


The odd couple: neo-Marxism and rationality

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EN Abstract. We analyse the relation between Western neo-Marxism and the contemporary debate on rationality, how the latter has conditioned the former's understanding of capitalism and how it has modified its relationship with other currents of economic thought. Starting from a puzzling event, the defence of 'rational choice theory' by analytical Marxism, we analyse how this contemporary phenomenon is historically related to an assimilation by Western neo-Marxism of the categories established by the liberal tradition in the debate on rationality to functionally stabilize capitalism. We conclude that, if the contemporary currents of neo-Marxism are to cease to represent a progressive strand of liberal thought as reformulated by Rawls, they need to relate the substantive irrationality of capitalism not to a system of values but to the social form of economic production.

Keywords. capitalism, neo-Marxism, rationality.

JEL Code: B14, B24.

ES La extraña pareja: Neomarxismo y Racionalidad

ES Resumen. Analizamos cómo se ha relacionado el neomarxismo occidental con el debate contemporáneo sobre la racionalidad, cómo ha condicionado su comprensión del capitalismo y cómo ha modificado su relación con otras corrientes del pensamiento económico. A partir de un acontecimiento desconcertante, la defensa de la teoría de la elección racional por parte del marxismo analítico, se analiza cómo este fenómeno contemporáneo se relaciona históricamente con una asimilación por parte del neomarxismo occidental de las categorías establecidas por la tradición liberal en el debate sobre la racionalidad para estabilizar funcionalmente al capitalismo. Se concluye que, si las diversas corrientes contemporáneas del neomarxismo quieren dejar de representar una vertiente progresista del pensamiento liberal reformulado por Rawls, tienen que relacionar la irracionalidad sustantiva del capitalismo, no con un sistema de valores, sino con la forma social de la producción económica.

Palabras clave. capitalismo, neomarxismo, racionalidad.

Códigos JEL: B14, B24.

PT O casal estranho: Neomarxismo e Racionalidade

PT Resumo. Analisamos como o neomarxismo ocidental se relacionou com o debate contemporâneo sobre a racionalidade, como condicionou a sua compreensão do capitalismo e como modificou a sua relação com outras correntes do pensamento económico. Partindo de um acontecimento desconcertante –a defesa da teoria da escolha racional pelo marxismo analítico–, analisamos como este fenómeno contemporâneo se relaciona historicamente com a assimilação, pelo neomarxismo ocidental, das categorias estabelecidas pela tradição liberal no debate sobre a racionalidade para estabilizar funcionalmente o capitalismo. Concluímos que, se as diversas correntes contemporâneas do neo-marxismo desejam deixar de representar uma vertente progressista do pensamento liberal reformulada por Rawls, devem relacionar a irracionalidade substantiva do capitalismo não com um sistema de valores, mas com a forma social de produção económica.

Palavras-chave: capitalismo, neo-marxismo, racionalidade.

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Sumario: 1. Introduction; 2. Marxism based on Analytical Philosophy and Neoclassical Economics; 3. An expanded Marxist theory of value? 4. Communicative rationality, analytical Marxism, and its confluence with liberal thought; 5. Conclusions; 6. References.

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1. Introducción

In this study we analyse how Western neo-Marxism has been related to the contemporary debate on rationality, how it has conditioned its understanding of capitalism and how it has modified its relationship with other currents of social and economic thought (in particular, with liberalism). Sohn-Rethel (2010) pointed out some decades ago that our way of thinking cannot be separated from our way of relating materially. When the structure becomes unstable, decomposes, becomes fictitious and the ground we walk on sinks under our feet, we need to find reservoirs of rationality to manage this complexity, even if they are pure speculation. In general terms, we can observe how two tendencies are consolidating in the debate on rationality. The first one is to think that rational action, whether instrumental or beyond a formal conception, guarantees the functional stability of capitalism. When objective conditions lose their rational consistency, individual rational action emerges as the salvation plank for all problems. The second tendency is to consider that, although instrumental rationality has failed to stabilize capitalism, a normative, substantive rationality, which prioritizes ends over means, can reverse the situation.

Although neo-Marxism tried to find a way out of the crisis of capitalism in the first half of the twentieth century that did not involve the strengthening of instrumental rationality, it succumbed to the dominant trends in contemporary thought. Consequently, Western neo-Marxism has become just another branch of liberal thought, especially after the irruption of John Rawls' work in 1971. To develop this reflection the exhibition follows a peculiar trajectory. We begin at the end of the story, then return to its origin and, from there, explain how we arrive at the work of Habermas and the analytical Marxists. In the first section, we review the debate on rationality in analytical Marxism and its links with neoclassical economics. In the second section we seek to answer the question why the growing instability of capitalism since the late nineteenth century forced the development of more substantive views of rationality with the aim of functionally stabilizing the economic system. In the third section we explain why, in our view, the confluence of liberal thought and the main neo-Marxist currents of recent decades came about. The article ends with some final reflections.

