

Geoffrey Hodgson & Andrew Collier

CRITICAL REALISM AND POLITICS: AN EXCHANGE

When the longer version [see Note 1, below] of *Marching to the Promised Land?* first appeared, it was discussed, at the editor's suggestion, by the CCR Board of Trustees. It was felt that a shortened version should be published in *Alethia* – not in any way as an endorsement of its criticisms, but in order that they may be discussed and answered. We publish Andrew Collier's reply as the first installment of such a response, and invite further comment and debate.

Geoffrey M. Hodgson

Marching to the Promised Land?

Some Doubts on the Policy Affinities of Critical Realism¹

INTRODUCTION

Critical realism has established a substantial following in the last few years. The works of Roy Bhaskar have attracted widespread interest. His ideas have been adopted and applied by leading social scientists, including Margaret Archer, Andrew Collier and Tony Lawson. To a degree, this reputation and following is deserved. Critical realism addresses some core issues in the philosophy of science and carries some major insights concerning the nature of scientific endeavour.

However, critical realism also makes strong and persistent claims concerning its practical applicability and policy implications, which it is often insisted are radically 'socialist' in character. This article scrutinizes three of the more prominent of these claims, viz. that critical realism (A) is emancipatory, (B) shows that a genuine, democratic socialism is possible, and (C) shows that social democratic or Fabian politics are flawed.

Bhaskar, the founder of critical realism, is associated with all three propositions. Collier follows him. Lawson stresses the first. Archer, by contrast, does not emphasize the normative claims. Yet all three claims are contained in an extensive, canonical anthology of *Essential Readings* in critical realism, of which all these four authors – plus Alan Norrie – are editors. No member of the editorial team takes this important opportunity to disassociate themselves from any of the three propositions, or to warn of the problems involved in making excessive normative claims for critical realism (Archer *et al.* 1998).

Bhaskarian inference

Unwittingly or otherwise, a peculiar 'logic' of inference exists in some critical realist writings.² We may describe it as 'the logic of Bhaskarian inference'. It assumes the following form:

1. A sustained attempt is made to establish a set *X* of often vague propositions. An example is the claimed link between critical realism and a 'eudaimonistic society' of 'universal human flourishing' in which 'the free flourishing of each is the condition for the free flourishing of all'

(Bhaskar 1993, 284, 202). It is vague because the economic and structural conditions under which 'flourishing' can supposedly take place are not elucidated.

2. The discourses in which propositions *X* are established are juxtaposed with socialist or Marxist rhetoric. Serious philosophy cohabits with dilettante socialist or Marxist phraseology. For some, this reinforces an impression that the propositions *X* reinforce, or have some connection to, socialism or Marxism.
3. These propositions *X* are seen by many in the critical realist 'audience' as reinforcing of socialism or Marxism, whereas in fact no such connection is established, 'socialism' is not defined clearly, and propositions *X* are sufficiently vague to be consistent with numerous political philosophies.

Clearly, this is not an adequate or acceptable logic of inference and is unworthy of serious philosophy.

While critical realists sometimes deny that their philosophy leads to any particular political or theoretical position (e.g. Collier 1994, 200), they show remarkable consistency and enthusiasm, documented abundantly throughout their writings (e.g. *ibid.*, 195; Collier 1989, ix-x), to deploy critical realism in support of specific 'policy implications', generally of a strongly socialist, Marxist and anti-Fabian flavour.

Unargued implications

Critical realists cannot have it both ways. If they wish to deny that their philosophy leads to any particular political position then they should separate their Marxist ideology from their philosophy, and instead treat some policy questions in their philosophical discourse as open and unresolved. In contrast, in practice, critical realists seem all too keen, and exploit every opportunity, to explore 'practical implications' and draw 'policy conclusions'. They treat many policies, particularly concerning 'socialism', as decided by critical realism. If they wish to show that critical realism leads to socialist or Marxist policy conclusions then more detailed attention should be devoted to establishing the links. As yet, I shall argue, the links are not

established. If they do not believe that there are such links, I shall be very pleased to acknowledge their denial.

The point of this essay is not to criticize emancipation, socialism or any other policy doctrine, or to support any alternative ideology. Neither is it to provide a critique of critical realism as such. The point is, rather, to show that the claimed implications of critical realism do not follow from its philosophy, or that an inadequate case has been made for them.

PROPOSITION A: CRITICAL REALISM IS EMANCIPATORY

Some of the titles of Bhaskar's works (e.g. *Scientific Realism and Human Emancipation*; *Dialectic: The Pulse of Freedom*) and much of the content betray a driving concern with the topic of human emancipation. The same theme is found in works by Collier (1989, 1994) and by Lawson (1997). Indeed, the claim to contribute to the meritorious project of human emancipation is one of the most striking and persistent of the claims made by critical realists.

