

Draft:

## **Markets, Maximisation, Money and Infinity – Our modern Religion**

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### **The rejection of religion and church**

The Age of Enlightenment rooted in two rejections deeply felt by their philosophers:

They took offence in religion, church and especially in those decision makers (mainly clericals) who decided what was right or wrong. They did so by teaching what the world is and in explaining what to do in a particular situation. This impressive power rooted in knowledge. This knowledge derived from the scriptures, given by God only to specially selected humans. The question put forward by the men of enlightenment was: Why do these people know and why do other persons and other groups not know? And what is it they know?

Secondly, they questioned inheritance due to aristocratic blood. High positions, power and riches were mainly reserved to aristocrats. Why should the riches be distributed in this way and not in other ways more according to the expectations of the working people? Obviously those who claimed to have the authority to explain the functioning of the world and to decide what's right or wrong used their position to defend the privileges of the nobles.

### **The victory of science**

This movement of enlightenment has been rather successful as we can experience by our present situation. Instead of religion it is science that explains to us what's happening, what's going on and what's the right thing to do today. We have replaced religion by science. These two institutions are based on their respective belief systems (i.e. an enduring organisation of

cognition about some aspects of the universe) and their value systems (i.e. an enduring organisation of principles by which behaviour can be judged on some scale of merits). To complete this characterisation of institutions one has to add the action system (i.e. the behaviour patterns designed to attain ends supposed to satisfy needs). Religions differ from other institutions (in our case sciences) by the fact that their subsystems refer to super-human beings. At least so called super-human beings are assumed. This cautious remark seems necessary to me since proof in a strict sense only can be found in mathematics. It's tautologic. Natural sciences were considered to be based on experiments. Modern development of science has demonstrated that the separation of humanities and natural sciences is not as easy. – And in the same way the nobility was admired in those days we nowadays praise the plutocrats (also quite possibly a Freudian reaction).

### **Reflection**

In late medieval times - still dominated by the church - one assumed that wealth originated in three causes:

1. War, conquest and other forms of robbery.
2. The second way to riches was by inheritance or adequate marriage (this always included point one in former generations).
3. The third and most appreciated way was by the “good fairy”. In a less metaphorical but theologically more correct way one would refer to the grace of God (coincidence, luck,...).

Nowadays the only supposed way to wealth is believed to be the one called entrepreneurship, which is usually combined with believing in oneself and strong determination. This is in general assumed to be combined with hard work, at least with making others work hard. And

what you need all the time is good luck. – However, if you are looking at the statistics, the greatest part of riches owned nowadays is inherited.

The above mentioned tremendous changes in the way of reasoning and of defending things as they are or as they are assumed to be, as well as deciding and explaining of what has to happen, occurred more or less in the last two centuries, maybe in the last two and a half centuries. Only to stress the obvious: Reality – not withstanding the discoveries of Heisenberg and quantum physics and the acknowledgement of language in the process of cognition – has changed quite radically, too. The difference in the ways of reasoning and in the practises of every day life offers science as the answer to the question of „why“. To raise doubts is a privilege of outcasts – and obviously not to be taken serious.

### **Religion and Society**

Durkheim defined religion as a unified system of beliefs and practises related to secret things, that is to say things set apart and forbidden. Beliefs and practises which unite all of those who adhere to them into one single moral community called church.

Let's have a look at its etymological roots; they show an archaeological horizon, which is different from the current meaning of the expression in our time. Religion in Latin (consideration, (pious) reflection, scruple; also as qualities: scrupulousness, superstitions; or metonymous: (church) services, holy place, ceremony) is derived from „relegere“ (to gather things or to pass often over the same ground) or from „religare“ (to bind things together). The greek word “ekklesia” means assembly or gathering of the people. This draws attention to the obvious (historical) characteristic of religion. It's an expression of what binds and holds people together in practises and beliefs.

But these practices and beliefs are even more than a characteristic, they are in a certain sense a necessity. „Stimulus – response” do not exclusively determine acts and actions of human beings any more. As a consequence of the loss of the inborn human capacities men had to develop so-called „standards“ – something one could and had to refer to. And for a long time „religion“ formed the centre of regulating the life of human beings, constituting the standards.

– Religions are organized systems holding people together!

Religion is a system of symbols which acts to establish powerful pervasive and long lasting moods and motivations in men by formulating conceptions of general order of existence and enclosing these conceptions with such an aura of factuality that the moods and motivations seem uniquely realistic. (Clifford Geertz, *The Interpretation of Cultures*, 1973. For him culture is a vehicle which enables participants to give form and meaning to their experiences).