2. Marxism based on Analytical Philosophy and Neoclassical Economics

A puzzling event occurred in the last decades of the last century: the birth of analytical Marxism. It was disconcerting for two reasons. On the one hand, in its gestation concurred antagonistic traditions of Western thought, Marxist thought and analytic philosophy. On the other hand, this *unnatural* union took place at a time when both traditions were undergoing an intense decline. The publication in

1978 by Gerald A. Cohen of the book titled *Karl Marx Theory of History. A defense* is commonly considered as the birth date of this peculiar intellectual current. The biography of Cohen reflects the tensions and paradoxes inherent to its emergence. Of Canadian origin, Cohen had been educated in a family of Marxist tradition, frequenting from his youth the traditional communist organizations. Subsequently, he moved to Oxford (England) where he did a doctorate with prominent representatives of analytic philosophy (like Gilbert Ryle), who profoundly marked his academic career. In the prologue to *Karl Marx Theory of History* (Cohen, 1978) he declares that he intends to approach Marx's work with the clarity and rigor of analytical philosophy.

From an epistemological point of view, it is important to understand that, unlike other Marxist and radical economic currents, analytical Marxism does not use Marxist theory to critically analyse capitalism but uses analytical philosophy to criticize, to test, Marx's own thought (Tarrit, 2006). Marxist thought becomes the object of study itself. If we group all the current definitions, analytical Marxism can be characterized by the following features (Wright, 1994; Carling 1997). First, there is a commitment to conventional norms in the elaboration of scientific theories. Most of the members of the September Group¹ believe that it is necessary to explain Marx's thought with greater clarity and rigor, resorting to the theoretical and methodological tools of the 'positive' social sciences and neoclassical microeconomics. Secondly, there is a commitment to formal logic to the detriment of dialectical logic. The rejection of dialectics is widespread, accused of imposing an obscure and esoteric language. Thirdly, neo-Marxists deny any methodological specificity to Marxism. According to them, the relevance of Marx's thought does not lie in his method but in his substantive ideas about the world. Fourth, in line with analytic philosophy, their vision of science consists of a conceptual reconstruction of reality from simple logical connections. In this sense, they emphasize the relevance of systematic conceptualization, being concerned with specifying how theoretical arguments relate to concepts. Fifth, they replace the labour theory of value by rational choice theory and game theory. Last, another feature of analytical Marxism is the methodological centrality of individual intentional behaviour.

These features of analytical Marxism facilitated the introduction of Marxist themes in the Anglo-Saxon academic world that, until then, were circumscribed to a few minority areas. Cohen's book was well received by the English-speaking public (although paradoxically his book was not translated

¹ Starting in 1979, a group of scholars began to meet annually, during the month of September, to discuss Cohen's book and other subsequent contributions. The so-called "September Group" constitutes the founding nucleus of analytical Marxism.

into French and German). Cohen conducts a clear and rigorous conceptual analysis of historical materialism around two main theses (Levine, 2003). First, the level of development of productive forces functionally explains the nature of economic structure. Second, economic structure functionally explains the legal and political superstructure, and the forms of thought. In other words, for Cohen, historical materialism is based on the prevalence of productive forces over the relations of production, and of the latter over the superstructure.

Paradoxically, Cohen was criticized by analytical Marxists for his alleged technological determinism. In Cohen's book (1978), human action is rational, but rationality is explained by its structural results. The development of productive forces is rational because it gives rise to an increasingly organized, more harmonious, more educated social complexity. But action is not considered rational from the point of view of the motivations of the individuals who are the protagonists of this economic and technological development. In fact, intentional action does not explain social behaviour at all. The use of increasingly sophisticated technologies is due to trans-historical ecological pressures because of the permanent scarcity of natural resources. Action is explained by the adoption of a functionalist paradigm; it is deemed rational because its results are beneficial to the organism to be explained.² Arguably, Cohen (1978) relies on a functional explanation because he realizes that, within the framework of analytical philosophy, such explanation is the only way to defend Marxism. However, his wager sparked a strenuous controversy within the ranks of analytical Marxism around the relevance of the intentional actions of individuals (Elster, 1980). Elster (1985) made a full-throated defence of the intentionality of action as an explanation of social behaviour, betting on methodological individualism and the theory of rational choice. From this point on, two groups were established within analytical Marxism (Tarrit, 2006; Levine 2003). On the one hand, the post-althusserians grouped around Cohen who rejects the fact that the consideration of the intentionality of action must necessarily lead to the defence of methodological individualism and rational choice theory. On the other hand, the post-positivists grouped around Elster, which gave rise to so-called 'rational choice Marxism.' Thus, analytical Marxism is a broader current of thought than the latter.