The issues raised by Bhaskar and his followers are complex and serious. They concern, in part, the age-old discussion within philosophy about the relationship between (positive) judgements of fact and (normative) judgements of value. As much as possible I am going to avoid involvement in this complicated controversy. Nevertheless, some discussion of Bhaskar's attempt to relate statements of fact and value is unavoidable.³

Explanatory critique

'My core argument', Bhaskar (1989b, 101) writes, 'is relatively simple. It turns on the condition that the subject matter of the human sciences includes both social objects (including beliefs) and beliefs about those objects.' So far so good. Many social theorists, including myself, would endorse this statement and recognize its importance. Critical realists then go on to note that within society there are different ideas and beliefs concerning specific social phenomena. For instance, as Collier (1994, 171) points out: 'in Britain in the 1980s, a large number of people believed that unemployment was the result of the fecklessness of the unemployed.' These beliefs were a part of the social reality, and perhaps they also contributed to the perpetuation of unemployment itself. However, as critical realists assert, the 'fecklessness' theory of unemployment is false, and the true explanation of the 1980s dole queues lies elsewhere. A social scientist finding the true explanation would not only be challenging the false theory but also the social situation of which it is a part. Collier (1994, 172) explains this clearly

Particular institutions and false beliefs about them may be in a *functional* relation, such that the false beliefs serve to preserve the institutions that they are about ... to propound the truth is not just to criticize, but to undermine the institution.

I agree with this statement. But note that it contains no clear normative evaluation, nor does it raise the issue of emancipation. To achieve this, Bhaskar (1991, 155–6) has to push the argument a little further:

If one is in possession of a theory that explains why false consciousness is necessary, then one can pass immediately, without the addition of any extraneous value judgement, to a negative evaluation on the object that makes such consciousness necessary and to a positive evaluation on action rationally directed at removing it.⁴

I have no objection to this formulation, provided it is accepted that it requires the prior value judgement that falsehood is bad and truth is good.⁵ Clearly, the pursuit of truth will undermine support for those social institutions that are sustained by false beliefs. If the truth is an overriding moral good then it should be pursued, even if the result is a challenge to the existing social order. This, according to Bhaskar (1986, 169), is the 'essential emancipatory impulse' of the social sciences.

Essentially, then, the critical realist argument boils down to the following: (a) beliefs are part of society, (b) some specific social institutions help to sustain some false beliefs, (c) in confronting false beliefs with their explanations we are not only challenging these beliefs but also confronting the institutions that sustain them. As Collier (1994, 172) asserts: 'To say that some institution causes false beliefs is to criticize it.' Critical realists describe this as an 'explanatory critique'.

The problem with this argument is not that it is wrong but that it contains no operational criterion as to what is a 'false' or what is a 'true' belief. Critical realism offers little detailed guidance on this. Furthermore, we are given no clue as to how one could 'explain' the basis or origin of false beliefs in social institutions, or how such institutions can 'cause' false beliefs.

No political direction

Critical realists should admit more clearly and openly, moreover, that this argument does not, as it stands, lead in any particular political direction. Consider the following:

To have the effect of action among men, it is necessary to enter into the process of reality and to master the forces actually at work.... And if liberty is to be the attribute of the real man, and not of the scarecrow invented by the individualistic Liberalism, then Fascism is for liberty ... the Fascist State ... interprets, develops and potentiates the whole life of the people.⁶

These words were written by Benito Mussolini and published in the *Enciclopedia Italiana* in 1932. I do not approve of them and that is not the reason I quote them. Emphatically, I do not believe, nor wish to suggest, that critical realists are witting or unwitting fascists. I wish to show, rather, that other people have started from analyses of what they claim to be social reality, attacked what they believed to be 'false' beliefs, and drawn conclusions concerning what they sincerely understand to be the route towards human emancipation. I am not saying that critical realism has fascist implications, rather that there is nothing at the core of Bhaskar's 'emancipatory' argument that would convince a fascist that they would have to abandon their fascism. Likewise, a whole host of very different political philosophies are compatible with this argument.

Critical realism also fails to define adequately what emancipation means. Bhaskar (1991, 145) makes much of

the alleged difference between ‘emancipation’ and ‘the amelioration of states of affairs’, where the former involves structural transformation. Likewise, Lawson (1997, 277) emphasizes ‘*emancipation through structural transformation*’ and argues that emancipation is highlighted by critical realism because it points not to the ‘*amelioration of events and states of affairs*’ but to the humanly beneficial transformation or replacement of underlying social structures.

The problem with this is not that it is necessarily wrong but that it seems to ignore the fact that almost anyone waving the flag of ‘human emancipation’ – including fascists, conservatives, social democrats, anarchists and neo-liberals – has also attempted to replace or transform underlying structures. (The particular case that social democrats have changed structures is made below.) Critical realism brings the ontology of structures to the debate, but it fails to exclude any of the major rival contenders for the flag of human emancipation.

Motherhood and apple pie

Bhaskar (1986, 171) tries to explain the content of emancipation in passages such as the following:

It is my contention that the special qualitative kind of becoming free or liberation which is *emancipation*, and which consists in the *transformation*, in self-emancipation by the agents concerned, *from an unwanted and unneeded to a wanted and needed source of determination*, is both causally presaged and logically entailed by explanatory theory, but that it can only be effected in *practice*. Emancipation, as so defined, depends upon the transformation of structures, not the alteration or amelioration of states of affairs.

