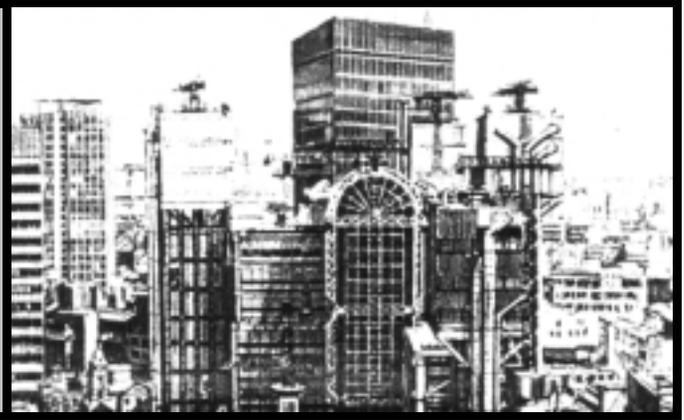


SOCIOLOGY, CRISES, CONTRADICTIONS AND CAPITALISM: A LIBERTARIAN CRITIQUE

TIM EVANS



In this paper, I outline the different concepts of crisis and contradiction, and their use by a multiplicity of authors. I critically assess both concepts, by arguing that as essentially systems integration models they operate at such a level of generality that they fail to explain unique social changes. The point is made that far too much sociology is still subsumed in holistic, deterministic and Marxian theories which not only misrepresent capitalism, but posit inadequate frameworks for analysis.

THE POVERTY OF HOLISM

The totalitarian years of the 1930s caused an emigration of many scholars and writers fleeing Communist or Nazi tyranny. Popper, a Jew by birth, was one such refugee who escaped Europe for New Zealand. He had foreseen the annexation of Austria by the Nazis and had been profoundly affected by their hostile ideology. In reaction to the violence and oppression suffered by so many, he wrote *The Poverty of Historicism* which fused his philosophy of science to a defence of the Western ideals of free-market competition and democracy.

Popper defined historicism as “an approach to the social sciences which assumes that historical prediction is their principle aim and that this goal is attainable by discovering the ‘rhythms’ or the ‘patterns’, the ‘laws’ or the ‘trends’ that underline the evolution of history.”¹ He denounces ‘historicism’ as logically defective, false, sterile and murderous² because its proponents, the political demagogues of totalitarianism, can never ‘logically’ assert, as they claim to, that they are ‘objectively correct’ in their arguments. He rejected ‘verificationism’, arguing that scientific method is an unavoidably ‘tentative’ process,³ whereby fundamental assumptions could be radically disproved through the arrival

of new testable hypotheses: at any time disconfirming matter can be discovered which alters our analytical criteria. No matter how many tests are carried out, a law cannot be said to be certain, for there always remains the possibility of falsifying evidence.⁴ There is always the chance of $n+1$.⁵

Popper’s criticism of ‘historicism’ is linked with his analysis of utopianism, the connection being made by the third villain: holism. Holism is the doctrine that events must be understood in the context of the social whole of which they form only a part. He treats holistic and utopian ‘social engineering’ as synonymous terms by asserting that holistic or utopian engineering “... aims at re-modelling the ‘whole of society’ in accordance with a definite plan or blueprint.”⁶ Holism is argued to be ‘pre-scientific’ because science never studies the ‘whole’ of anything, instead, just selected aspects of a reality situated in a structure of infinity. Just as holism is logically a false approach to social science, so, it is argued, utopianism is a false approach to social engineering.

From this position, Popper moves to his philosophy of ‘piecemeal social engineering’. The piecemeal social engineer, in contrast to the utopian, does not try to re-design society as a whole. He knows that we progress only by learning from our mistakes, proceeding slowly and gradually, carefully comparing at each stage the results achieved. Whereas the utopian is a perfectionist, the piecemeal engineer knows that we can only improve society gradually.

To Popper therefore, ‘piecemeal social engineering’ - and its institutionalisation of critical reason (through the mechanisms of competition and democracy) - represents the only real socio-scientific method for political action. He argues that it is only through ‘open’ discourse that criticism can flourish and lead to political progression. Utopianism, on the other hand, is holistic. It embodies the desire to control the whole of society. It unavoidably requires a centralisation of power which in turn threatens individual liberty.⁷

THE POVERTY OF SOCIOLOGY

Chris Badcock, in his recent book *The Problem of Altruism*, rightly points out that Auguste Comte, the founder of sociology, made no secret of his intention to be the ‘Founder of the Positive Religion’ and the ‘High Priest of Humanity’. Indeed Badcock notes that:

“In many ways modern sociology shares many features of a religion, or at least, of its intellectually elaborated aspect - that is, theology. in the nineteenth century Comte alleged what nearly all subsequent sociologists and what many others today still believe, namely, that

