

FOR AN ECONOMY ORIENTED TOWARDS THE REPRODUCTION OF LIFE¹

POR UNA ECONOMÍA ORIENTADA HACIA LA REPRODUCCIÓN DE LA VIDA

POR UMA ECONOMIA ORIENTADA À REPRODUÇÃO DA VIDA

Franz J. Hinkelammert²

Henry Mora Jiménez³

Abstract

This article explores the need for and possibility of constructing a type of rationality that transcends, without necessarily eliminating, instrumental rationality. This rationality is not based on the preferences of the consumer, but on the people's needs; not on economic calculations, but on the ethics of the common good that enable the preservation and reproduction of the natural circuit of human life and nature. This article suggests that, in order to attain this rationality, a critique of the logic of *empiria's* fetishism is necessary, that is, a critique of that image of reality constituted solely by market relations. All this seems to point to the answer of which is the best society.

Keywords: social economy; economy of life; instrumental rationality; reproductive rationality

Resumen

Este artículo explora la necesidad y la posibilidad de construir un tipo de racionalidad que trascienda, sin pretender eliminar, la racionalidad instrumental. Esta otra racionalidad no se basa en las preferencias del

Doi: <https://doi.org/10.15359/eyes.25-57.2>

Received: 08-01-2020. Forwarding: 14-01-2020. Accepted: 14-01-2020. Published: 23-01-2020.

1 This article contains some of the main ideas included and developed extensively in our book *Towards an economy of life* (Hinkelammert & Mora, 2013) (Hinkelammert & Mora, 2001). Similar articles have been published in Spanish in several Latin American journals. This English version has been prepared as a humble response to Pope Francisco's call to constitute an economy that promotes human life.

² Economist. Founder and former Researcher of the Ecumenical Research Department, Costa Rica.

³ Economist, Universidad Nacional, Costa Rica. hmoraj@gmail.com ORCID <https://orcid.org/0000-0002-0198-4422>

1

Franz j. Hinkelammert y Henry Mora Jiménez



Revista Economía y Sociedad by [Universidad Nacional](http://www.una.ac.cr) is licensed under a [Creative Commons Reconocimiento-NoComercial-CompartirIgual 4.0 Internacional License](https://creativecommons.org/licenses/by-nc-sa/4.0/).

Creado a partir de la obra en <http://www.revistas.una.ac.cr/index.php/economia>

consumidor, sino en las necesidades de las personas; no en los cálculos económicos, sino en la ética del bien común que permiten la preservación y reproducción del circuito natural de la vida humana y de la naturaleza. También se sugiere que, con el fin de alcanzar esta racionalidad, es necesaria una crítica de la lógica del fetichismo de la empiria, es decir, una crítica de esa imagen ficticia de la realidad constituida únicamente por las relaciones de mercado. Todo esto en relación con elaborar una respuesta a la pregunta de cuál es la mejor sociedad posible.

Palabras claves: economía social; economía de la vida; racionalidad instrumental; racionalidad reproductiva

Resumo

Este artigo explora a necessidade e a possibilidade de construir um tipo de racionalidade que transcende, sem necessariamente eliminar a racionalidade instrumental. Essa outra racionalidade não se baseia nas preferências do consumidor, mas nas necessidades das pessoas; não nos cálculos econômicos, mas na ética do bem comum que permite a preservação e a reprodução do circuito natural da vida e da natureza humanas. Também é sugerido que, para alcançar essa racionalidade, é necessária uma crítica à lógica do fetichismo empírico, ou seja, uma crítica àquela imagem fictícia da realidade constituída unicamente pelas relações comerciais. Tudo isso em relação ao desenvolvimento de uma resposta para a pergunta sobre qual é a melhor sociedade possível.

Palavras-chaves: economia social; economia da vida; racionalidade instrumental; racionalidade reproductiva

1. The human being as a subject with needs: the natural circuit of human life as a starting point

Firstly, the human being as a natural living subject in a body faces needs. Being natural beings, that is, being an integral part of nature, humans cannot be above natural laws, laws that determine the existence of human needs beyond the simple "preferences" (likes) of the theory of neoclassical economics.

These needs obviously include, but are not restricted to physiological needs, that is those that guarantee the physical and biological subsistence of the species. It is rather more about



anthropological needs (whether material, emotional, or spiritual), which, if not met, make human life simply impossible.

