Introduction

The ‘discipline’ of economics has its discontents. And for good reasons too. While most critiques focus on some aspect of mainstream theory, the proponents of Critical Realism\(^1\) see it as method underlabouring for more productive theory in economics. The main focus of this paper would be to critically engage with (possible) theories based on Critical Realism as method, from a specifically poststructuralist perspective.\(^2\) The purpose of this critical engagement is to open up the space for a dialogue between realist and poststructuralist critiques of mainstream economic method and theory. Following this, an interdisciplinary approach to economic theorising informed by poststructuralism, termed as Contextual Social Political Economy will be outlined.

Mainstream Blues

A brief look at the nature and problems of mainstream economic theory may be useful. Within critical realism, the deductivist nature of explanation, ‘the essential error of closed systems modelling’ is identified as the basic problem of the mainstream (which is not always made out to be ‘neoclassical’).\(^3\) However, my position in this paper would be one of saying that there are several related problems plaguing the mainstream, not all necessarily drawing from this essential error. And by ‘mainstream’ I do mainly refer to the neoclassical orthodoxy in economics.

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\(^1\) Critical Realism in this paper refers to the work within this field, but it mostly gestures to the work of Tony Lawson who has been wonderful in opening up the space for (and helping facilitate) dialogue on the nature of economics as a ‘social science’.

\(^2\) Throughout this paper, poststructuralism would be used as a term to signify not only specifically poststructuralist insights but also (and importantly) those drawing from feminism, deconstruction, and postcolonial theory.

It has been a long road for the orthodoxy. What began with a recognition of the propensity in humans to ‘truck, barter and exchange’ was overtaken by an awe of Newtonian mechanics. Highly forgetful of its humble, artsy origins in the literary tradition and manners, this modern day physics of society has come to be characterised by: methodological individualism, individual rationality, obscuringly arcane mathematical formalism, a heroic role for assumptions in a theory, deductive nomological explanation, operation of an extremum principle and so on. These aesthetic aspirations have lead to a social science which commits violence upon those it excludes from its narratives. The ‘violence’ of economic theories is a violence in the poststructuralist sense but also, oppression in a material sense. There is a tension of the constantly intertwined discursive and material in social theory.

Critical Realists make the point that the method of mainstream economics is not helpful for its purposes as a social science, and provide critical realism as a corrective. But it could be argued that not only is the mainstream method not helpful in gaining an economic understanding of social world but that its method, theory and praxis actually harm those who are theoretically excluded and materially deprived by it. As a poststructuralist then what is sought is not just a different method but a critical interrogation of the very boundaries of economics as a discipline and the effects of its praxis especially upon those who have traditionally been written out of its narratives, its ‘constitutive outside’.

Critical Realism and Theory

What are we to make of the idea of ‘theory’ in critical realism? Critical realism is a method underlabouring for better theories in economics as a social science. While there won’t be ‘the’ critical realist theory, possible theories deriving from the critical realist method can be subjected to a critical poststructuralist interrogation. This critical engagement would turn on the ideas of language, subject, perspectivity, and the way power interrupts the narrative.

In the course of this interrogation, one will not admit strict divisions between method and theory, but generally take method in the ways that it might possibly inform

\footnote{Lawson T, *supra* 3, p15.}
theories. Also, one will not posit beforehand the privileging of either epistemology or ontology, but attempt to maintain their inter-linked importance.

Word and Wor(l)d

There are several immediate and interrelated issues and positions in critical realism which are amenable to critique from a poststructuralist perspective. Within Economics, inspite of its revisionist agenda, Critical Realism more or less takes the ‘economic’ realm as given. Explicit attention is not paid to the politics of determination of the ‘economic’. How is the economic delineated, re-demarcated from that which is not economic? It might be argued that a significant insight of feminists has been to question the boundaries of the economic and to demonstrate how this boundary is arbitrary, linked to power and dominance, and how it is exclusionary and oppressive. This is something that is not explicitly addressed in Critical Realism literature and perhaps so because a consensus is presumed to exist on what gets counted as ‘economic’ which is evident as being that.