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society is the ultimate reality in human terms and that it is the origin of our values, science, our world-view, indeed, of our culture itself. In short, the dogma of cultural-determinism put 'culture' or 'society' or 'ideology' where God once had been and made these sociological entities play the determining, fateful role to which only real deities once aspired."⁸

The first sociologist to hold a university chair, Emile Durkheim, argued that there existed a 'collective consciousness' which people worshipped in religion and which was - and indeed, ought to be - the origin of all moral and cultural values. For Durkheim, as Badcock has noted:

"the individual was born a clean slate to be written on by the collective consciousness, which, like God, was ultimately inexplicable."⁹

For me, as for Badcock, it is worrying that Comte, Durkheim and most modern sociologists have failed to understand that such culturally-deterministic explanations take one very little further, for it is the collective phenomena of society which call for explanation. As Badcock says:

"... it is obvious that to explain one collective phenomenon - what Durkheim would have called the social fact - in terms of another one is to explain very little indeed. But here we have one of the most important characteristics of modern sociology and one which makes it very closely comparable to theology. This is what I would call its holistic aspect."¹⁰

One of the main problems with sociology is, as Dennis Wrong has suggested, that it all too frequently adheres to an 'over-socialised model of human action'. Too much sociology lacks a sense of agency - a sense of individuals choosing and acting - because of its anti-individualistic, utopian, holistic nature. Without denying the social nature of man Wrong rather objects to the generalizing of a "particular selective emphasis", and the subsequent "extremely one-sided view of human nature",¹¹ while ignoring or minimizing the "obvious and massive fact"¹² of human choice and autonomy.

HOLISM AND THE SYSTEMS INTEGRATION APPROACH TO SOCIOLOGY

I believe, along with some other sociologists and historians - who include Percy Cohen, Colin Leys and Eric Hobsbawm - that too much Sociological theory has been, and continues to be disfigured by the worst abuses of the holistic mentality. It is notable that socialists, like Gramsci, Habermas and Claus Offe, are some of the worst offenders. These authors have made far too much of terms like crisis and contradiction, concepts which I believe are of little use. Percy Cohen has suggested (in relation to 'system integration theories' in general) that these theories explain nothing, but merely assume the processes which are to be explained. He believes they certainly cannot account for variations in the degrees and forms of functional interdependence and for the relative lack of it in some cases.¹³

Just as it is the case that sociologists often use an 'over-socialised model of human action', so I believe that "contradictions and crisis in modernity" theorists have fallen into the trap of constructing overly systematised models of societal action - and hence of functional integration. As Hobsbawm as argued, many macro theories, by lacking not only flexibility but more importantly a sense of agency, find

it difficult to explain why X occurred in a particular society at a particular time.¹⁴

At this point let me distinguish between and make clear the concepts: crisis and contradiction. The term 'crisis' is used in conjunction with the 'overt manifestation of systemic disfunctions' while 'contradiction' relates to those 'systemic elements' which produce (or manifest as) crises. In short, systemic contradictions can be argued to produce crises, or as Habermas called them: 'crisis tendencies'.

One widely read approach to the analysis of crises is that of Antonio Gramsci, who defined a general or 'organic crisis' (a 'crisis of authority' or 'crisis of the state') as a "dissolution of the ideology that secures the consent of the mass of the population to the existing order". According to Gramsci a crisis of the state occurs when this cement breaks down, when "the great masses have become detached from their traditional ideologies, and no longer believe what they used to." At this point, Gramsci adds, the 'historic block' of social classes that was once bound together by a unifying ideology under the leadership of the ruling class dissolves and must be either reconstructed or replaced through a fresh political initiative. It is at this point, he suggests, that an opportunity also arises to prevent this, to create a new 'historic block' under the leadership of a new, more popular alliance of classes.¹⁵

However, the problem with such an analysis is that it does not offer a theory of why, so-called, 'organic crises' occur. It is teleological in its explanatory format.