Elster (1985) criticizes Cohen for adopting a teleological view of history in which unproductive social relations inexorably disappear due to the development of productive forces that are not the outcome of the intentions of individuals. According to Elster (*ibid.*), Cohen's (1978) argument does not explain how historical progress relates to the satisfaction of individual interests. Further, Elster

(*ibid.*) denounces that the class struggle mediating the contradiction between the productive forces and the relations of production cannot be adequately explained. Elster (*ibid.*) argues that, in Cohen's book, intentions are disembodied, actions lack an actor, and verbs do not relate to any individual. He also emphasizes that, under Cohen's argument, the laws of history would be more explanatory than the intentions of individuals and, hence, dialectical logic would prevail over formal logic. He concludes that, when an analytical Marxist mentions dialectics, he is pointing us the gates of hell.

Thus, Elster (1985) decidedly opted for granting exclusive causal primacy to individuals by resorting to rational choice theory. As a derivation, he uses game theory to explain the processes of social interaction and the evolution of class struggle. Przeworski (1985) denotes this primacy of individual agency as a 'scientific revolution' within the Marxist research program. Thereafter the boundaries between Marxist and mainstream economics began to blur. On the one hand, the interests of employers and workers began to be seen as compatible with each other. The conflict between social classes ceased to be treated as a struggle and came to represent a strategic game (Bensaïd, 1995) where ascription to a social class was reduced to a matter of individual choice (Roemer, 1982). On the other hand, markets were increasingly viewed as the predominant mechanism of socioeconomic interaction. In short, models based on the rational behaviour of individual agents ceased to be treated as the exclusive heritage of neoclassical economics and came to represent a useful analytical tool for the political agenda of the progressive left.

Neoclassical economics is characterized by formal abstraction, which it considers its main scientific achievement. Neoclassical economics considers that the free market guarantees that everyone has the maximum opportunity to increase his subjective utility of the resources he possesses, while ensuring that this increase is not achieved at the expense of any other individual. For Marx, on the other hand, the abstraction is not formal, but real. In Marx's thought, 'real abstraction' refers to the creation of categories of thought that are the product of material and social relations, not the result of intellectual construction (such as a theoretical model). In other words, it is an abstraction generated by the reality of capitalism itself, not a formal abstraction. It is not an idea in the mind, but a way of organising the economy. In the exchange of goods, the characteristics of products (use value) are abstracted away to focus on exchange value, which is an abstract social relationship. Exchange value is determined by the abstract labour time invested in production, not by the physical properties of its use. On the other hand, labour is converted into socially necessary abstract labour time, abstracting the peculiar characteristics of the labour process. If a company produces goods using more labour time than socially necessary, it must necessarily close. If economic rationality boils down to a question of calculation, to the efficient allocation of resources, it is because concrete labour has been converted into abstract labour and goods have been stripped of their qualities in the process of mercantile

² Cohen (1988, p. 8) offers two examples of functional explanation: 'Birds have hollow bones because hollow bones facilitate flight' and 'shoe factories operate on a large scale because of the economies large scale it brings about'. In each case, something (birds have hollow bones, shoe factories operate on a large scale) that has a particular effect (ease of flight, economies of scale) are explained by the fact that it has that effect.

exchange. Capitalism is an economic system based on automatic and impersonal social relations, which dominates through a process of relentless abstraction.

According to neoclassical economics, the central problem of economics is the natural scarcity of resources. However, this problem has existed since the origins of economic activity and does not depend on the specific functioning of capitalism. This scarcity forces economic agents to make rational decisions about how to allocate these resources efficiently. Neoclassical economics constructs a formal model to describe the rational behaviour of individuals. According to this approach, market-based production and exchange provide the technical means by which the individual can expand subjective utility, demonstrating that the institutions of capitalism allow for the optimal reconciliation of the antagonistic interests of individuals in the face of natural scarcity. By contrast, to Marx, economic forms cannot be separated from their social content. Thus, the market would not impose a formal rationality to efficiently allocate scarce resources, but this type of rationality is a consequence of the subordination of all individual behaviours to the pursuit of capital accumulation in a society based on the generalized exchange of commodities. For Marx (1859), it is not man's consciousness that determines his being, but it is social being that determines consciousness.