Realism of the kind espoused in Critical Realism leads one to conceive of theories driven solely by the need for explaining phenomena. This quest for dis-covering or un-covering the causal mechanisms underlying phenomena does not adequately accommodate the problem of how the very description of phenomena might be constructed.

One of the central ideas of the Critical Realist method is the move from the level of phenomena identified to a different ‘deeper’ level in order to explain the phenomenon and to identify a causal mechanism responsible. A move of retroduction. This move to a ‘different deeper level’ is full of ambiguity. There is an assumption of a notion of ‘depth’ to the surface. But, it is perhaps worth pointing out that the notion of this depth to the surface is itself produced on the surface. It might even be construed as a refusal to attend to the surface. It could be argued that there is much meaningful human interaction to be attended to in the surface. Indeed, one could say that poststructuralist theories attend to the surface, and perform a significant function because they do not defer things to a postulated deeper level.

Another interesting feature of Critical Realism as method is the implication for subject/ivity in the theory produced. The idea of the social scientist uncovering underlying causal mechanisms of phenomena in the social world presumes that
people’s activities are observable in the public domain as social phenomena. This is contested, as the meaning of such phenomena rests on the subjects’ perspective and even from there it is perhaps revised and re-thought and cannot be admitted as uncontested data from the transcendental perspective of the social scientist from which to postulate ontology.

The economic being has traditionally lacked any comprehension of the ‘other’, and Critical Realism too does not have space for this other. The whole world is populated by me, my-selves as in the ‘hall of many mirrors’. In Levinasian terms, I need not be affected by the face of the other, because there is no ‘other’ for me. There is nothing that I cannot comprehend in its totality, there is for me no alterity. The dynamic of response and responsibility is fundamentally disrupted. Then Critical Realism as method lends to a theory which rests upon a voiding of alterity. The sense in which this voiding of alterity is a problem is because it renders meaningless what separates or differentiates the ‘self’ from the ‘other’. The certainties of an ontology which is based upon a denial of alterity derive from the submerging of difference, of possibilities. What Derrida terms the ‘hauntology’. Hauntology is the presence of the spectral as trace of possible meanings, it involves acknowledging the ‘other’ that haunts the ‘self’. The possibility of that ‘h’ as a hovering presence over the certainties of ontology. Hauntology undermines by the awareness that “all discussions of ontology, of the nature of being of anything, as imbricated in a hauntology of attendant traces, differences, disseminations. The political implication of this is that such hauntologies allow for the introduction of the other, of other voices, other identities and other epistemological positions.” The certainties of ontology are pluralized by the hovering, spectral presence over the notion of the self, its ontology.

For in Critical Realism, there is a grounded belief that reality is available to us to understand, there are no ‘incomprehensibles’ which cannot be ‘totally comprehended’. There is an uneasy lack of the ‘sacred’, the unknowable, the origin in such a brave new world of ever curious human knowers out to get at the causal mechanisms of everything. This is far from visions of a “heterotopic world of

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6 As above, p6.
simultaneity, juxtaposition…a scrambled space where the ability to map is rendered increasingly problematic”.  