Emancipation involves, in short, what is ‘wanted and needed’. But we are given no other criterion to help us at this point. Being in favour of what is ‘wanted and needed’ is almost like being in favour of motherhood and apple pie. As a result, once again, we could find agreement with this broad definition of emancipation from a wide variety of political viewpoints. Even the modification of the term to ‘self-emancipation’ does not narrow it down much. Anarchists and neo-liberals, as well as Marxists, and even some fascists are allegedly in favour of ‘self-emancipation’. The trouble is: what do these words mean?

It is not being suggested here that the task of a philosophy, such as critical realism, is to legislate for science. Contrary to the impression given by several critical realists, philosophy on its own can only take us so far. Hence, it is not being proposed that critical realism should make still more attempts to link itself to specific theoretical or normative approaches. On the contrary, the suggestion here is that the emancipatory claims of critical realism should be scaled down, while recognising the limited achievement of Bhaskar’s emancipatory argument. It should be admitted more widely and openly that this does not, on its own, lead to any particular political philosophy. My basic charge against proposition (A) is not fundamental error, but a rhetoric of exaggeration, and a misleading juxtaposition with very specific ‘socialist’ emancipatory claims.

It must be conceded that critical realism, by focusing on

underlying structures, goes beyond the ameliorative: there is some strength in its position here. But at the same time, it has to be recognized that few, if any, of the major contending political philosophies of our day are content with altering or sustaining ‘mere appearances’.

PROPOSITION B: CRITICAL REALISM SHOWS THAT A GENUINE, DEMOCRATIC SOCIALISM IS POSSIBLE

Accepting that emancipatory claims may follow from critical realism, as from most philosophies, the claim that it has *socialist* policy conclusions is directly challengeable. This is a quite specific and more controversial type of policy focus. This inference can be avoided by simply and arbitrarily *defining* ‘socialism’ as ‘that which is emancipatory’. In this case the second proposition readily collapses into the first, and becomes equally ill-defined. However, this weak and nebulous definition of socialism would be open to multiple objections, including from socialists and critical realists themselves.

The meaning of socialism

Historically, the term socialism has assumed a variety of different meanings. Nevertheless, some common threads of egalitarianism and collectivism run through them all. These ideas are clearly debatable, and if the ‘socialist’ claims of critical realism are to be meaningful and substantial then they must signal some informed engagement in this controversy.

The word ‘socialism’ emerged in France and Britain in the 1830s. For over a century after its appearance it was used to signify some type of common, along with a rejection of private, ownership of the means of production. Socialists differed on the form of common ownership – whether it meant ownership by the state, by the municipality, by the community or by the workers – but they generally agreed on it as a goal. This central motif pervaded the writings of socialists as diverse as revolutionary communists, state socialists and Fabians. By the time socialist ideas had established a significant influence in the 1880s, the word socialism was almost universally defined in terms of common ownership of the means of production. (Beer 1940; Landauer 1959; Hodgson 1999).

Furthermore, a general hostility towards competition and markets was thematic for socialism as a whole. This remained the case at least until the very different ideas of ‘market socialism’ or a ‘mixed economy’ took hold in some quarters after the Second World War. Since the 1950s, most major social democratic parties have adopted the notion of the mixed economy, combining private and public ownership. Nevertheless, most Marxists have retained the traditional hostility to the market that stamped and defined the socialism of Owen, Fourier, Marx and others at its inception.

Two lessons immediately emerge from this historical excursion. First, given past changes in its meaning, it is always necessary to define what one means by the term ‘socialism’. Nevertheless, and second, the common collectivist and anti-market sentiments that have pervaded the

socialist tradition do not make any arbitrary redefinition of the term viable. It has to be defined, but feasible definitions have to recognize its historical legacy.

Absenting markets

Critical realist discussions of the nature of socialism still bear the marks of this history. Significantly, Bhaskar and Collier (1998, 392) declare in one of the introductions to *Essential Readings* that:

Critical realism shows the fallacy of several of the classical arguments against socialism and supports the *possibility* of a form of socialism which is neither a market economy nor a command economy nor a mix of the two, but a genuine extension of pluralistic democracy into economic life.

Consider, first, the form of socialism envisaged here. It is consistent with traditional socialist thinking prior to 1945. However, it is a highly restrictive and extreme version of that traditional socialist doctrine. Traditional socialism, in its hostility to markets, has sometimes proposed that markets be tolerated at the fringes of an economy. Bhaskar and Collier go further, attempting not merely to marginalize markets but to exclude them entirely. For them, no ‘mix’ of a market and a planned economy is acceptable. Somehow, ‘pluralistic democracy’ – with no more detailed explication or supporting references – is desired as the exclusive mode of economic organization. Precisely what this means is hardly clear. It is nevertheless evident from the quotation that they share the anti-market mentality that has also marked much of socialism from its inception.

Presumably, ‘a genuine extension of pluralistic democracy into economic life’ involves a plurality of types of economic unit or structure within a single economy. But the problem is how such a plurality of units is to be co-ordinated. In two centuries of economic thought no alternative solution to this co-ordination problem, other than markets or collective planning, or a combination of them, has ever been outlined in any detail. Bhaskar and Collier reject markets, so it seems that their solution to the co-ordination problem would be some form of collective planning. Their ‘genuine extension of pluralistic democracy into economic life’ does not go so far as to include a plurality of different types of economic organization, unless that plurality is itself subordinate to a collective plan. By excluding the market, Bhaskar and Collier have ruled out the possibility of any other form of overall co-ordination.