3. An expanded Marxist theory of value?

Neoclassical economics and analytical Marxism succeeded in abstracting from social antagonisms *via* the use of economic models based on formal rationality. However, the internal contradictions of capitalism, its economic crises, the concentration of capital, the rivalries between the great powers progressively unleashed the irrational fury of the system. In principle, neoclassical economics explained these deviations from the ideal model as the result of the existence of contingent institutional conditions. But, given the tumultuous character of historical events since the early twentieth century, liberalism was confronted with the need to elaborate a more sophisticated social theory to meet these challenges. Undoubtedly, Weberian sociology represented the most advanced attempt in this regard (Clarke, 1991). However, Marxism found it necessary to revise its own critical theory after having adopted an overly mechanistic view of historical materialism where the development of productive forces guaranteed a more rational society. Gradually, the influence of the political and cultural superstructure on the consolidation of a more rational order began to be considered. This way, Marxism will broaden the horizons of the theory of value going beyond the social relations of production.

Let us start by highlighting a year, an author, and one of his major works, directly related to this issue. We refer to the publication in 1923, a few months before Lenin's death, of *History and Class Consciousness*, by Hungarian thinker Georg Lukács. This work cannot be understood without considering the shock that the parliamentary support of European social democracy for the war credits³ in August 1914 had represented

for Marxism. The Second International was created in a period of peaceful development of capitalism. This period had fostered an excessive confidence on the idea that the development of productive forces would give rise to an increasingly harmonious and civilized society. During WWI, this confidence was shattered. At the same time, the Russian revolution of October 1917 had raised the possibility of opening a new path of rationalization through radical changes in the political superstructure, in the nature of the State, even if it was a backward country like Russia. In 1923, however, this possibility also started being questioned.

To understand how Lukács reacted to these challenges we need to go back to Weber's thought (Rose, 2014; Löwy, 1976). Like Menger, Weber believed that the social instability generated by the transformations and crises of capitalism should not imply a rejection of the abstraction of neoclassical economic theory. To this end, they complemented the latter with the methodology of ideal types. Where Weber departed from Menger was in the foundation of these ideal types (González León, 1998). For Menger (1883), ideal types were based on the principles of individual rational choice. The universality of economic theory was based on the alleged universality of instrumental rationality, the institutions of liberal capitalism being the clearest illustration of it. For Weber (1949), by contrast, instrumental rationality was not such an obvious universal reality. On the one hand, there was the possibility that certain societies valued alternative ethical or political ends more highly. On the other hand, the rational adequacy of means to ends is based on a historically specific valuational orientation, the Western one. For Weber, the institutions of capitalism are not the result of a universal rationality since the historical origin of capitalism has a specific character. Weber retained the essential features of Menger's methodology of ideal types but inverted the relationship between theory and history by deriving the ideal types from a broad comparative investigation at the historical level.

Weberian ideal types were value-based constructs and, hence, capitalist rationality had specific ethical implications. Weber accepted that neoclassical economics provided a valid explanation of economic behaviour based on instrumental rationality in a capitalist society. He also shared the Mengerian analysis of the rational origins of the institutions of capitalism and the neoclassical account of economic rationality as efficient allocation of technical means to achieve ends. What Weber rejected was the subordination of ethical and political ends to economic rationality, since he argued that such rationality had to permit economic development, social stability, and the cultural and political cohesion of nations. Like Menger and neoclassical economists, Weber was a liberal (in fact, he belonged to a liberal party), but he did not possess an unlimited faith in liberalism (Weber, 1926). Rather, he thought that the generalization of formal rationality had, as a necessary and inevitable complement, the substantive irrationality of capitalism⁴.

³ Governments issued war bonds, which were debt securities that citizens could purchase to finance the war. Banks also

granted loans to finance the war. In turn, these loans were backed by governments.

⁴ In Max Weber's work, formal rationality refers to the calculation of the most efficient means of achieving a goal, while substantive rationality considers the consistency of actions

But, unlike Marx, he did not consider such irrationality to be a direct consequence of capitalism (Clarke, 1991). He believed that the process of rationalization implied an increasing autonomization and radical separation of the different spheres of life, from the economic to the political, religious, artistic, or scientific. In each sphere, formal rationality would guarantee that the means would be efficiently allocated for the attainment of ends. However, such fragmentation would contradict the necessary unity of social life. On the one hand, the pursuit of purely economic ends could clash with the achievement of certain political or ethical ends. On the other hand, subjectively, the fragmentation of experience would lead to an essential incoherence in the formation of the modern individual which needed to be endowed with a coherent vision of the world. Like Marx, Weber thought that the substantive irrationality of capitalism did not consist in a pathological deformation of a supposed rational order but was inherent in the process of rationalization. But, unlike Marx, he did not find the sources of this substantive irrationality in the social form of capitalist production since he considered it rational.