Relying upon a ‘logic of analogy and metaphor’, according to Lewis, critical realist method has a generative role for the metaphor. But the metaphor is only allowed a creative role in the process of formulation and there is always scope for theory to be expressed without the metaphor. The metaphor thus plays a literal rather than a fundamental role. This role for metaphor is however in line with the view of language in Critical Realism. Language facilitates communication, and is transparent. It is in this important respect that Critical Realism differs from a poststructuralist view of language. Poststructuralists have a non-referential, non-empiricist view of language. It is not a system of signs with determinate meaning, it is not even a system of signs with signifiers and signified, it is centerless. There is an endless deferral of meaning in language which is not a transparent medium of communication. Language is itself a set of relationships within which meaning is produced and discourses are elaborated. Critical realist belief in the possibility and extent of Science in the social realm is also problematic. While it is acknowledged that science may be cultural, the full import of this statement is not taken on board. For all practical purposes, science as systematic knowledge is still ideology-free and neutral. The metaphysics behind what gets counted for a ‘scientific’ or ‘systematic’ knowledge is not subject to any scrutiny. The use of signifier ‘science’ for one’s endeavour could be taken to indicate the desire that the enterprise be received as one which is ‘legitimate’ and has the authority of the ‘groundless ground’ (infinite regression of authority in the prior). For after all, the path of (western) science has been to un-cover and dis-cover, to experiment, to strive for brute facts. The picture as it were is of the scientist, also the social scientist, out to discover what turns the world. This is in part dependent upon the humanist fallacy of modernism which Critical Realism does nothing to counteract, the idea of the human being at the center of it all, craving for knowledge of the world around him, and getting at the bottom of phenomena armed with science. As it is, the very notion of science is tied to a western, eurocentric way of knowing which has historically been deemed to be superior to ‘native’ or indigenous knowledge. As postcolonial theorists have shown, it is hardly ever that the Orient (lazy, mystic, dark, rich) was thought of as having much to do with science in the

8 Lewis P, ibid., pp83-102.
western popular imagination. Modern science is imbricated in the adventurous compass-globe-map quest of the white man for ‘knowing’ the world and ‘explaining’ the world.\(^9\) Science is thus in a significatory realm inseparable from the imperialist ideas of western civilization.

Relationship between science and dominant ideologies is still as strong today. It might be (as Kanth has written) that science as a systematic way of knowing is itself defined in increasingly capitalist societies as a tool of corporate enslavement.\(^{10}\) And within a discipline like economics do we really need more science? Perhaps, what we need is more ‘understanding’ rather than ‘explanation’. In most cases, there is not a dearth of ‘facts’ (knowledge of causal mechanisms, if you will) about the world which is keeping the masses from emancipation, it is possibly an understanding of consequences and a space for considering the ‘other’ that is the problem.

Moving on to that language of science, mathematics, Critical Realism rightly critiques mainstream for the use of formalistic modelling methods which look for event regularities that don’t exist in the social realm. The use of quantitative analysis in mainstream economics is indeed problematic for several reasons. Quantitative analysis consists of reducing social experience to mathematical entities, a process by which all context is abstracted and removed. The writing out of the living, breathing, feeling human subject in such analysis, gives symbols signifying certain reductively obtained ‘facts’. The very construction of the factual categories is often not open to interrogation. And this desire to exclude the complexity and ambiguity of human contexts, actually performs the exclusion of a set of values and people from the discourse. Maximising the objective functions of a nonentity’s actions is crucially dependent on a parathetic perception of understanding purportedly free of value judgements. A passive voice is adopted to describe infinitesimally variable calculable quantities and processes. This best, most abstract, most pure and dispassionately higher way of knowing has also been successful in excluding those who don’t trust the symbols enough. Also, as with science, the use of mathematics at least in the past few centuries has been immensely tied to enlightenment praxis of white male

\(^9\) Materialist, Masculine, Rational, Scientific West vis-à-vis Spiritual, Feminine, Emotional, Inscrutable Orient!

\(^{10}\) Kanth R, *ibid.*, pp187-209. It might be added that while I agree in many ways with Kanth’s critique of science, realism and eurocentered epistemologies, I differ from his (marxist) idea of the role of theory and its link to praxis. He seems to see a very little role for theory in the face of actual material struggles (p200) which I think are very relevant, but I do see an important role for theory and critique even there.
eurocentric knowledge. In spite of the Aryabhättas and Bhaskaracharyas of this world, it is recognised as a partner to Occidental Science.