Socialism proved wrong

Notably, there is very little discussion by critical realists of the Austrian school critique of socialism. In fact, some critical realists are somewhat discrepant in their treatment of Friedrich Hayek and other members of the school. Lawson (1994, 154), for example, credits Hayek for supplying ‘an embryonic transcendental realist account’ of the relationship between actor and structure. Remarkably, given the strong critical realist interest in, and indeed sympathy for, the work of Hayek (Fleetwood 1995, 1996; Lawson 1994, 1997) there is negligible discussion of his (1935, 1948, 1988) contribution to the socialist calculation debate and the possibil-

ity that his critique of collective planning may carry some weight. My guess – informed through personal friendship with the two persons centrally involved – is that the gambit here is to assert that the collective planning that is criticized by Hayek ‘has nothing to do with socialism’.

There are two problems with such a gambit. First, such collective planning has *everything* to do with the meaning of socialism advocated by socialists from the 1830s to at least the 1940s, including the short statement quoted above from Bhaskar and Collier (1998, 392) and the significant recent proposals of Patrick Devine (1988) and of W. Paul Cockshott and Allin Cottrell (1993). Devine, Cockshott and Cottrell all admit no more than a marginal and reluctant role for markets. In different ways they propose an extensive role for collective planning over key sectors of the economy. Bhaskar and Collier deny markets entirely. The Austrian critique has devastating implications for *all* these proposals. (Lavoie 1985; Steele 1992; Hodgson 1999).⁷

Second, and even more seriously, if socialism is to be defined in a different way, then such a definition is lacking in the literature by critical realists. It is simply not good enough to repeat endlessly that critical realism has ‘socialist’ implications and fail to define what socialism means. Furthermore, since the traditional conception of socialism has been subjected to a strong challenge by the Austrian school, it is important to show how the ‘socialism’ advocated by critical realists is not vulnerable to such an attack. This defence must necessarily involve a detailed description of the *underlying structures and causal mechanisms of the proposed socialist system*. The canons of critical realism must be applied to critical realism itself. How are innovation, production and allocation decisions made in the proposed socialist system? How, and within what institutions, are these processes organized? Not least in this domain, it is necessary to be both critical and realistic. Unless there are answers to these questions, the identification of critical realism with the word ‘socialism’ must be abandoned.⁸

Superficial flag waving

For critical realism as it stands, this is a large requisition. Collier (1989) has written a whole book attempting to link critical realism with socialist ideas. Bhaskar attempts the same connection in several places. On occasions he switches readily from engagement in a deep philosophical discourse to jumping up suddenly, waving the red flag. For example, in one essay, and no more than four sentences into a philosophically preliminary section titled ‘philosophical underlabouring’, there is a sudden shift to a vague, incongruous and overly normative aspiration of ‘what we can hope to aspire to is the dawning of a new enlightenment, a socialist enlightenment which will stand to some future order of things, as the eighteenth-century bourgeois enlightenment stood to the American Declaration of Independence, the French revolution and the overthrow of colonial slavery.’ (Bhaskar 1989b, 1).

A few pages later Bhaskar (1989b, 6) argues for ‘needed, wanted and empowering sources of determination. This might include, for example, a switch from a situa-

tion where production is determined by the pursuit of profit and subject to arbitrary fluctuation, to one where it is subject to democratic negotiation and planning.’ It is not explained why ‘democratic negotiation and planning’ is not also subject to ‘arbitrary fluctuation’, or why such fluctuation is deleterious, or why the absence of such fluctuation or the pursuit of profit is ‘empowering’. The possibility that those participating in the planning process might also be subject to ‘false consciousness’ is not considered.

Hayek, the favoured economist of some critical realists, would take a position on these questions to the reverse of Bhaskar. The contrast between Bhaskar’s deep and insightful philosophical argument and his nebulous and superficial socialist flag-waving must amaze any thoughtful and questioning reader. I am sure that Bhaskar and other critical realists are sincere in their political views. But the use of superficial and undefined ‘socialist’ normative statements in serious philosophical discourse is both unworthy and irresponsible.

Critical realists seem to think that the advantages of socialism and the disadvantages of capitalism are self-evident. Accordingly, Collier (1994, 10) writes that it is ‘inconceivable that permanent full employment or the vital degree of care for the environment could be achieved in a free market economy.’ On the contrary, several economists have conceived precisely that full employment and care for the environment can be achieved in a free market economy.⁹ Personally, I think that they are wrong, but it is no good taking the answers to these questions as obvious. If critical realists wish to make such evaluative statements then they have to substantiate them.

No exegetical link between critical realism and any form of socialism has been demonstrated. Critical realists have not shown that socialism is emancipatory, nor have they defined it in anything but the vaguest formulations. Despite some of them invoking Hayek, they have not answered the Austrian critique of socialist planning. They have not shown how markets or the profit motive can be marginalized or abolished and replaced by alternative structures and mechanisms. They have not explained the outline and structure of their proposed ‘socialist’ system, or cited any literature making such a depiction and explanation.

