question. Hence the tendency to non-rational fetishism of the communist systems and their later virtual failure, and hence the signs of critical and intellectual exhaustion visible nowadays in certain leftist circles.

## 3 NEGATIVE/CONFLICTIVE EFFECTS WHICH ARE CRITICISED

The imperative of the economic rationale underlying the formulation of the new order produced important specific practical effects with a negative character on the dynamic of society, which were largely foreseen and denounced by some of the most brilliant critics of the new order.

As far as labour was concerned, its development in accordance with the logic of a free market gave rise in the first instance to situations which were deserving of very harsh criticism (inhuman prolongation of the working day, poverty wages, alienation, exploitation, pauperisation, etc.). Thus, in the new capitalist industrial system, although the new forms of labour implied greater overall productivity, and might be considered a manifestation of the historical superiority of the new type of economic rationality, they in fact also implied important elements of disruption and negativeness both for the balance and adjustment of the system (from the point of view of so-called functional neutral objectivity), with its conflicts, tensions, alienations, etc., as well as for human and social progress (from the political and ethical point of view), with its lack of social justice, of humanity and of civility.

In a sense, some of the socialist criticism of the negative aspects of the new social model became – and in fact operated as – a self-regulatory mechanism of the system, which due to the social pressure was little altered and became less conflictive, less unfair, less maladjusted and so on. In fact what has happened with this softening of some of the more negative social and human effects implicit in the new economic and capitalist rationale represents a significant example of the 'theory

of social prognosis which belies itself', similar to what happened with the predictions of Malthus with regard to the trend of populations to grow at a faster rate than their ability to produce more food.

Thus the new inflections introduced into the logic of the socioeconomic system – largely due to the pressure of the working-men's movement – have affected and altered the logic of the market and the principle of absolute free exchange, to the point where at present in most of the European countries with 'truly existing capitalism' it no longer corresponds to the original pure model, but has become a socially amended capitalism which has even allowed the rise and the development of such experiments as the Welfare State. Current capitalism has not always maintained the criterion – pure ideology, specific rationality – of the capitalism theorised about by the classics.

And yet, just as it can be said that the chemically pure form of capitalism practically no longer exists in our time, has the concept of labour really altered from how classical economists such as Ferguson, Miller or Marx himself understood it? In fact the classical conception of productive labour has in many respects not yet been the object of theoretical adaptation to the demands of present circumstances, especially to those arising from the current technological revolution. But that is another matter.

In short, it can be said that in our day the role attributed to labour has been strongly questioned, both from the practical and from the theoretical standpoint, in accordance with the logic of economic reason in its classical version. In practice, it has been brought into question, with the development of neo-capitalism, with the virtual role of the trade unions as a real counter-force, and as collective agents taking part in the discussion – and they are influential – of economic self-regulation, sometimes with an important part to play (at least until the economic crisis of the 1970s, the neo-conservative offensive and the impact of new technologies began to bring the social-democratic balance of the 1960s and 1970s into question); and in theory, they have likewise been questioned from different standpoints, because of the ideological impact of the new humanist Marxist approaches which became so popular in the 1960s.<sup>3</sup>

Thus during the 1960s and 1970s, democratic socialism developed a strong practical and theoretical impulse of affirmation of the prevalence of social reason, not only as a mere factor of rebalance, but basically as an element of its own corresponding to a logical scale of priorities in which no reified body should be placed above social, political ... and, in short, human criteria.

As for capital, seen as the great motor of the new capitalist order, and the antagonistic element par excellence of socialist critical theories, the dynamic of history has introduced more than a few changes, both in

its operational methods and in the effects these produce on the social whole.

Traditional criticism of the logic of capital centred on the socially unfair appropriation of the excess of work processes and on the risks of the progressive concentration of more and more economic, social and political power in few hands. For many years the political criticism of capital as the foremost antagonistic element of socialism was upheld by reference to fairly specifically identified social groups and figures, in the local or national spheres where in fact the organised socialist movement operated. Nevertheless, the capitalist economic system has inflected its operation significantly during the last decades, working also in fact – and successfully – within the framework of models of mixed economy, in which its growth dynamic – as an economic force and as a sociopolitical force – has been limited by the concurrence of other forces and by more or less precise regulatory mechanisms of economic activity.

