Chapter 2  
The Language of Current Economics: Social Theory, the Market, and the Disappearance of Relationships

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Social theory begins with the odd proposition that persons are basically separate and somehow must be united. As a result of this inauspicious beginning, the collapse of society and the need for order have been a key preoccupation of many social critics. Dennis Wrong (1961) contends, accordingly, that this fear of disorder has resulted in these writers advancing an “over-socialized” conception of human existence. Specifically, unless persons are dominated by powerful institutions, the assumption is that society will likely erupt into chaos.

The central problem is that persons cannot be trusted to regulate themselves. Unable to recognize any justification or means to generate solidarity, they must rely on institutional controls to instill order. Social imagery is advanced regularly; accordingly, that portrays society to be autonomous, intimidating, and able to join together disparate individuals.

The history of modern social thought has been monopolized by two, very different social ontologies (Stark 1963). The first is referred to as nominalism. Nominalists argue that only individuals are real and that the social realm is simply a myth. Although at first this perspective appears to elevate persons in importance, they are subordinated eventually to powerful control mechanisms. Any ability that these individuals might have to exhibit social action, and form equitable relationships, is thus compromised. The second of these renditions of social life is realism. Realists believe that only the social domain is important, and, in the end, individuals are incidental. With persons undermined in this way, the preservation of society becomes a dominant theme. But this aim requires the immediate sacrifice of human dignity and any sense of fellow feeling.
Both of these trends are witnessed in neoliberal economic philosophy (Hinkelammert 1991). Clearly, the individual is the centerpiece of this outlook. Creativity and personal freedom, for example, are predominant themes. But eventually this pursuit of individual goals must be tempered, or these fundamentals will be lost. At this juncture, the market enters the picture. Through the efforts of this device, the behavior of individuals is coordinated, thereby producing economic wealth and social harmony. Persons are joined but without their knowledge or consent.

If social theory would have begun with a different premise, establishing order might not be so difficult. For example, searching for social solidarity, and the accompanying sense of community, might not seem so idealistic. Alternatives to perennial cultural rivalries and class conflicts, often attributed to human nature, might not be viewed as unworkable and abandoned with little serious discussion or effort. But with realism and nominalism firmly in place, the development of authentic relationships is unlikely since order is unrelated to human interaction.

Nonetheless, many persons long nowadays for a sense of community (Bellah et al. 1985). They are tired of the isolation and lack of camaraderie and support. The freedom to compete at the marketplace and elsewhere, for example, has strained relationships and created a very hostile world. But the usual alternatives are not very appealing—more market control or collective management. Either way, meaningful relationships are not going to be resurrected.

Something new is needed that is overlooked by both nominalists and realists. Martin Buber (1978, p. 184) referred to this possibility as the “in-between,” which constitutes a “narrow ridge” between absolutes. His point is that maybe persons are not fundamentally estranged from one another! If critics had begun from a different theoretical standpoint, and adopted different social imagery, perhaps a more commodious version of order could be established. A type of order may be possible whereby persons can engage one another and institutions established that reflect this commitment. The idea that persons can live a communal and more humane existence would no longer be a dream.

Nominalists and Fragmentation

In the history of social thought, nominalists come in many forms. Thomas Hobbes, Adam Smith, and Herbert Spencer all belong to this school of philosophy (Stark 1963). Although they are often evaluated differently, they share a common theme. In short, they give primacy to the individual and treat society as something very abstract. In the case of Smith and Spencer, society is almost an afterthought.

Not as extreme as the neoliberals, the version of the individual advanced by these writers is still not socially oriented. Sometimes labeled as egotistical or self-consumed, the persons featured in these theories exhibit little social responsibility. They are presumed to be motivated primarily by personal gain and are suspicious of the intentions of others. Self-protection and advancement are their most obvious concerns.
Yet, clearly this outlook is not the atomism of neoliberals (Harvey 2005). Persons are not completely disinterested in others but must learn to cope with their presence. Nonetheless, rivalries and conflicts are expected. Persons must become adept at navigating a situation where everyone is ultimately free and unimpeded by ethical concerns. In fact, any talk of collective interests is met usually with fierce criticism or outright resistance. After all, others are viewed as competitors and impediments to achieving as much as possible.