Arguments against socialism unanswered

Furthermore, and contrary to the statement of Bhaskar and Collier, critical realists have not shown the fallacy of ‘several of the classical arguments against socialism’. They have failed even to discuss any of these ‘classical arguments against socialism’ in their *Essential Readings* or in any other of their works. The *Essential Readings* does not mention von Mises nor Hayek nor the socialist calculation debate. The critical realist works on Hayek, by Fleetwood and Lawson, avoid engagement with Hayek’s ‘classical’ argument that socialism is not workable. The claim that critical realism has refuted the classical arguments against socialism is thus simply bogus. No such argument has been raised in the critical realist literature, let alone refuted.

Notice also the precise form of words that are used in the statement by Bhaskar and Collier (1998, 392) quoted above. They claim that the readings to which they refer support the ‘possibility’ of a specific form of socialism. I have argued above that, in fact, no attempt is made to show the possibility of *any* form of socialism, however defined. More specifically, no attempt is made to show the possibility of a ‘socialism’ that is entirely devoid of markets. Critical realists may claim, more broadly, that the ‘possibility’ of ‘emancipation’ is demonstrated. But, on the contrary, without a detailed explication of the form of society in which people can be emancipated, they have demonstrated no such thing. On the whole, Bhaskar and Collier either duck this question of detailed explication or come out with extreme and implausible notions of ‘socialism’ in which markets are entirely absent.

Why, then, is ‘the possibility of a form of socialism’ statement made? Bhaskar and Collier do not go so far to suggest that critical realism leads *necessarily* to socialist politics. But, on the other hand, they both repeatedly lace their critical realism with favourable remarks about socialism. What is going on here? The suggestion seems to be that the critical realist focus on underlying structures would necessarily lead to considerations of the possibility and desirability of some kind of radical, structural and emancipatory transformation of society. Bhaskar and Collier then take it for granted that such a transformation is necessarily socialist. I genuinely request more information and clarification from Bhaskar and Collier concerning their beliefs and intentions on this score.

At least on tactical grounds, and in the absence of any remotely adequate arguments to support their stance, it would not seem advantageous to continue waving the socialist flag. In contrast, it would seem beneficial for critical realists to leave these normative questions open, with the advantage that critical realism might recruit non-socialist as well as socialist followers. We are presented with the peculiar combination of deep and insightful philosophical discourse with crude and superficial political posturing. Of course, Bhaskar and Collier are entitled to their socialist views. However, their propensity to air them within their philosophical discourse, especially in such an unsubstantiated and undefined manner, does critical realism no good.

Extremism

A conclusion we must draw from this persistent manifestation is that we must understand critical realism not merely as a philosophical discourse, but as a sociological and political phenomenon. It is an attempt, perhaps, to find an intellectual and academic home for the lingering soldiers of the 1968 generation. It is a means for Marxist academics to sound political fanfares while simultaneously earning their crust doing serious academic work.¹⁰

We may also ask: for whom are the statements of Bhaskar and Collier on socialism designed? They present us with statements, within texts on critical realism, that are seemingly addressed to an audience of like-minded and narrowly-defined socialist sympathizers, rather than

attempting to give this philosophy a broader appeal. The manner of this juxtaposition suggests that critical realism is only for the socialist faithful. If Bhaskar and Collier wanted critical realism to have a wider appeal, and they still insisted on retaining their socialist rhetoric, one would expect some attempt to persuade the reader that this market-free vision of socialism was both possible and desirable. At the minimum, one would expect references to other works supporting a similar case. No such references are given. Bhaskar and Collier seem to take it for granted that their audience is composed of no more than the most traditional and extreme type of socialist.

To their credit, other critical realists, I know, are keen to give critical realism a much broader appeal. They are not helped by Bhaskar's and Collier's socialist rhetoric.

The thrust of the argument here is not against socialism, however defined. For the purposes of this paper we are not obliged to resolve the questions of its possibility or desirability. These issues can be discussed elsewhere.¹¹ The point being made here is that critical realists have not demonstrated the connection between their philosophy and their socialist politics. They have not demonstrated the possibility of socialism nor even engaged with arguments against its feasibility. The allegedly 'socialist' policy conclusions of critical realism are unsubstantiated.

PROPOSITION C: CRITICAL REALISM SHOWS THAT SOCIAL DEMOCRATIC OR FABIAN POLITICS ARE FLAWED

Not only do Bhaskar and Collier associate critical realism with 'socialism', they also make repeated and pre-eminent efforts to distance it from political philosophies closest to socialism, namely social democracy or Fabianism. The basis for this rejection is as follows:

From the critical realist perspective, contrary to the tradition of contemporary social democracy, socialist emancipation depends on the transformation of structures, not the amelioration of states of affairs. (Bhaskar 1989b, 6)

The suggestions here are that (a) capitalist social structures are not conducive to emancipation, (b) 'socialist' emancipation depends upon the transformation of structures rather than more superficial outcomes and (c) social democracy aspires to such superficial and ameliorative outcomes rather than to structural transformation of the system.