The acceptance of such mixed and tempered formulas of economic 'functionality' and the little attention paid in the socialist tradition to other non-economic logics of action and legitimisation, have given rise over the last decades to a certain inhibition in the criticism of capitalist economic rationality in a context of socialist circles which either did not know how to renew their messages and theories in time, in accordance with the demands arising from the changes taking place, or remained anchored to old critical clichés already outdated in the specific reality.

In this kind of context, the lack of an effective critical pressure adjusted to the new realities, combined with the demands for changes imposed by the economic crisis and the needs for remodernisation of the apparatus of production, and finally the crisis of communism itself, have given rise to a clear distortion of analysis and evaluation in which absolute criticism of practically all the criteria of socialist orientation appears united with the simplistic pretension of proclaiming the empirically demonstrated success of the liberal-capitalist model. The neoconservative political and intellectual offensive aims at presenting a compartmentalised vision of the impacts of change, as if the changes only affected the communist and social-democratic models but not the liberal-conservative ones. In this way, behind the dust arising from the demolition of the Berlin wall, they are trying to hide the real crisis underlying the liberal model, a crisis which is possibly the most important with which we shall have to contend in the coming years.

Communism/socialism is criticised, the crisis of the economies of the Eastern bloc is spoken of and analysed in detail at the same time as capitalism is glorified and the success and political heritage of the liberal-democratic regimes is blessed, as if it were really the 'end of the story'. This is an attempt to make us forget that, in fact,

the present failure of capitalism is reflected in, among other things, its incapacity to establish a fair, harmonious and effective international economic order and a suitable social and ecological balance. On the debit side of modern capitalism, one must mention, *inter alia*, its incapacity to eradicate starvation, poverty and ignorance in the world (the most pathetic example of which is the death of millions of human beings every year through starvation), environmental imbalances, the nuclear danger and the arms race to which important resources are devoted, resources which properly used could make an important contribution to the alleviation of starvation, ignorance and disease on this planet. How can an economic system which makes these things possible be considered the best possible and as the story's happy ending? Can one on the basis of these facts legitimately give up on the possibility of other historically more humane and more civilised options? Is this kind of regime one which will allow – and guarantee – the best use of our present resources, knowhow and capabilities? That is the question.

As a result of all this, what deep down has to be rigorously discussed are the changes, reforms and improvements necessary in our present economic systems, as they operate today on national and international levels, in order to make these systems work in accordance with undistorted social and humane criteria.

These are the questions of substance which must be understood not only by those who tend to lock themselves away in a 'technocratic management' devoid of political horizons, but also by those trade union leaders, obsessed only by the idea of getting a 'bigger slice of the cake', who do not pay enough attention to the need for introducing changes in the logic of power, of economic management and social co-responsibility to offer possibilities of new social and economic directions. The monetarist and economic debates and approaches are at times provoked and encouraged both by some high economic managers operating as authentic patriarchs of macroeconomics, as well as by some assertive trade union corporativists incapable of seeing beyond the tip of their noses.

To sum up, in the context of changes outlined on the historical horizon we socialists must be capable of adapting also our criticism of the reification of capital – in both its senses – to the new reality.

In this way, one will have to adapt to the new laws and virtual criteria with which capital is already in fact operating, to the changes in the very role of property (often it is not the mere deed, but the virtual 'right of use' that matters), to the emergence of new economic agents which play extremely important roles (the technocrats and the executives of large corporations, as opposed to the model of the traditional Boss), to the new structure of international economic forces (multinationals) which

escape the control of national governments, and to the new elements of socio-economic and environmental imbalance (where ecological reasoning takes on crucial importance in the definition of a new non-Darwinian or non-predatory way of understanding the relationships between humanity and Nature).

And among all these new elements to be considered – and not the least important – one must not forget the new forms in which the real power of capital is demonstrated in the societies of our time, through the cultural industries, through enormous news conglomerates and through the control of strategic sectors in education and services.<sup>4</sup>

#### 4 ECONOMIC RATIONALITY AND SOCIAL RATIONALITY

Economic rationality, as a new form of instrumental social rationality and new system of values, was, as we have already remarked, an extraordinarily important factor of revolutionary change at the dawn of the Industrial Revolution. Economic rationality contributed to the drive towards an unprecedented sociohistorical change, unblocking the established systems of domination and production which had remained firmly in place for millennia. It is in this sense that the thoughts of classical economists can rightly be considered profoundly innovative in theory and practice, contributing to the spread of new mentalities, of new social practices, and above all of the new forms of understanding and organising economic production, so that a degree of material progress and practical scientific development was allowed such as had never been known in the history of humankind.