Similarly, Habermas tried to establish a model of society which would allow us to understand a social crisis in the sense in which medicine understands a crisis in an illness (as a turning-point at which the patient either recovers or dies). He talked of societies' 'constitutive traditions' arguing that members of a given society know when the tradition that gives it its identity has been broken. Post-revolutionary French society, for example, represented a definite break from the old regime. Such breaks, Habermas argued, occur when a society "ceases to be able to learn how to deal with changes (external or internal) which threaten to break its constitutive tradition".¹⁶

According to Habermas, liberal capitalist societies evolve from crisis to crisis. He argues that this is because their principle of social organisation leads periodically to economic slumps, which put in question the key social relations on which the systems are based: i.e. private ownership and the class system. Although 'organised' or state-regulated capitalism has learned how to prevent production crises by means of: (a) state economic sectors, (b) the substitution of bureaucratic for democratic decision making, and (c) 'corporatist' wage fixing, the tendency 'to economic crisis' remains inherent, as Habermas puts it, "in any system of production for profit".¹⁷

In continuing this, Habermas goes on to argue that this situation exists because now 'systemic contradiction' is maintained in the form of fiscal crises, or crises of economic planning; or as crises of administrative capacity (rationality crises); or as legitimisation crises (when the state has difficulty in justifying the new policies necessitated by the new tasks it must take on); or as motivation crises (due to the erosion of traditional values necessary to the maintenance of capitalism - for instance traditional family values).

Critically assessing Habermas's work, Colin Leys argues that in the case of Britain, while some of his model's elements are discernable. For example, there was a general sense of crisis at least among the middle classes from the late 1960s onwards. There were signs of severe deficiencies of production, administrative capacity, legitimation and motivation. However, the fact remains that Habermas does not explain "why crises occur where and when they do". The tendencies it outlines are "generic to all advanced capitalist countries"; and as such it provides an analytical description which is - as Cohen has suggested - causally inadequate. Leys asks the fundamental question: "why did Britain wander into a general crisis (combining most of Habermas's 'crisis tendencies') when most advanced capitalist countries have not?" To explain this, he asserts that an historical analysis of the "specific sources of the crisis in Britain is needed".¹⁸ Moreover, countering an important element of Habermas's earlier writings, Leys points out that in Britain's case it was not an underlying tendency to over-production, but to under-production, which was of central importance to the crisis. While Habermas's work for Colin Leys, "[...] has some relevance to Britain, it does not seem to touch on what is most distinctive about its general crisis".¹⁹

At the centre of the problem is, as Weber was aware, the fact that in general, the basic presupposition of positivist explanations - that causes are knowable only from statistical relationships - rules out causes that are unique, or 'indexical', to particular places and particular periods of time. In Thomas Burger's succinct phrase one moves "either away from or towards concrete reality".²⁰

One author who recognised the dangers and causal inadequacies of holistic, teleological explanations was Eric Hobsbawm. Hobsbawm proposed a theory which was above all historical, and the essence of which was that Britain's problems were indeed unique. Hobsbawm rejected the view that a satisfactory theory must be based on: "a conception of the social whole", and following the work of Karl Popper, he derided holistic explanations.

Hobsbawm's main thesis was that the circumstances which enabled Britain to be the first country to industrialise, and so gave her a unique advantage, proved a serious disadvantage when later industrialising countries, led by Germany and the USA, began to compete in world markets, especially in the science based, mass-consumption goods phase of the industrial revolution. Britain's primacy in the two earlier phases - the mechanisation of textile production, and the capital goods boom of the mid-nineteenth century - had been based on imperial power which opened up foreign markets for Britain by force of arms and secured abundant sources of raw materials and cheap foodstuffs abroad. To Hobsbawm, when Britain began to face serious manufacturing competition, the large-scale, technologically advanced German and American chemical, steel and electrical goods plants, setting out to make new products for mass markets, had few British counterparts. British manufacturing was still heavily based on the old staples - cotton textiles, iron and steel, railway materials and steam engines. The switch to the new industrial products and new technology was difficult for firms without the necessary technical expertise or large capital resources.²¹

Although Hobsbawm does provide a better explanation than Gramsci and Habermas, none of these authors explain the real causes of Western socio-economic crises. Marxian theorists (of which the above outlined are) invariably argue

that Western - capitalist - societies are ultimately destined for continuous bouts of crisis, or a manifestation of systemic 'contradictions', which in turn lead to change.

The problem with this mode of thought is not that its authors are wrong to believe that contradictions and crises exist, they patently do, but instead the reasons why they exist. Although Hobsbawm's thesis is methodologically more correct than both Gramsci's and Habermas's (i.e. anti-holistic), they all in fact assume - *a priori* - that their similarly Marxian definition of a Western capitalist society is representative of the definitive logic of capitalism. For example, the German sociologist Claus Offe argues that in our "late-capitalist" societies: "the process of capitalist accumulation cannot be reproduced through the silent compulsion of economic relations" (Marx), but instead, "the overall survival of the 'unregulated' sphere of capitalist exchange depends upon the continuous application of forms of collective regulation".²² In short, these commentators assume that capitalism has to be regulated and controlled via 'political means', that is, through the state.

My point is that at the heart of sociological 'system integration' models there frequently lurks a political animal which believes, for example (and as I mentioned above), that capitalism has learned how to prevent production crises by means of: state economic sectors, the substitution of bureaucratic for democratic decision making and corporatist wage fixing. These are beliefs which I and history find most difficult to accept.