Unsupported anti-capitalism

Critical realists have not demonstrated proposition (a). As we have noted, they simply take for granted that neither markets nor the profit motive are conducive to human emancipation. They do not explain why, nor why any alternative could be more emancipatory. At the same time, some of them praise the works of authors such as Hayek, who propose the reverse position, without explaining why the works of such authors are defective in this regard. Critical realists are critical of capitalism, but they have no developed critique of capitalism that connects explicitly with critical realism itself.

Having failed to demonstrate (a), the burden then passes to (b): 'socialist' emancipation depends upon the trans-

formation of structures. We may ask why Bhaskar uses the adjective 'socialist' here. Do critical realists accept the possibility of an emancipation that is not 'socialist'? Again, no explanation is given.

Of course, not all 'transformations of structures' are emancipatory for critical realists. They disapprove of some radical structural transformations. Accordingly, Collier (1994, 196) claims that the events in Eastern Europe of 1989–90 'for the most part led to economic and social developments which are the opposite of emancipatory'. But again, no further explanation is given. Neither is it shown why such developments were anti-emancipatory, nor is it explained what 'the opposite of emancipatory' means. Furthermore, it is not stated whether or not the state of affairs in Eastern Europe prior to 1989 was, or was not, more emancipatory than the outcome of the post-1989 transformations.

Let us then move on to (c). Clearly, it is important at this stage to ask what is a structural transformation and what is not. More fundamentally, what is a structure? Moving from the normative to the theoretical, by contrast we find within critical realism a rich literature on this question. Bhaskar (1989b, 4) writes of 'social structures – for instance the economy, the state, the family, language'. Archer (1995) discusses at length a demographic structure as an example of a social structure. Lawson (1997, 57) considers that 'the obvious candidates for social structure' include 'rules, relationships, positions and the like'.

So far, so good. Structure is an important concept in social theory. Quite reasonably, it is defined broadly within critical realism and elsewhere. Critical realists have made a major contribution to our understanding of structures. However, when they switch from socio-theoretical to normative political mode, they confuse matters or contradict themselves by narrowing down the concept of structure. For example, on the one hand, Bhaskar (1989b, 4) declares that language is an example of a structure, but, on the other, Collier (1994, 195) says 'linguistic reforms' will not 'transform structures'. One may ask if Collier's definition of structure is different from Bhaskar's?

If we stick to a broad and reasonable definition of structure, consistent with the statements of Archer, Bhaskar and Lawson, then genuine structural changes would result from factors affecting demography, such as birth control and health care, and from laws affecting such matters as work regulations, trade union rights, political decentralization, rent control and so forth.

Marxism versus Fabianism Etc.

Whatever the failings of social democratic governments in Europe and elsewhere – and there are many – it would be improper to suggest that they have not made major net improvements historically concerning such issues as health care, work regulations, gender rights, ethnic rights and political decentralization, to name a few. As a result, social democratic governments have achieved major *structural* reforms, and more than merely the 'the amelioration of states of affairs'. On

this point, both Bhaskar and Collier are inconsistent and wrong.¹²

Critical realists may respond with the argument that social democratic governments have concerned themselves mainly with ameliorating capitalism – merely tinkering with the system rather than carrying out radical and fundamental reforms. My response to this argument would be as follows. First, as yet, there is no clear distinction in the critical realist literature between fundamental and superficial structural reforms. Second, Bhaskar and Collier do not make any such distinction in their rejection of social democratic and Fabian politics. And third, albeit within capitalism, and whether fundamental or superficial, social democracy must be credited with the achievement of important structural reforms. Accordingly, if social democrats are to be criticized, it cannot be on the critical realist grounds that they fail to transform structures.

Not only do critical realists argue (wrongly) that social democracy has not achieved structural reforms, they also ignore the fact that there are other, quite different, political philosophies whose implementation would also involve substantial (and possibly radical) structural reforms. For example, Hayek's (1944, 31) overt view, that the mixed economy should be terminated and replaced by a whole-sale market system, would be a major structural change. Whether progressive or regressive, it is also notable that neo-liberal governments have implemented important structural changes. For example, the Thatcher government in Britain in the 1980s brought in punitive laws against the trade unions and greatly diminished their power. The democratically elected Metropolitan County Councils in London, Manchester and elsewhere, were simply abolished. These are all structural changes, not merely 'the amelioration of states of affairs'.

But, I hear the critical realists say, the likes of Hayek and Thatcher were pushing for regressive changes, not those consistent with democracy and human emancipation. As we have seen, however, critical realism *per se* provides us with no concrete criterion for deciding what is, and what is not, emancipatory or regressive.

The critical realist claim that 'structural transformation sits easier with Marxist than with Fabian politics' (Collier 1994, 195) is empty rhetoric. It is unsubstantiated in the critical realist literature and unworthy of critical realism as a philosophy. In more detail, Collier (1989, 71) writes in a critical realist text that the

laws of economics and politics in a capitalist society ... trap the would-be reformers inside circles of constraint ... Marxian economic theory explains the mechanisms of this constraint, and socialist politics offers a means to their abolition: it is explained how an optimum use of resources could be made, and why this is not possible under capitalism.