The new economic rationality, in short, has made possible the giant leap forward in the progress of civilisation, freeing and generating material resources as had never before been imagined; resources which in turn made for new challenges, new goals and scientific, political and economic achievements which have opened – or may open – ambitious perspectives placing human beings (civilisation) face to face with genuinely new frontiers. The edges of the world, we might say, were opened up unsuspectingly, beginning with the appearance of the capitalist industrial world, setting off a genuine revolution of expectations and possibilities.

But the economic rationality and the new system of values it implied not only broke down the traditional world, creating tensions and conflicts of adjustment, but also gave rise in turn to new forms of contradiction and conflict, examples of which are so well known as to make it unnecessary to quote them here. Above all, it gave rise to the so-called social question. As a result, after a period of explosion and vigorous implantation of

the new economic thought, which enshrined 'economics' as the new science, there followed a period of intense reflection and attention to the problems of the social order in which a new discipline was developed – sociology – and during which socialist thought and the organised working class movement emerged. The development of 'social thinking', the appearance of sociology, and the emergence of socialism constituted three different reactions to the social problems arising from the development in practice of the new social systems, guided spontaneously by market laws and the new forms of capitalist economic rationality.

When the new situation is seen in sufficient historical perspective, however, it seems evident that capitalism has not been able to generate stable societies. It is true that historically it has 'promoted progress', but, at times, 'at the expense of social dislocation'. It has not prevented the totalitarian risk nor the risk of warring barbarism and genocide, as the phenomenon of fascism showed.<sup>5</sup> How could the nazi phenomenon arise in a cultivated and civilised European country like Germany? Here we have an extreme case of the weakness of a model of the economic system that on its own has no precise mechanisms capable of avoiding economic strain and commotions and social disorders of such a nature as to lead to the creation of situations of social and political tension capable of dragging public opinion in civilised countries into deplorable and suicidal extremisms.

What then is really the rationality of which the theorists of capitalism speak? Is it conceivable to think of an economic rationality without social rationality? Can one divorce economics from politics?

The social tension introduced by the practical application of criteria determined by the economic rationality and the new system of values that it implied, explains the dynamic of the political events of the last century and the various attempts at finding new forms of social balance and systems of economic and social rationality other than those of the liberal-capitalist model.

The particular new contradictions and problems arising along the path of social evolution and the difficulty involved in establishing formulas of alternative balance, have shown not only that the economic rationality had to be subjected to a coherent and consistent criticism from social rationality, but also that the new system of liberal-capitalist values had historically been on a collision course with the very demands – and potential – of progress and of social and environmental harmonisation.

In the present sociohistorical situation, the criteria of maximum profit at minimum cost and of free exchange at all costs not only lead – if not controlled and limited by moral and social instances – to the persistence of situations of grave duality, but also may give rise to significant tensions and social and environmental disorders,

accompanied by an important dimension of disarray and imbalance in the international order.

In this way the absolutely applied values of capitalism – individualism, lack of solidarity, competitiveness, etc. – have become dysfunctional for humanity's historical and humanistic progress and for social harmony and justice, which cannot be thought of in our times without the criteria of environmental balance, the conquest of hunger and of the tremendous international inequalities, the development of new forms of democratic participation, and the impulse of new cultural forms and initiatives. Certainly the dualisation of images and possibilities offered by the two cultures and the two systems of values implicit in the differences between humanistic and renewed socialism and liberal-conservative capitalism perfectly illustrate to us the true nature and scope of many of the options today under debate.

It is true, as some will remind us, that nowadays we must not ignore the fact that the failure of 'real socialism' is going to exercise a negative influence for some time on the 'presentation' and public acceptance of socialism's values of solidarity versus the individualistic values of capitalism. In this way the cosmivision inherited from the French revolution through liberal thought (and today through neoconservative thought), with its affirmation of the supremacy of individual freedom, may be hegemonic – as indeed happens nowadays – in some of the most developed countries on this planet, relegating other values implicit in the spirit of the French Revolution like equality and fraternity to a secondary level, along with other values of solidarity inherited from, or influenced by, other cosmivisions or ideologies developed throughout the progress of civilisation – such as the Roman concepts of *ius equitas* and *humanitas*, the religious values of charity, piety and the ideas of compassion, commiseration and comprehension, etc.