This orientation is basic to classical economics and is epitomized in the position taken, at least in his early work, by Herbert Spencer. During this time, he championed a strict laissez-faire philosophy. As a social Darwinist, he believed that as a result of competition the social world is generally improved (Dickens 2000). The best persons or ideas rise, while the losers fall by the way side. Nothing should stifle this process, or persons who are not worthy may advance and corrupt key social institutions.

Social existence, accordingly, is guided by what he calls a “tooth and claw” morality (Mingardi 2011). In a public space, free from manipulation, persons reveal their skills and ideas. Those who are better simply persevere and succeed, while the rest become irrelevant. The society as a whole benefits from this activity since those who succeed at the marketplace, and have proven abilities, move to the head of important institutions.

Despite this enthusiasm for competition and the glorification of individual initiative, society on average is supposed to gain from any developments that derive from the competitive struggle. In this sense, nominalists argue that society is not completely fragmented. Persons are connected in some way, or the collective improvements associated with competition would not be possible. But how are persons joined together according to this philosophy?

Most important is that persons are not responsible for this outcome: They do not somehow reconcile their differences and begin to cooperate. This turn of events would not make sense given the dismal character of persons. Individuals, after all, are voracious and interested mostly in the satisfaction of personal desires. This sort of identity is hardly conducive to neighborly relations and concern for the common weal.

Therefore, most nominalists, but certainly Hobbes, Smith, and Spencer, make a non-sequitur. That is, they begin to refocus their theories away from the individual. Persons may still pursue fundamentally their own interests, but the outcome of this activity is guided by a different and superior principle. Smith (2001, p. 593), for example, introduced the “invisible hand,” while Hobbes and Spencer assumed that nature would resolve any conflicts. While preserving the basic atomistic character of persons, social destruction is avoided.

But in the end, this maneuver tends to absolve persons of any social responsibility. Due to the intervention of a guiding principle, they are free to pursue their interests with little or no regard for others (Levinas 1996b). A positive outcome of their actions is almost guaranteed, with no effort on their part. Hence, the actualization of persons can never contravene the common good. Whatever behavior is exhibited is justified in the long run as beneficial, although in the present this result may appear unlikely. Indeed, a guiding hand is always operative to eliminate any problems. At this point, faith seems to be the operative principle.
In spite of this optimism, society remains fragmented according to this philosophy. Persons are encouraged to be selfish and disregard others since they cannot combat their true nature. What they can hope for is that everything will turn out for the best. Nonetheless, social responsibility is not necessarily part of this scenario. The outcome of personal behavior is not a product of interpersonal coordination, or any intentional acts, but an abstract mechanism that regulates the pursuit of happiness.

Realism and Domination

Realists make no pretense of caring about personal freedom. These writers emerged at times when their respective societies appeared to be on the verge of monumental change, possibly even collapse. Emile Durkheim (1966) popularized a term used to describe this condition, that is, anomie. Due to burgeoning industrialization and the focus on personal ambition and success, societies were becoming cacophonies of claims and counterproposals. Nothing seemed to be available to hold these societies together. Realists thought that they had a viable answer to this potential calamity and came to the forefront. Several of these writers, in fact, constitute nowadays the mainstream of sociological theory—Auguste Comte, Durkheim, and Talcott Parsons. Although writing in different times and places, they all concluded that order was in jeopardy and that social theory could provide a corrective.

What these realists proposed is that order required a unique foundation. But in a situation where norms and ideals were proliferating, another proposal would be insufficient to unite persons. A base had to be provided, in other words, that transcended growing conflicts. In more philosophical terms, order had to be given an ontological status superior to personal desires and opinions. With the new emphasis on individualism, the resulting freedom of expression was obscuring any sentiments that might be held in common.

To borrow from Durkheim (1983), society should be elevated to constitute a “reality sui generis.” In order to survive amidst competing perspectives, society needed a powerful identity. For this reason, these realists declared that only society is real and individuals are a product of this dominant outlook. These writers contend that society is not merely one perspective among others but represents a universal reality. And because this sui generis reality is removed categorically from often fleeting and contradictory opinions, a reliable basis of order is available.

The metaphors used by these realists tell the whole story; the body, machine, and system. The message conveyed by each of these descriptives is that persons are part of a much larger enterprise. Their behavior, accordingly, should conform and contribute to the maintenance of the collective vision.