But insofar as Marxism does genuinely explain the constraints acting on the would-be reformers it gives no clue whatsoever to how pressing those constraints are. Critical realism adds nothing more on this issue. Furthermore, it is simply unconvincing to suggest that no constraints whatsoever would exist under socialism. Neither Marxism nor

critical realism gives any reason why the constraints under socialism would be more or less pressing than the constraints under capitalism.

Incidentally, there is no argument within Marxian economic theory that explains 'how an optimum use of resources could be made'. Marxism as a whole has nothing of significance to say about economic optima.¹³ Clearly, questionable claims are being made by critical realists about Marxian economic theory, claims which I examine in the longer version of this paper.

To return to the main issue in this section. I emphasize that I am not taking a position for or against social democracy, for or against socialism, for or against capitalism, or for or against neo-liberalism. The point is to show that the claimed rejection by critical realists of social democratic or Fabian politics does not follow from critical realism itself.¹⁴

CONCLUSION

I hope to have shown that three prominent political implications put forward in major works on critical realism are overblown or insufficiently substantiated (A), or simply false (B and C). The attempts of critical realism to make a 'quick move' from theory to policy are largely ineffective. The establishment of such policy positions would require a level and extent of enquiry hitherto largely unexplored in the critical realist literature. The emancipatory claims of critical realism are somewhat deflated by its inability to provide adequate criteria to assess different types of policy.

Would critical realism be strengthened or weakened by the abandonment of these normative propositions? I have no doubt that, as a scholarly contribution to our understanding, it would be strengthened. After all, the abandonment of false claims does nothing to weaken a doctrine. Furthermore, it would help to broaden the appeal of critical realism beyond a narrow circle of revolutionary Marxists, seemingly sharing hostility to social democracy as much as to anything else. The removal of unnecessary ideological trimmings, which do not flow from critical realism itself, would enhance its scholarly credentials. It would not prevent individual critical realists believing in socialism or being hostile to social democracy, but they would have to abandon the claim that their socialism or their hostility is supported or justified by their critical realism. Furthermore, critical realists would take the more plausible and reasonable position that their philosophy, instead of leading directly to specific policies, has an autonomy from the policy realm.

My worry, however, is that critical realism is not simply an academic doctrine but also an ideological movement, with its own institutional identity and characteristics, both within and beyond its academic sanctuary. A sectarian trace to critical realism is regrettably evident in its unsubstantiated hostility to social democracy and by its narrow and repeated proclamations of an undefined and equally unsubstantiated 'socialist' alternative.¹⁵ If critical realism is less of a scholarly doctrine and more of an ideological movement, then its ideological posturing may help it to gain more followers. But this will not add to its scientific

credibility. I hope that these excesses are mere aberrations, and that my worries will prove unfounded.

Notes

1. This is a shortened version of a longer paper first presented at the Workshop on Realism and Economics at King's College, Cambridge on 26 April 1999 and at Erasmus University, Rotterdam on 12 May 1999. The author is very grateful to Markus Becker, Richard Carter, Wilfred Dolfsma, Steven Fleetwood, Edward Fullbrook, Clive Lawson, Tony Lawson, Uskali Mäki, Stephen Nash, Stephen Pratten, Jochen Runde, Colin Shaper and many others for critical and helpful comments. Tony Lawson also provided extensive written reactions and criticisms that were particularly valuable. The longer paper, containing discussion of further alleged implications of critical realism, is available from the author.
2. See, for example, Archer *et al.* (1998), Bhaskar (1989b, 1991, 1993) and Collier (1989, 1994). In Archer (1995) and Lawson (1997) 'Bhaskarian inference' is much less prominent, and the socialist or Marxist rhetoric is downplayed.
3. Lacey (1997, 238) has exposed some problems in Bhaskar's claim that 'there is a quick rational move from coming to accept theories in the social sciences to adopting value judgements partial to emancipation.' Lacey argues persuasively that 'the proposed quick move' depends on 'the mediation of value judgements' or on 'value-impregnated theoretical terms'. Accordingly, 'any sound moves from theory to value judgements are mediated in the way that Bhaskar hoped to avoid'. Lacey also doubts whether 'Bhaskar's argument (even when modified to acknowledge the mediation) is applicable to theories in the social sciences in which social structures are posited to play key causal roles.'
4. See also Bhaskar 1986, 177; 1989a, 63 for similar statements.
5. However, the universal goodness of truth is not self-evident. If we lived under (say) a totalitarian regime then it would not necessarily be morally acceptable behaviour to proclaim to the authorities the names of those that are working clandestinely and at risk to restore (say) democracy. And if someone was dying, would it be morally good to tell him or her all sorts of unpalatable truths about (say) their loved ones? It is quite reasonable to suggest that in some circumstances, other moral values, such as democracy, or the personal feelings of a dying person, may outweigh the moral good of truth.
6. Quoted and translated in *Readings on Fascism and National Socialism* (Denver, CO: Alan Swallow, no date).
7. Adaman and Devine (1996) attempt to rebut any Austrian critique of their position. Hodgson (1999) argues that this defence fails, largely as a result of their misunderstanding of the character of tacit knowledge. Nevertheless, in the same work I also attempt to show the limitations of the Austrian defence of free markets, and I propose a type of mixed economy that is excluded by Bhaskar and Collier, on the one hand, and by Austrians such as Hayek and von Mises, on the other. As Steele (1992, 22) concedes, it is possible to acknowledge the devastating power of the Austrian critique without accepting the neo-liberal policies often associated with it.
8. In response, critical realists may perhaps be inclined to refer approvingly to Devine (1988), Cockshott and Cottrell (1993) or Wainwright (1994). However, unlike Bhaskar and Collier, neither Devine nor Cockshott and Cottrell wish to exclude markets entirely from their system. Wainwright (1994) offers support for the socialist proposals of both Elson (1988) and Devine (1988), seemingly unaware of their incompatibility. For, in contrast to Devine, Elson (1988) supports the idea of an extensive 'socialized market'. Nevertheless, Wainwright fails to see the difference, or to accept unequivocally that some use of the market mechanism is unavoidable. But, to their credit, the difference between the Devine and Elson proposals is recognized by Adaman and Devine (1997) themselves.
9. For example, Block (1989) and Furubotn and Pejovich (1974).
10. The suspect practice of sneaking in a preferred political ideology into a supposedly scientific and academic discourse is not confined to critical realists. Regrettably, it is also found in the works of Friedman, Hayek and many others. Austrian school and Chicago economists are