Socialism must be capable of succeeding in integrating and projecting a lay 'vision' and a future 'vision' of all these concepts and values of solidarity and co-participation, in harmony with the criteria of freedom-participation and personal autonomy, in as much as these values are a remnant of civilisation which must be maintained and intensified. And these values and criteria must be maintained and developed for moral reasons (because they represent a higher criterion of human life, of social and cultural maturity), for social reasons (because they are an expression of the progress of civilisation) and because of the survival instinct (in as much as social solidarity is one of the most evolved elements of the logic of living, just as in the real dynamic the adaptive superiority of what is social has demonstrated itself). In this sense, the cultural and political projection of the socialism of the future cannot but consider the need to contribute also to the reinforcement, in the very conscience of the human species, of the values of

solidarity, of social-environmental balance and of the global planetary views.

## 5 CURRENT EVALUATION OF ECONOMIC REASON

As for the social prevalence of economic reason (as a basic factor of historical progress), just as it was formulated by its theorists, and just as it operates nowadays in 'corrected social capitalism', can this conception still be considered as a factor of progress? Does it promote the greatest possible degree of wellbeing that we can achieve? Which is more important nowadays: the economic criterion of creating greater wealth, or the social criterion of generating more wellbeing? Which is at present the principal social goal? Must we think of the wealth of nations or of the wellbeing of nations? Can the model of capitalist economic rationality, even with its adaptations, solve the basic social problems of modern societies? Does it avoid the disorders and conflicts? Does it introduce sufficient self-regulatory social mechanisms?

These are without a doubt some of the questions which we must answer in order to assess the current relevance of the model of economic rationality based on the proposals set out by some of the most brilliant classical economists almost two centuries ago.

Beyond the logical historical timelag of these positions, it is true that the criticism of economic reason can and must be based today on:

- reasons of moral necessity (to affirm the primacy of the values of solidarity)
- reasons of social necessity (to avoid the social disorders, conflicts, instability and inequalities both national and international)
- reasons of political necessity (because of the need to keep politics 'autonomous' with a specific role in decision-making and in setting social, human and scientific goals, etc. unrestrained by the asphyxiating and limiting influences of the great economic forces not controlled politically)
- reasons of ecological necessity (by the requirement of conserving the environmental balances from the depredatory exploitation of natural riches and energy resources).

In short, socialism should be understood to be a moral and social reaction and a political and economic alternative against the ingenuous economic reductionism and absolutisation of economic rationality.

Logically, nothing of this – not even grave environmental problems – must lead to reactions of 'fundamentalism', nor to non-rational pre-scientism which has happened in some ecological circles. About-turns in

history are neither possible nor advisable, nor can the virtual designs of the future be thought of in terms of 'self-sustaining' ghettos of prosperity, or of narcissistic self-sufficiency. The key is knowing how to harmonise the criteria of *economic growth* and *social progress*, defined as two complementary reference points that can only give rise to a positive social balance if tempered in accordance with a more general criterion of social rationality, based on social and human priorities. One such priority, logically, would be to optimise available resources to reach ever higher standards of living. The element of balance that should be introduced from the standpoint of social performance should lead us to the conclusion that economic policies addressed to achieving higher standards of living should not be pursued *regardless of the cost*.

## 6 MARKET, SOCIAL EQUITY AND FREEDOM

One of the perverse effects of the current collapse of the communist economies is the tendency to present this collapse as the definitive proof that the free market is the only possible element of economic rationality. For this reason, it is particularly important nowadays to avoid all attempts at the ingenuous fetishization of the market, both in its positive and negative aspects. The market has only an instrumental function, and must not be considered as an exclusive instrument or mechanism of capitalism, of the capitalist economic rationality. The market existed before capitalism and can exist in the context of non-capitalist systems. Today the market is an instrumental reality assumed by everyone, including the socialists, with people who are talking now of the model of 'market socialism'.

The distinctive aspect of capitalism, apart from its adherences and circumstantial historical elements, is a specific form of economic rationality, of the enshrinement of the principle of maximum yield over and above any other moral, social or political consideration. This rationality is expressed in terms of a non-critical scientism, which tends to justify and consecrate the logic of established social inequality. From this basis, the three distinctive characteristics of the capitalist model of production can be seen as: acceptance – and justification – of an alienated/exploited form of labour, an unlimited or little-limited system of appropriation of capital as a productive factor and de facto power, and a principle of non-interference – or hardly any interference – by public authorities in the functioning of the economy (free exchange).

In the exact context, then, of the events that are taking place in the world, and of the development of economic and political debates, one of the priority demands for socialists is to define our position about the market,