Theories informed by Poststructuralism and Critical Realism would both be in a peripheral position to the center of mainstream economics, yet ‘power’ receives a different treatment in both. ‘Power’ does not get explicit attention in Critical Realism. Foucault wrote about the effects of power and its functioning within discourses. Power is certainly oppressive, it has the effect of closing down conversations, of censorship, of ‘disciplining’ discourses. But, also for Foucault power is a productive force, in the sense that it continuously mutates, transforms and creates. Power is ever-present, a constant twin to knowledge, always and everywhere. Exchange of ideas also happens in a realm of power relations. The focus on power serves many useful purposes, not the least of which is to make positions self-reflexive. In the respect of power at least, Critical Realism is more akin to hermeneutics, than it is to versions of feminist standpoint theory (where it is acknowledged that the idea is to revert the existing power relations and empower the margins). I say more akin to hermeneutics, because like the idea of Habermasian communication, and Gadamerian linking of horizons, in Critical Realism it is presumed that communication and cooperation will resolve conflict, and there would evolve forms of communication to link the different situated knowledges and perspectives. What is lost by not paying explicit attention to power and its manifestations, is the consideration of possibilities of censorship and oppression, of the complicity of power with knowledge within specific hegemonic discourses and the disciplining effect it has.

This brings us to positionality. Although Critical Realism does talk about it, the conceptualisation can be problematised. In Critical Realism, positionality is almost always taken in a spatial sense, so that for every phenomenon under investigation, there are various (spatial) perspectives or positions from which it can be viewed. In fact, the more perspectives from which it can be viewed, the better, because it would help to get a fuller, richer picture. So, that when we attend to differences, it is with the motive of getting more data. The social scientist can integrate these findings to get a better picture. The problem seems to be the idea of positionality as spatial, without recognising that these are all spatial positions within a specified framework. Also, a transcendent position is required from which the varying perspectives on a phenomena can be integrated. This position is not available for scrutiny. It is a position of transcendence as the knower from which regularities in the form of causal
connections will be uncoverable. Because Critical Realism lives in the constant fear of universalised difference; itself it admits of difference only in the sense of helping to get at a better picture with more data, but does not let difference make a difference! While mainstream economics is driven by the need for positive, value free, untainted scientific (scientistic) ‘social science’, Critical Realism is definitely a huge improvement on its method. But the point can still be made about the role of value judgements in Critical Realism. Their principal role is in articulating the phenomena whose explanation is being attempted. After that, the role of value judgements in situated knowing is not realised.

A method may be posited so that good theory can be based on it, theory that would help reach emancipatory goals. Or a method may be to have a variety of possible, empirically adequate theories, which are then assessed on the basis of value judgements, where the choice of project is made on emancipatory grounds. Critical Realism as method does not admit to being of the second type where assessment is contingent and involves value judgements. And if it is closer to the first sort of method, then it does not admit of adequate interrogation of the position of the social scientist and the contested nature of ‘emancipation’. Theories informed by poststructuralism, can still desire effective intervention in the world. But the difference is that one admits to the contested nature of what it means to have a ‘good theory’ and what it means to ‘effectively intervene’ in the world. The idea is not (as many believe!) to give up in the universe of infinite worlds and interpretations, but to carry on reflexively. Terms such as ‘contingent foundations’ (as used by Butler) and ‘strategic essentialism’ (as used by Spivak) point towards the means of proceeding. Cautiously, within contexts and always aware of the self-gestured nature of knowledges.