Paradoxically, however, Weber is closer to Marx than classical social democracy since he was aware of the process of dehumanization and cultural degradation inherent in the process of capitalist rationalization. Incidentally, Lukács' critique of social democracy is based precisely on this aspect laying the theoretical foundations of Western neo-Marxism (Merleau-Ponty, 1955; Löwy, 1996; Anderson, 1976). What essentially defines Western neo-Marxism after 1914 is this critique of classical social democracy or the idea that the development of productive forces does not necessarily lead to a more rational society. For neo-Marxism in general, the theoretical consequence of this critique is that the Marxist theory of value must be extended, not reduced, to a critique of economic categories. The twentieth century will represent a continuous search for this extended critical theory. Thus, neo-Marxism provides a critique of art, culture, morality, politics, and other super-structural elements of capitalist societies. Antonio Gramsci or Walter Benjamin became the great apostles of neo-Marxism, 'untouchables' in contemporary cultural studies. Later, members of the Frankfurt School will argue that capitalism has changed its nature in the sense that it no longer dominates the working population through the economy but through political and cultural mechanisms (Postone, 1993). It is not by chance, either, that Lukács is widely considered as the founder of this conception of Marxism. In 1923,

he was already widely seen as an authority in the field of the cultural critique of capitalism.

This extension of the Marxist theory of value to the critique of the cultural and moral superstructure of capitalism is not without its own problems, however (Rose, 2014). In his *History and Class Consciousness*, Lukács (1923) focuses his analysis on the concept of reification⁵. Lukács does not derive the concept, as Marx (1894) does in his theory of fetishism with the so-called *trinitarian formula*, from the analysis of the relations of exploitation in capitalism. In fact, he does not take the concept of reification from Marx's work but from Simmel's *Philosophy of Money* (Simmel, 1907). Let us recall that Menger (1892) argues that money is an institution that had developed from individual rational action to facilitate exchange. Simmel (1907) came to say the same thing but added that, subsequently, money underwent a process of reification and became an end so that there was an inversion between means and ends, human values became the means to achieve an end: to accumulate money incessantly. For his part, Weber (1905, 1921) saw the process of reification of money as the expression of a specific system of values, based on the predominance of instrumental rationality, which would give rise to forms of social relationships as an unintended consequence. Yet both Weber and Simmel thought that the only humanist way out of this process was to propose an alternative set of values. Interestingly, Weber's critique also focuses on the cultural dimension. It is understandable then that some scholars denote Western neo-Marxism as 'Weberian Marxism' (Merleau-Ponty, 1955; Löwy, 1996).

In any case, Lukács believed that he could overcome the melancholic moralization of German romanticism (which influenced the thought of Weber and Simmel), which led him to turn to Hegel. For Lukács, as for Weber, what seems rational in a capitalist system for the individual is irrational for society. For example, mercantile competition entails rational behaviour at the level of the individual enterprise but leads to devastating crises at the aggregate level. For Weber (1905), however, the increasing fragmentation of modern society means that the totality is increasingly inaccessible to individuals, trapped in an iron cage. Subject and object, action and structure, are separated and confronted. Leaving aside the specific way out that Lukács proposes, what is important for the purposes of this study is that, in Western neo-Marxism, an incessant search started through an extended critique of value to identify new sources of rationality that could dominate the substantive irrationality of capitalism.

4. Communicative rationality, Analytical Marxism, and its confluence with liberal thought

After 1945, the dilemma of classical liberalism remained open: would it be possible to stabilize capitalism without renouncing its fundamental principles? After

with specific values or ideals. Formal rationality is instrumental and focuses on efficiency, while substantive rationality seeks consistency with values. It is concerned with justice, morality, or sustainability. The idea that Weber's formal rationality focuses on efficiency and compliance with norms can lead to substantive irrationality is a central aspect of his critique of modernity. Formal rationality, such as bureaucratic rationality, can be highly efficient in achieving specific goals, but in doing so, it can ignore or even suppress the importance of ethical, moral, or social considerations. Substantive irrationality, on the other hand, refers to the lack of meaning or purpose in life when formal rationality is prioritized over values which can, in turn, lead to a sense of alienation or depersonalization.