Nowadays, the body and the machine, due to the emphasis on science and rationality, are somewhat outmoded as sociological metaphors for ultimate reality and have lost their ability to gain adherents. But the image of the system, as proposed by Parsons (1963), is clearly present and functioning as planned. Specifically, when described as a system, society appears to be overwhelming and immune to critique...
and change. How many persons today feel that society is beyond their control and irresponsible to their demands? Furthermore, often they believe they are trapped in a maze of institutions and regulations that are autonomous and their adversaries.

Although this characterization may be problematic, and signal that something is wrong in such a society, realists are not worried about this outcome. They assume that in the absence of this intimidation, persons will run amok. In this regard, realists are more concerned with the preservation of order than personal expression or liberty. Without a dominant order, they believe that little else can be accomplished. Everything, simply put, flows from security and stability.

But here again, social relationships are left behind. As opposed to nominalists, however, realists do not try to create the illusion that individual actions are related to the creation of social order. Realists believe, instead, that if individuals are not suppressed, order will never prevail. Persons working together to produce a common bond, for example, is not a possibility. Too much personal latitude is involved. Accordingly, what matters to realists is that persons are controlled effectively, so that society, a complete abstraction, continues to function.

The Market and Society

In the current market environment, spawned by neoliberalism, both of these social ontologies are present. On the one hand, the benefits of individualism are extolled, while on the other, the logic of the market guides all behavior. Persons are encouraged to pursue their own aims as the market brings about social harmony. In point of fact, those who are successful, and move up in the social hierarchy, pay close attention to the signals emitted from the marketplace.

Although this scenario sounds similar to classical economics, particularly the principles of laissez-faire, neoliberalism is different from this philosophy in several crucial respects (Giroux 2004). Especially noteworthy is how the individual is portrayed. Persons are not simply unique, and possess different traits, such as motivation, but are described as atomistic. In this regard, individuals are removed categorically from one another. And due to this separation, persons have no social obligations. Their primary task, simply put, is to engage in personal enhancement; in the end, their only obligation is to themselves.

Margaret Thatcher, an enthusiastic supporter of neoliberalism, once declared that society does not exist. But such an announcement is surely not true! Everyday experience illustrates that persons are connected and that individual gains do not always culminate in social improvement. And a theory that is worthwhile, accordingly, must offer some insight into the collective side of existence. Neoliberalism is no exception.

In this theory, the logic of the market unites persons. Persons internalize, in varying degrees, the reasoning and behavior that leads to economic success. But persons are never joined, even indirectly, in contrast to the laissez-faire thesis. By following the logic of the market, persons avoid conflict, although any appearance
of unity is simply an abstract sum of collective wealth. In no facet of this calculation are persons presumed to have any interpersonal connection or responsibility (Hinkelammert 1991).

Since persons are fundamentally separated, for example, economic, health, or other disparities are not alarming. In the end, all that matters is the collective wealth of a society, and this value can be arrived at in a variety of ways. For example, if the overall wealth increases, even in the midst of a growing number of losers, there is no call for alarm. Continued growth signals that somewhere along the way general improvement is in the offing. But any policy that might enhance directly the collective good of society is eschewed. Remember that according to this model, society is merely a trifle.

But this situation is truly hostile, far worse than the laissez-faire position. In the classical tradition, for instance, there was room for Keynes (1997) and his doubts about the market and the need for periodic interventions. Keynes believed that an economy not only consists of markets but moral principles. Disparities could not become too great between persons or classes, or the quality of life of everyone could decline. In the neoliberal vision, there is no room for this sentimentality. Persons are truly on their own and meet only metaphorically at the cash nexus.

Life at this juncture, however, is incredibly bleak. All that matters is personal aggrandizement—all other values are dismissed as impediments to behaving correctly at the marketplace. Only fools or idealists believe that persons are linked and share a common fate. As long as some persons are making money, and the calculations point upward, any casualties are dismissed as unimportant. Within this context, the collective, at best, is equivalent to the accumulation of cash. The cost of doing business is that some damage might be experienced, and this aspect is included in the final outcomes.

In both realism and nominalism, persons are ancillary to an abstract, and domineering, regulatory mechanism. In effect, they are suppressed. Nonetheless, there is some recognition that individuals are related, at least indirectly. With the onset of neoliberalism, this minimal connection to others is set aside.

To use a phrase of Baudrillard’s (1983), society vanishes in neoliberalism—any relationship to others is forgotten. In addition to being inner-directed, persons lead a solitary and anomic existence. They rise or fall alone and should not expect any external support, except, perhaps, from their families. But any wider involvement is unjustified and counterproductive. Those who fail do not deserve any special consideration. According to the neoliberal explanation, they engaged in unsound behavior and did not take advantage of the opportunities provided by the market. As a result, they received their just deserts and deserved to fail. A rational person learns from these observations and does not make similar mistakes.