Durkheim’s and Geertz’s definitions, the etymological archaeologies, the necessity of the standard, all that jogs our memory: For a long time religion determined every-day life, regulated the attitudes and behaviour of men and offered measures of evaluating human acts and society, therefore constituted society. Society and religion have always been inseparable.

### **Religion is something private – acknowledged by the (catholic) church**

Nowadays religion is considered to be a private thing. Everybody may believe whatever they want to believe. They are free to choose their value system, action system and belief system. That is the new assumption.

The first efforts to incorporate Kantian ethics into theological moral met stiff and rigid opposition and were squashed subsequently. Autonomy in the sense that man is setting his

own laws and that the only and unique norm of his activities originates from his will was assumed to be the principle of godless morality. Even in the 19<sup>th</sup> century polemics against Kantian ethics were strong: Kantian ethics were considered in fundamental opposition to what Christian religions were teaching. Accepting autonomy would destroy any prerequisite of obedience or authority: „This autonomy is a revolutionary anarchistic principle in the worst sense. I think it would be more appropriate to call it immoral than a moral autonomy. The putative morality is only a „non servian“ in scientific concealment.“ (Victor Cathrein). Even in the Catholic church at present there is, in consequence of the encyclica „Humanae vitae“ (1968), an increasing tendency to discuss the concept of „autonomous ethic in Christian context“.

At the end of Middle Ages and the beginning of modern times with Renaissance and Humanism the close ecclesiastical-worldly association has started to disintegrate. This unity seemed to be guaranteed by the „causa finalis“: God. But generally in opposition to traditional theology one area after the other, once undisputed matters of the church, shook off its custody. First the emperors, kings and princes took over politics, later welfare and town life, became independent from church influence. Later scientific reasoning, morality and finally even the consciousness of the people and everyday experience of pleasure and pain were no longer under ecclesiastical control. So-called secularisation took place. To deal with this development one of the drafts of the pastoral constitution of the second Vaticanum, the so-called „Text of Mechelen“, offered the following very precise formulation: „The world has its particular consistency and is governed by its own principles and laws. The church accepts that pleased and openly. The above mentioned principles and laws do not fall within the authority of the church, not with standing that nature is created by God!”

The arguments behind this position are the following and demonstrate the more or less total acceptance of the cliché of traditional mainstream scientific phrases:

- a) Worldly areas are being dealt with autonomous reasoning, knowing about their own values and powers in accordance with the predisposition to their own values and laws, its inherent orders. That “coming to itself” of the world may be accepted as a „sign of time“. As such the secularisation may not be theologically acceptable in every aspect, but ... In the meantime it has been discovered that the message of Jesus, opening itself to love, had no negative influence to the main tendencies of that process, such as gaining maturity , accepting responsibility, engaging in the world. Quite the reverse!
- b) Morality expresses the validity of humanity’s optimal development. As far as humanity (human quality) is concerned, evidence related to morality has to be communicable. This evidence has to be given without reference to world-views or even religious implications. This becomes more important because the important questions concerning property, distribution of property, just wages ... are not answered in detail by religion or the church.
- c) In secularised societies one has to make ethical opinions understandable by arguing on the basis of accepted value systems. First we discussed that history reveals the importance of religion in and for societies and men. Above we introduced a today generally accepted position: religion is something private. Referring to developments in the last two centuries it was possible to show how even the Catholic church is adapting to such an approach. But if religion is something private what will govern the public?

### **Economics between science and religion**

The alternative explanation of the world is based on science in general and social sciences in particular. And the most important social science is the one honoured by a “Nobel-Prize”: Economics, a science always eager to demonstrate that there exists a difference between itself and the others. Sometimes it is even denied that economics is a social science and belongs to

the humanities. Economists are usually quite proud of the affinity of their science to mathematics and to the Newtonian natural sciences following natural laws, discovering such laws, propagating that there are “fundamental, unchangeable” laws governing men’s behaviour. These laws are assumed to be valid for all human actions, even love, marriage, children,... This should become a new science, named “political economy”. An expression which was first used – as far as we know – in the 17<sup>th</sup> century.

In Greek and Roman times the word “economy” rooted in *oikos* “the house” - which was something private - and *politike* characterising the public. Understandably the appearance of “political economy” and the subsequent success of this term reveals the rupture in society in organising labour and in the ways of thinking. “Political economy” sprang at least half-grown from the head of Adam Smith, who may very properly be regarded as the founder of political economy/economics as a unified abstract realm of discourse. And this realm is still, almost without knowing, imbued with moral philosophy – not so much influenced by the “founder” than by his followers - and breathing a good deal of the air of the 18<sup>th</sup> century rationalism and Deism.