⁵ Reification, according to Lukács, consists of perceiving social relations as if they were objective things independent of human beings. Reification generates fragmentation in the consciousness of subjects, who feel alienated and disconnected from their own actions and social relations. An institution (e.g., a university) is a complex of social relations yet is defined as if it were a natural object.

a turbulent first half of the century, all attempts to overcome this dilemma (neoclassical economics, classical social democracy, Weberian sociology, and the early versions of Western neo-Marxism) had proved incapable of civilizing and rationalizing capitalism. With the lull granted by post-war economic development, social tensions had relaxed, and this debate had receded into the background. However, since the late 1960s, social instability and the cultural and political crisis of advanced societies have proliferated. The economic crisis of the 1970s opened a protracted scenario of economic instability and growing social inequality. Instrumental rationality came under attack due to the growing ecological crisis. The alarm bells are ringing again.

In 1971, John Rawls published a work that was to shake the history of liberal thought, *A Theory of Justice*. In this book, Rawls (1971) reopened the debate on the need to establish a normative principle of equality. Until then, liberal thought had underestimated the importance of moral motivations in the understanding of the economy and society (Heath, 2009). On the one hand, Smith's 'invisible hand' metaphor deduces the superiority of free markets from its usefulness in economizing on moral motivation. Social interaction in markets of self-interested individuals unintentionally generates social benefit so that it is not necessary to articulate an organic solidarity mechanism that brings about social integration⁶ (Durkheim, 1893). Resorting to instrumental rationality would be sufficient. On the other hand, Hayek (1948) argues that the rational superiority of the market stems from its capacity to economize on information, not on moral motivation. Hayek insists that market prices are not an incentive but a signal with information. In other words, information deficits explain the generation of wrong and perverse incentives. However, Hayek's argument is more radical because he places the question of information at the centre of economic analysis and argues that self-interest does not provide real social benefits. This leads us to another debate within neo-Marxism in the last decades of the twentieth century, the one raised by Habermas on communicative rationality.

Habermas belongs to another social and academic context, very different from the Anglo-Saxon world where analytical Marxism emerged. Firstly, it must be considered that post-war European capitalism developed a specific relation between the structural and super-structural levels of the socio-economic system that led Habermas to propose a reconstruction of historical materialism that differs markedly from Cohen's). Secondly, the German academic context also differed markedly from the Anglo-Saxon one. Leaving aside the limited influence of analytic philosophy on the European continent we

must note that, in Germany, innovative social science was not identified with rational choice theory but with functionalism. Parsons' interpretation of Weber's thought and Luhmann's (1984) systems theory will exert a notable influence on the German academia.

Weber (1921) posited that the predominance of instrumental rationality had been effective in exploiting nature but had generated a void of meaning for human societies. Certainly, the process of rationalization had meant a disenchantment of the world and, in parallel, a polytheism of values that had eroded social cohesion depriving people of an existential guide. Habermas (1981b) elaborates a different interpretation of this process detecting an unexplored vein of rationality in the disappearance of myth since the blind acceptance of the myth that guides existence is replaced by conscious agreement around language. For Habermas, this opportunity for symbolic interaction represents a source of intersubjective rationality. According to him, communicative action occurs when individuals are not coordinated by egocentric calculations but by the search for intersubjective agreement. Thus, participants are not initially oriented towards their own success but pursue their individual objectives under the condition of reciprocal understanding based on a common definition of the situation. Action is conceived as meaningful behaviour, i.e., a type of behaviour that goes beyond itself since it is associated with a symbolic meaning that is socially constructed. In other words, communicative action does not seek the success of participating agents, but the coordination of their action plans based on a negotiated definition of the situation.

According to Habermas, neo-Marxist thought had been excessively influenced by the critique of instrumental rationality formulated by the founders of the Frankfurt School to explain the pathologies of modern society (Honeth, 1991). According to him, this critique, based on the modern philosophy of consciousness rather than on the analytical philosophy of language, conceptualizes rational interaction employing a model in which human action is exerted on nature (Habermas, 1981b). On the bases of the subject-object dichotomy consciousness is isolated from objects while the external world is reified to be dominated. Thus, this critique analysed how life is damaged by rationalization but did not develop a conceptual apparatus to analyse what is damaged in that reified reality (Grondin, 1988; Heath, 2009). Accordingly, only the model of communicative rationality could explain the devastation caused by the predominance of instrumental rationality since the element most degraded by the mercantile society would be precisely the intersubjective interaction of the worlds of life. The colonization of these worlds by a purely calculating rationality can be addressed only by means of resistance based on the rationality of communicative agreement (Habermas, 1981a).