Since there is no real basis for fellow feeling, empathy is out of the question. Those who witness these failures are simply receiving a good lesson in business. The message is clear: Do not make the error of not adhering to the logic of the market. The inability to carry one’s own weight is costly to society and should not be tolerated for the benefit of everyone.
Nothing that could be considered morality traditionally conceived is operating in neoliberalism. Even religion was altered by this economic theory (Comaroff 2009). Rather than dealing with poverty as a need that should be addressed, as part of their ministry, many religions began to view poverty as moral weakness. In this sense, being poor is an individual flaw, and efforts toward helping others should distinguish between those who deserve care and those who do not (Wuthnow 1994; Elisha 2008). Those who failed to compete effectively at the marketplace, due to their own fault, began to be scorned. They chose their fate and should live with the consequences. Any intervention would foul up the cash nexus. The collective accumulation that represents society would be compromised, and thus everyone would pay a higher price than is necessary. After all, the price of failure is built into the overall calculation and should not be modified. Any tinkering will likely bring about inefficiency and slow the process of social accumulation.

Those who lose at the marketplace are thus expected to disappear. They should not make any claims or expect compensation. Any subsidies, accordingly, are demonized. What the market encourages, in this sense, is disrespect for others and resentment toward those who compete ineffectively. Everyone is a potential burden until a winner is declared. But even at that point, a new round of competition begins, and thus the fear of failure and marginalization never ends.

In a way, a neoliberal world is more than anomic. For example, most persons assume that anomic will end. But in the neoliberal scheme, competition is ongoing since the accumulation of cash is equated with growth and prosperity. As a result, a neoliberal existence might be best characterized as soulless. Everyone merely calculates and weighs options in hope of advancement. Those who seek a more peaceful or serene existence are viewed as weak and escapists, and hardly role models for an acceptable way of life. Endurance is the key principle at this juncture.

### The Overlooked In-Between

Buber (1978) identified an overlooked dimension of social life with his rejection of the individualistic and collectivistic traditions. Both renditions, he believed, ignored a vital connection between persons, which resulted in a struggle to provide an adequate account of order. Buber’s (1970) important claim is that dualism constitutes a trick that obscures an important revelation—that is, persons are not, and have never been, apart and in need of reconnection.

As already noted, for the most part, sociology has not recognized this fact. But even theories, such as symbolic interactionism, that have tried to overcome nominalism and realism vacillate between focusing on the individual and the collective (Blumer 1969). Due to a residue of dualism, the individual remains counterposed to the group. If the individual identifies with the group, for example, all of the positive traits associated with persons are sacrificed, such as creativity and freedom. In short, the uniqueness of the person is presumed to be lost.
Some other theories, such as phenomenology, do not have this problem. Although early writers, such as Husserl, were criticized for being solipsistic, Merleau-Ponty, Levinas, and others strove to overcome this shortcoming. The fundamental point of these later phenomenologists is that persons are fundamentally intersubjective and related to others (Murphy 2012). A primordial connection exists between persons, in other words, that has been ignored traditionally for a variety of reasons.

What phenomenologists advance might be called a non-egotological position. They do not begin with individuals and then try to piece together these isolated egos. An important caveat, however, is that although the standard atomism is questioned, the agency of persons is not. The focus of this phenomenological critique is the dualism that secures the sovereignty of the individual at the expense of any social experience. Persons, in short, are illustrated to live fundamentally a non-egotological existence (Lyotard 1983).

Experience reveals, argue phenomenologists, that persons are open to others; in other words, they always act in the face of others. For this reason, Emmanuel Levinas (1969) declares that ethics precedes ontology. His proposal is that persons are united, existing face-to-face, as he describes, before any abstraction is invoked to provide a semblance of order. Others, therefore, are basic to the structure of individuals. The “I” and “others” grow together; rather than existing side by side, in a serial manner, the one presupposes the other.

From this perspective, everything in the past must change. Others, for example, are not impediments to personal growth. In fact, as Levinas notes, now persons are joined in a moral relationship. He does not mean, however, that specific rules are suddenly available to sanction behavior. Rather, and much more profound, he is announcing that persons have always had a fundamental orientation toward others, and that this association has interpersonal consequences.