Taking Critical Realism as a method for constructing theories and as a method for arbitrating between theories, it would seem that the criteria for theory choice would be explanation and empirical adequacy. But Critical Realism ties theories too closely to explanation and does not admit of underdetermination of theory by empirical data. What is not significantly featuring here is how culture, metaphor and positionality inform people’s choice of theory. Although admitting situated knowing, the critical import of this is not realised enough. For as some feminists and postcolonial theorists would argue, situated knowing is not considered crucial or put in the role of a constructor or prime mover with Critical Realism.
It might be that wary of ‘universalised difference’, Critical Realism as method treads too close to the submerging of difference within generalisations about the ‘human behaviour’. It is right to murder the mainstream idea of the (perfectly rational, amoral, utility maximising, hobbesian mushroom) economic being but its replacement with human beings as species united by biology in societies as a whole with generalizations about behaviour issuing forth from that is perhaps problematic in its own way. Because there is a submerging of differences, to begin with, it is not a one-sex world; call us species but there are (two kinds of biologies of) women and men. So, the human being norm faces problems in specified contexts and power inequalities because it serves to obliterate differences. This brings us again to the amount of attention given to surface phenomena where much meaningful human interaction takes place that can perhaps be better captured by theories informed by poststructuralist and other such insights (feminist/ecofeminist/postcolonial) to gender, race, class- the subject in a subject position aware of power. This is unlikely in a theory informed by critical realism where difference does exist but is explicable in terms of universal mechanisms such as human nature. 

What then?

Contextual Social Political Economy (Definitely Maybe)

I conclude with the sketch of an idea for Contextual Social Political Economy which is hopefully a move beyond dichotomies and either/or to critical productive and realistic contextual understandings. It emerges from the process of bringing to surface tensions which play performative and constitutive functions within the mainstream economics discourse and further by understanding how these would be affected by engaging the insights of ‘different’ discourses like feminist, postcolonial, poststructuralist theory. Such encounter is leads to the questioning of accepted ideas and beliefs of mainstream economics and has the latent potential of authoring contextualised theories with methodological pluralism which insurrect certain relevant notions in our economic consideration of the world.

11 To give an example, the (near) universal pattern of work in societies being based upon a male model of workforce, an inverted U kind of work productivity over one’s lifetime. One could look for why women don’t perform as well on this model of work (as describe wage discrimination in terms of their biological desire to procreate) or one could question the very norm in world where different biological patterns simply exist and need to be attended to.
Indeed, far from being apolitical or amoral, poststructuralist or deconstructivist ideas are intensely political, they problematise the very boundaries (the traditional ‘constitutive-outside’) of political and render everything contestable, political and worth engaging with.

While recognising that one needs to ‘make sense of’ the world, and ‘know the whys’ and not lapse into a nihilistic sleep of unconcern, one also needs to be aware, possibly painfully aware of the contingency of all knowledge, the role not just of mediation and situatedness, but of power too in these situations to de-legitimise, vilify, and declare ‘improper’ forms of knowledges which do not conform, for instance to the systematic standards of ‘science’ defined in a particular way. Similarly, while recognising that discourses need to be ‘disciplined’ somewhat and barricaded and fenced off from that which does not directly impinge, one should also be painfully aware that these boundaries of disciplines which have become borders (indeed with much border-patrolling) are not self-evident (even if self-reinforcing) and that they are contingent, strategic and open to revision, redemarcation in ways that are more inclusionary, productive and helpful. So, that while it might be aesthetically desirable to have compartmentalised, fragmented and professionalised bodies of knowledge, it should be recognised that such universalised knowledge formations would benefit from greater interdisciplinarity and contextualisation at every level. CSPE is not a call for loss of all judgement, for loss of all validity and absolute relativism (whatever that may be). It is rather a call for rejecting the idea of being able to universally pronounce what is valid in every situation\(^{13}\), a call for attention to contexts, and practising a wider Social Political Economy so that diverse insights can be accommodated, and reflexivity about positionality in terms of power can be maintained and the theory-praxis links can be sorted out differently in different contexts with methodological pluralism.

\(^{12}\) From an Oasis song title.

\(^{13}\) An idea which has been termed the ‘egalitarian fallacy’. To call for a rejection of the idea of a universally existing and available ‘valid’ (a refusal to uphold an idea of the valid) does not mean that all things are equally valid.