Although it may sound utopian, scientific, and technological rationality would no longer be linked to the pathologies of modern society and the growing crisis of expert systems, provided it is subordinated to the authority of intersubjective consensus (Beck, Giddens and Lash, 1994). Instead of an action subject to the blind and mechanical dynamics of the economic system, we would find ourselves

⁶ Émile Durkheim distinguished between mechanical solidarity and organic solidarity as two different forms of social cohesion. Mechanical solidarity is characteristic of simple societies where social cohesion is based on similarity and the repression of individuality. Organic solidarity, on the other hand, is characteristic of complex societies, where social cohesion is based on the specialisation of labour and interdependence. Durkheim used the organic analogy to compare society to a human body where each organ (individual or social group) performs a specific function and contributes to the overall functioning of society. In this analogy, organic solidarity reflects the interdependence of organs for the maintenance of social life.

before an enlightened action before a rational action that is capable of taming capitalism's substantive irrationality. However, Habermas does not believe that the communicative capacities of the life-worlds⁷ are sufficient to give an alternative meaning to this disenchanted, demythologized, and reified world. He thinks that it will be necessary to mobilize functional systems. This shows that the complexity of contemporary societies cannot, in his view, be duly addressed without participation of the State and markets because these systems do not consider the communication mechanisms that characterize life-worlds, thus reducing social interaction to functionalist schemes (Prychitko and Storr, 2007). Habermas sees this process as inevitable although he is suspicious of the managed world that derives from such increasing functionalization. To prevent this suspicion from becoming a reality, he points in a double direction (Heath, 2009). On the one hand, it is necessary that the process of technification be regulated by the needs of humanity and nature. On the other hand, it is important that this technification does not affect the symbolic reproduction of life worlds. While functionalist rationality would deal with the demands of the material reproduction of society, communicative rationality would occupy itself with its cultural reproduction. However, this coordinated distribution of roles falls back into the Weberian illusion that cultural forms can regulate and even curb the pecuniary instincts that feed the process of technification. In Habermas, a persistent trend in contemporary progressive thought becomes evident: while classical social democracy and the traditional left have failed in their attempt to manage capitalism through economic policy, we still have a lifeline to hold on to culture, identity, and values.

Habermas condemns the hypertrophy of functional rationality, the instrumental colonization of life worlds, and the domination of human relations by the economic realm. Although the Habermasian model arises from an idealization of social relations and is nourished by strong doses of anti-realism (Grondin, 1988), the social movements of resistance that have emerged in recent decades (ecologism, pacifism, decrementism, etc.) are interpreted as a natural response to the functionalist colonization of life-worlds. According to Habermas (1981a), these phenomena of resistance arise from the potential of rationality contained in communicative action. The great deficit of this interpretation is that many of the social injustices in capitalism demand strictly economic explanations and solutions. For example, the 2008 financial crisis highlighted the irrationality of markets generating new social injustices.

Habermas faces this challenge and tries to provide an answer. Previously, we discussed how Cohen (1978) defence of historical materialism was based on functionalist theory. Accordingly, the superstructure would adapt to changes in the economic base without explaining what specific motivations individuals must change their social behaviour in response to the

development of the productive forces. In contrast, Habermas approached the problem in a different way. Following Luhmann's systems theory, he introduces new conceptual elements into the theory of action limiting the scope of the original functional explanation (Heath, 2009). On the one hand, functionally integrated systems coordinate social action through incentives so that their reproduction depend on the instrumental rationality of agents in an increasingly complex and specialized environment. On the other hand, life worlds are governed by the logic of natural language, so their reproduction is based on communicative rationality. This differentiation forces an endogenous process of rationalization at the super-structural level that makes the functional stabilization of the system more complicated (unlike what occurs in Cohen's theory). For this reason, Habermas (1992) concludes that the main problem of capitalism is moral. It is an economic system essentially organized around a not generalizable particular interest. Initially, integration must occur instrumentally through the system being impossible to do so through communicative action in the life-worlds. For this reason, if it wants to stabilize itself functionally, capitalism needs to endow itself with a normativity that allows it to soften the problems of injustice and social inequality.