Although there are many implications of this shift in thinking, four of these will be dealt with at this time. Most important, however, is that when based on essential meeting, as described by Buber (1965), the nature of social existence changes dramatically:

1. Existing together should not be viewed as a burden. When atomism prevails, for example, others are thought to detract from personal concerns. After all, everyone should focus on themselves and their own interests. Anything that might compromise this commitment is extraneous and should be avoided.
2. Freedom is never absolute but is always tied to others. When the focus is on individuals, freedom appears to be almost unlimited. In view of such an inward orientation, primacy is given to personal desires and actions. Any mention of social implications, accordingly, is often rejected as restricting individual initiative and freedom. As a result, others become obstacles that should be avoided.
3. Social responsibility is not an imposition. As persons strive to enhance their positions, harm can be caused to others. But within the context of atomism, and the internecine rivalries, no one has the responsibility to offer care. Indeed, such an intervention is thought to entail great personal sacrifice. Those who take this path, accordingly, are rare and thought to be engaged in a fruitless task. Few
persons are thus motivated to engage actively in the promotion of social welfare. But in the absence of dualism, care for others is part of personal action.

4. Social life is basically a communal affair. Rather than a myriad of disparate competitors, persons share their lives with others. Sovereignty of the individual, in other words, reflects an economic or political commitment rather than an ontological condition. With the demise of atomism, in fact, persons are revealed to exist together. And like any communal relationship, disparities in treatment should be avoided. Likewise, care and support are the norm rather than unexpected.

The aim of this talk about communal relationships is not to deny the current hostile nature of social life (Harvey 2005). Without a doubt, survival has become increasingly difficult. Traditional sociological theory, classical economics, and neoliberalism have all supported this condition. But ignored by all of these theses is a fundamental experience: Persons are tied together and their fates are joined. And if guided by this principle, the social world would be a very different place. Most important is that this insight sets the stage to move away from the current anomic conditions. Instead of a liability, relationships can be seen as vital and fostered. Rather than limited to a small circle, care can be viewed as an essential component of social life. When described as a community, rather than a marketplace, relationships become much more important, while competition and triumph—a scenario that can culminate easily in violence—are less pertinent. No longer understood to be a utopian dream, a we-relationship is within reach that has been momentarily obscured by political, economic, and other trends.

Conclusion

Persons seem to want a world where everyone matters. In point of fact, protesters around the globe are chanting that another, more humane world is possible. For this reason, dignity has become the focal point of many political discussions. Many of these new critics contend, specifically, that neoliberal policies are destroying communities and crushing the human spirit (Cox 1999).

But the usual options—individualistic or collective solutions—do not seem to provide a way out of this impasse. Similar to when Buber was writing, these remedies have been tried and failed. Both, in short, ignored the passionate relationships that persons desire; in each case, society is treated as an abstraction. The prevailing mantra is that persons want to connect with one another. And despite modern advertising campaigns, the links provided by modern technology are not necessarily satisfying (Dreyfus 2001, pp. 2–3).

Opponents of the emerging “network society” argue that these technical relationships are purely formal and entail little commitment (Castells 2000). In this scheme, persons are merely random nodes in an impersonal web. What persons seem to want, instead, is something more authentic that involves passion and support. Such relationships are possible but only subsequent to making certain philosophical
maneuvers. When order is based on intersubjectivity, for example, other persons are not optional. Indeed, the survival of order requires that others be engaged and treated equitably, otherwise society devolves into a mélange of personal fantasies and inertia.

But in the absence of the usual dualism, a new ethic is spawned whereby persons are joined in unmediated, authentic relationships (Dussel 1988). In the absence of a guiding mechanism, only the direct connection between persons is available to preserve order. The legitimacy of all behavior, accordingly, should be judged in view of this association. For example, acceptable or moral actions foster the dignity of persons.

In this sense, persons are not obligated to obey abstract ethical imperatives but act as if others are present and matter. When existing face-to-face, according to Levinas (1996a), persons are compelled to respect one another and act together. Protecting what is revealed in the face of others, their perspectives and humanity, thus becomes a guiding theme. In this regard, social responsibility is not a platitude but expressed in the face of others. This intimacy, in other words, demonstrates the need for care and mutual support. What better way is there to end the curse of violence—that is, to begin to base social discourse on authentic relationships rather than a caricature of others and order.

**References**


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