THE POVERTY OF CONTRADICTION AND CRISIS THEORIES

I ask myself the question: isn't it instead the case that the so called capitalist societies of the West failed abysmally to prevent crises because they used: state economic sectors, the substitution of bureaucratic for democratic decision making as well as mechanisms of corporatist wage fixing. As Raymond Plant has noted:

"... a central feature of modern British political life has been the extent of disenchantment - across the political spectrum - with the post-war political settlement and the role of the state within it. This is partly the result of intellectual change - the influence of neo-liberal ideas from Hayek, Friedman, Popper and others on the Right and various forms of updated Marxism on the Left. ... The crisis of the modern state [not the free market] has led to a resurgence of ideological politics which makes it difficult to imagine there could be any easy return to the efficient management of the mixed economy and the welfare state by a benevolent centralised state."²³

In his recent study *The Capitalist Revolution*, the American sociologist Peter Berger examines the tendency of Marxian analysts to misrepresent capitalism. He says for example:

"Opponents of apartheid have coined the phrase "racial capitalism" to describe the South African reality. Many of these opponents, especially among intellectuals, are socialists of this or that variety, and the intent of the phrase is to suggest that a capitalist economy is part and parcel of the system of racial domination and that, conversely, the abolition of the latter requires the abolition of the former. Thus a post apartheid South African capitalism will have to be a socialist South Africa. This view finds support in the historical record,

which shows how South African capitalism developed on the basis of cheap and docile labor, the supply of which was certainly facilitated by the system of racial dominance. All the same, a quite different interpretation of contemporary South Africa is possible. Thus businessmen who are increasingly hostile to apartheid and politically active in opposing it have been arguing that the racial system is an obstacle to capitalist development today (even if it might have facilitated such development in the past). Indeed, this view would hold that contemporary South Africa is not capitalist at all but is a superimposition of capitalist forms on a society that is essentially feudal, so that the term "racial feudalism" would describe the society much more aptly.²⁴

The sociological peddlers of crisis and contradiction, doom and gloom, not only misunderstand capitalism, but in misrepresenting it are in a poor position to perceive viable remedies for their respective societies' problems. To go one stage further, the total silence of these authors on the crises in State Socialist societies is deafening - if perhaps not surprising.

One influential contemporary contradiction thesis which highlights these failings is provided by Claus Offe in his book *Contradictions of the Welfare State*. Although the English translated version begins with the claim that the book is politically unaligned²⁵ the reader is soon fed the idea that Western liberal societies are in fact a part of "late capitalism"²⁶ - a definition which is strange to a libertarian, for whom capitalism just getting started.

For Offe 'late capitalist societies' are analysed as systems structured by three interdependent but differently organised subsystems. These subsystems include the structures of socialisation (such as the household and family) which are guided by normative rules; the commodity production and exchange relationships of the capitalist economy; and the welfare state, organised by the mechanisms of political and administrative power and coercion.

Offe defines welfare states as primarily being concerned with the goals of 'crisis management'; that is, the regulation of the processes of socialisation and capital accumulation within their adjacent or 'flanking subsystems'. For him the 'primary contradiction' of the welfare state is the fact that various branches of the welfare state are compelled to perform two "incompatible functions" vis-a-vis the economic subsystem, namely: 'commodification' and 'decommodification'.²⁷

Offe argues that the policy making and administrative activities of the welfare state are constrained by the dynamics of the of economic production. Dependent upon the processes of commodity production and exchange, which are beyond their immediate power to control and organise directly, welfare state administrators must, for example, be primarily concerned with preserving the private power and scope of these 'commodifying' processes. For Claus Offe this central 'contradiction' - pivoting upon the commodification/decommodification rubric - is used in such a way so as to explain all subsequent 'societal crises' under liberal-democratic welfare states.

However, the problem with this approach is, like those mentioned above, that it not only precludes the reader from analysing specific patterns of social integration and historical change, but more importantly it still does not furnish us

with a detailed answer to *why* specific crises occur where and when they do. Moreover, it rests upon politically derived *a priori* assumptions which are highly questionable; whatever the authors claim, it is far from being a neutral analysis.

PROBLEM AND SOLUTION

These theorists offer a model of social cause and effect which is far too simplistic. In primitive societies social causes and effects are relatively simple and predictable, but modern societies are, by definition, complex and unpredictable. None of these theorists, for example, were able to predict the emergence of the 'New Right'.

When the 'New Right' did emerge, it offered for the crises which earlier sociologists had described solutions which appalled them. To put it even more bluntly, holistic social theories *were* the crisis, and their abandonment is the solution.

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