For analytical Marxism, capitalism also suffers from a moral deficit, but the normative critique would have a trans-historical character; it would rely on the mechanisms of social inequality generated by contemporary capitalism. Roemer (1982) defines exploitation without presupposing a labour theory of value. He reconstructs the notion of exploitation by arguing, under a Smithian conception, that producers are exploited when their income, which corresponds to the amount of labour contained in production, does not allow them to command the same labour through the goods they can buy with that income. He formulates two theorems. First, exploitative relations correspond to class relations within capitalism. Second, he posits that these relations would also occur in an economy without a labour market and capital as the result of the prior distribution of resource ownership. Thus, exploitation is the direct result of inequality in the initial endowment of resources rather than the result of the institutions of capitalism. For Roemer, capitalist exploitation is not a normatively useful concept. From a moral point of view, inequality in the endowment of property and the existence of rich and poor rather than exploitation is the most objectionable feature of capitalism.

If we consider the contributions of Habermas and Roemer, and despite their differences, we can observe how neo-Marxism became just another strand in the field of egalitarian liberalism. Today, analytical Marxism no longer exists as an academic current and is commonly conflated with left libertarianism (Gargarella, 1999; Kymlicka, 2001). For his part, Habermas (1992) embraced Rawls' ideas more intensely. As we noted above, Habermas views capitalism as a system with an inherent tendency to functional instability because of the impossible generalization of individual economic interests due to private appropriation of socially produced wealth. As heir to the Frankfurt School, he believes that capitalism leads to the predominance of instrumental rationality. Combining the tendency towards functional instability and the trans-historical

⁷ In Habermas' theory, the 'world of life' (Lebenswelt) is the social, cultural, and linguistic context in which individuals move and interact, the 'background' of communicative action. It is a shared 'horizon' that provides meaning and significance to human interaction.

process of instrumental rationalization, Habermas considered that a critique of capitalism articulated around an alternative proposal of rationality was necessary to sort out the pathologies of modern society (Heath, 2009). However, he believes that the communicative rationality that regulated the worlds of life with a prolonged stability does not have the capacity to attain an integrating function in the sphere of the modern economy. It does not have a capacity equivalent to that exercised by instrumental rationality, which became more acute as social complexity increased. The only alternative is a moral rationality.

Habermas' contribution is more ambitious than that of analytical Marxism (Heath, 2009). Roemer's normative critique, starting from his concept of exploitation, operates in the realm of instrumental rationality and this allows him to rely exclusively on rational choice theory. In contrast, Habermas understands that there is a tension between the normative principles of functional systems and life worlds, which forces him to look for alternative sources of rationality in human societies to identify strategies for systemic stabilization (Cook, 2012). Both approaches share a general feature of 20th century neo-Marxism: the acceptance of the inevitability of capitalism (Heath, 2009). While Roemer questions the ownership model but defends the market as the main mechanism of economic integration, Habermas admits that, in a complex modern society, the existence of functional systems based on instrumental rationality is inevitable. However, he argues that functional systems like the economic one should not colonize the worlds of life since communicative rationality plays a leading role in the construction of epistemic consensuses that enable, in turn, the development of moral norms that grant functional stability to capitalism.

Conclusions

Faced with an objective reality characterised by the ephemeral nature of phenomena, faced with a capitalism that bases its dynamism on financial speculation and the growth of fictitious assets, faced with an economic evolution threatened

by recurrent and explosive crises, a subjectively established criterion of normativity becomes the only source of certainty. Weiss (2015) analyses how new forms of normativity, such as pragmatism, duty, or virtue, are gaining influence. Pragmatism empties the collective of normative content, serving the competitive individualism of the neoliberal period. Duty imposes itself on people who seek protection in communities with stronger ties (such as family, neighbours, or ethnic or religious associations). Virtue does so among the population with sufficient resources to meet basic needs, in the form of civic movements, volunteering or, for example, environmental or feminist associations. These new forms of normativity allow for the reconciliation of the exercise of freedom by consumers and producers with the loss of agency that individuals are suffering in a world in crisis.

Unfortunately, contemporary currents of Marxism, such as the 'new German reading' and 'open Marxism' continue to insist on an extended application of the Marxist theory of value to the critique of the cultural and moral superstructure of society (Bonefeld and O'Kane, 2022). In Marx's work, capitalist exploitation and the need for communism is not an ethical question. The superiority of communism over capitalism is not established in normative terms, but in scientific terms. If the new currents of Marxism do not want to succumb to the thought of egalitarian liberalism (as happened to analytical Marxism and Habermas), they need to renounce the construction of a critical social theory and must continue to develop a critique of political economy (as Marx did). And this must be so because capital is a social relation, not an object subject to historical contingency. It cannot be managed by changes in the superstructure, even if more sophisticated normative and cultural theories are developed to do so. The central issue is to understand that this substantive irrationality is not related to a value system (as Weber believed), but to a social form of production that can only be rational and socially integrative in instrumental terms.

5. References

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