Since the first quarter of the 20<sup>th</sup> century, “economy” has replaced the use of “political economy”. As long as “political economy” was in use there existed a reference to politics, to attitudes and quite often veiled interests in the public realm. With the disappearance of this dimension economy assumed a meaning of “given by nature”, something natural and as such more or less unavoidably necessary. It would be interesting and revealing to follow the subtle and sometimes not so subtle thread of narration concerning economics. I will touch this area only as far as it is necessary to “prove” something, to clinch an arrangement. What I want to show is that there exists a surprising or not so surprising resemblance or identity of function

as far as theology and religion on the one side and economic theory and economy on the other side are concerned.

The discipline of economics, is rather the theology of this very successful religion than a science. Like any other institution it consists of a belief system, an action and a value system. And like any other religion the three components (of an institution) have reference to the super-human, to the transcendental.

### **The belief system: cognition about aspects of the universe**

The focus of cognition is named “market” instead of God. The aspect of the universe dominating reasoning is the market: Exchange of commodities. Whatever is not a commodity, or made a commodity is without value and as such not to be taken into account. “Tout science veritable doit etre un secret”. And the secret of the market is shown by the mystery it enshrouds and the reference it inspires. The second may be demonstrated by looking at the roots of words used in Indo-European languages....designating commerce, trade, barter, exchange, etc....The first may originate in the ideas of unequal exchange vs. equal exchange. The strange thing about market is that we all know what it is until someone asks us to tell them. The usual answer “encounter of offer and demand” may be acceptable as a consequence of tradition. But why should this extremely abstract expression for something very basic be accompanied with optimality of distribution, with justice... The problem lies in the fact that we use this word in different meanings: One meaning refers to a perfect competitive market which cannot exist. But only this market could render an explanation of justice without introducing power and by that destroying the mystery of freedom. The other meaning refers to oligopolistic, monopolistic markets, as such representing the importance and influence of power. It represents not only the opposite of freedom, but also, as market failure, the opposite of the perfect competitive market. Simply spoken: the one is perfect, everything that can be



desired, but it does not exist. The other one may exist but there is nothing perfect, there is nothing left of the desired system which ought to be based on justice. And contrary to the characteristics of a mechanic system the market system does not allow the separation of these characteristics. In the case of the market the assumptions constituting the system do not allow the variation of one assumption (characteristic) for it would affect all the other assumptions. There is no gradual, smooth transformation possible. Market is a simulacrum, the meaning of the word depends on the context in which it is used...

### **The action system: to attain ends for satisfaction**

The action system designs behaviour patterns in order to attain ends for the satisfaction of needs. The subject is called individual or agent and is considered to be an entity. The decisions of the subjects are based on utility, in itself results of pleasure and pain. It is befitting “two sovereign masters” to point out what we ought to do as well as to determine what we are going to do. The two sovereign masters govern the individual “from the womb”. They will transform reasoning to their servant as Hume claimed: “The principle of utility recognises this subjection and assumes it for the foundation of that system, the object of which is to rear the fabric of felicity by the hands of reason and of law.”

As I have shown on another place, the economising of morality started with “moral arithmetics” at the end of the 17<sup>th</sup> century. Continued by:

- Hutchinson (1725): “The greatest happiness of the greatest number”
- Bentham’s 14 tables of pleasures; only the first of them containing sensual, bodily pleasures;
- Jevon’s concession that economics should be subjected to the higher mathematics of ethics and the disappearance of higher pleasures ;
- Unrestricted and fostered greed → increased production (asceticism in economics: Weber)

- How to be measured – the subtitle of the 4<sup>th</sup> chapter of Bentham’s “Introduction to the Principles of Morals and Legislation”;

- Pietism and Consumption.

**The value system: judgement of behaviour and scale of merit:**

- Calvin: signs and riches; money, capital and private property: measured

**Closing of the systems in an open “world” – Economics as a religion**

- markets and maximising agents; are they the basis of a just and right system?

- Naturalisation of Economics → laissez faire; not withstanding: the difference of theology and religious practises;

- Economics as a worldly religion with its particular form of salvation:

- transcendental: buying something, you will be happy; 1<sup>st</sup> commandment of market economy:

There is never enough.

**Some remarks on characteristics of God and Markets:**

- omnipotent: defining reality; no limits in converting creation into commodity (transubstantiation: bread – vehicle of the holy; sacred (land) – commodity);

- omniscient: a comprehensive wisdom that in part only gods were credited with (human desires, prices of material,...); prognosis and seers, divines

- omnipresent: markets are everywhere; imperialism of markets (sociology; socio-biology)

- allbenevolent: “theodice” and short and long-term considerations

**Some similarities in practice:**

- Sunday church, Sunday mall
- churches / markets as centers of developing cities and place of pilgrimage (i.e. outside urbanisation)