notorious for their attempts to use academic discourse as clothing for their preferred ideology. Reckless presumptions of policy outputs are regrettably all too common throughout social science. Social science will be improved when all false claims of 'policy implications' are withdrawn.

11. See Hodgson (1999).
12. One is reminded of the type of politics satirized in Monty Python's *Life of Brian*. Reg, the leader of the Peoples' Front of Judea, addresses a meeting, declares the Romans as oppressors, and asks: 'And what have they given us in return?' Members of the meeting interrupt: 'The aqueduct ... And sanitation ... Remember what the city used to be like ... And the roads ... Irrigation ... Medicine ... Education ... And the wine ... Public baths ... And its safe to walk in the streets at night ...' Reg retorts: 'All right, apart from the sanitation, the medicine, education, wine, public order, irrigation, roads, the fresh water system and public health, what have the Romans done for us?'
13. In this case, this is not necessarily a weakness. Mainstream theories of economic optima are typically static, whereas Marxism, to its credit, involves a more dynamic theory of capitalist development.
14. Accordingly, my own personal political position is irrelevant to this argument. But to avoid any danger of mischaracterization, those who are concerned to examine my own normative views are directed to the final chapter of Hodgson (1999).
15. The critical realist works by Archer (1995) and Lawson (1997) are notable and commendable exceptions in this regard. These scholarly volumes are free of the political posturing that I find objectionable in other critical realist texts.

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reply

Andrew Collier

Response to Geoffrey Hodgson

CRITICAL REALISM AND SOCIALISM

Geoff Hodgson wants critical realists to recognize that critical realism by itself has no political implications. For myself, I have never thought it had. Critical realism *combined with certain empirical claims* has political implications, and what those implications are depends on the empirical claims. For me, the relevant claims are (1) that capitalism is exploitative, for which the theoretical grounds are so well known from the Marxist literature as not to need reiterating, but which should also be obvious enough to anyone who follows first world-third world relations even without following the intricacies of Marx's argument. And (2) that the augmentation of human powers by technology is an increasing threat to life on Earth so long as those powers are not subject to collective human control, but are used in ways determined by the need of commercial concerns to survive in the market. It is like giving hand grenades to children in an unsupervised playground. It is in this way and no other that capitalism is bound to lead to disaster. Market socialism, while it would abolish some forms of exploitation, would not touch this problem. A workers' co-operative producing for the market is constrained by the market to put profitability before the environment as much as is a capitalist firm. I argue for these positions in my book *Socialist Reasoning*; I do not do so in my specifically critical realist works, as that would not be the right place.

These empirical considerations lead to socialist conclusions. By 'socialism' I mean quite simply common ownership of the means of production.

Arguments against socialism

But if critical realism does not by itself entail a socialist conclusion, that does not mean that it can not enter into arguments for socialism. In the first place, it does have implications for the admittedly vague goal of 'human emancipation'; that human emancipation can, in the modern world, only take the form of socialism follows, not from critical realism itself, but from the analysis of modern societies, which has been very thoroughly carried out in the Marxist tradition. But more importantly, several (not all) anti-socialist positions and arguments really are undermined by critical realist arguments: I refer to methodological individualist arguments for liberalism, and Popper's argument that in a parliamentary democracy you can do anything that you can persuade a majority to want, insofar as it supposes that there are no constraining structures, only states of affairs which can be ameliorated.

Geoff Hodgson seems to suggest that because critical realists have not refuted Hayek they have not refuted any of the arguments against socialism, but that does not follow. However, Hayek's case against socialism, while the most serious one, is not invincible; firstly because all the epistemological arguments against central planning are equally arguments against planning within the great capitalist corporation; secondly because the 'socialist calcula-