To "choose" you have to be able to live, and for this you have to apply a criterion of satisfaction of the needs that meet the ends. Strictly speaking, humans (body subjects) are not free to choose, but rather free to satisfy their needs. The fact that needs can be satisfied in terms of their preferences is part of their freedom, but necessarily, this is a derived and subordinate part of it. If there are needs, preferences or likes cannot be the ultimate criterion to meet the ends. The basic criteria must be precisely the needs. When these needs are replaced by simple "preferences," the problem of the reproduction of life is displaced, if not eliminated, from the economic reflection; however, this is in fact the fundamental problem of the human praxis and the starting point of an economy of life.

Regardless of the likes of a person or a group, their feasibility is based on the respect for the satisfaction of needs. The satisfaction of needs makes life possible, while the satisfaction of preferences can make it more or less enjoyable. But to be enjoyable, life first has to be possible.

We must, therefore, analyze this problem from the natural circuit of human life, circuit being a metabolism that is established between the human being as a natural being (that is, a being part of nature), and the outer or surrounding nature, where human life is possible and developed. In this exchange between human beings, as a specific part of nature, and nature external to humans (biotic and abiotic environment), nature, in general, is humanized (or dehumanized) by human labor.

Labor is, therefore, the link between human beings and nature. In order to understand and guide human praxis within this metabolism, a rational action theory must certainly be developed, whether as a "shortage management" (theory of neoclassical economics), or as "sustainability management" (ecological economics).

However, the theory of rational action, as initially formulated by Max Weber and retaken by the neoclassical economic thought, is reduced to a means-end relationship theory, which has an instrumental rationality criterion that is characteristic of the hedonistic utility calculation (utilitarianism) and merchandise relations (formal efficiency). Reducing all theoretical reflection and all human praxis to this instrumental means-end rationality has led humanity to a sustainability crisis that is currently threatening its very survival.

Indeed, the means-end rational action, although necessary in partial and bounded contexts, turns out to be an action that has an irrational core, hence it needs to be transcended or overcome, but not abolished. It must be subject to a more comprehensive rationality that respects the natural circuit of human life, which we call *reproductive rationality*.



Therefore, a human rationality theory must analyze and develop, not only this means-end rational action, but also the possibility that human praxis itself can subordinate the logic of means-end rationality to the rationality of the natural circuit of human life, as far as rationality of life and its conditions of existence.

However, the possibility of having human praxis beyond the means-end rationality, that is a reproductive rationality, presupposes the recognition that the relationship between these two rationalities is conflicting. Therefore, just extending the means-end relationship criteria cannot ensure the necessary rationality of the reproduction of life. Given this conflict, mediation between the two is necessary in order to recognize the rationality of the natural circuit of human life as the ultimate instance of all rationality, since this is the one that provides the evaluation criterion of the means-end rationality.

In turn, the foregoing presupposes an earlier recognition: the mutual recognition of human beings as natural beings with needs, since every human being depends on others, sustains others, participates in the development of others, and shares the same origin, the same adventure, and the same common destiny. Only by recognizing others as natural beings, is it possible to establish the natural circuit of human life as the conditioning factor of all human life and, consequently, of any institutionality. This is, therefore, the starting point of any economic reflection, since only by recognizing others as natural beings with needs, does the human being come to have rights and is not reduced to an object with simple options by him/herself and others.

Recognizing the human being as a living subject as well as the subject's corporality, needs and rights must be the basic fundamental point of reference for the evaluation of any economic rationality and any institutionalized economic organization, rather than, as has been the dominant standard, the abstract efficiency or any of its derivations (competitiveness, growth rate, productivity, profit rate, "economic freedom", modernization, etc.).

2. Economy of life and reproductive rationality: recognition of values of human coexistence

We have pointed out that the concept of formal efficiency, from which the social structure of capitalism and the values of functional market ethics are derived, leads to a fragmentary social action, a disregard for the sources of creation of wealth, and hence its reproduction.

Alternatively, wealth has to be produced in such a way that its sources –the human being and nature– are preserved, reproduced, and developed along with the wealth produced. Otherwise, the economic calculation becomes a "pirate calculation" and the so-called production costs are actually extraction costs.



According to neoclassical economics, what decides how goods will be produced in a market economy results from the competition between the different producers searching for benefits. Competition will encourage companies to select the combinations of factors that allow them to produce a particular good at a minimum cost. The problem is that the market does not have any intrinsic criteria for the individual entrepreneur to make decisions based on the "reproduction cost" rather than on the "extraction cost". This extractive logic is, in fact, the norm in the productive activities based on natural resources: agriculture, fishing, mining, hunting, and forestry.

Within the framework of the means-end instrumental rationality and a reality reduced to empiria, that is a hyper empiricist and homogenized view of reality by abstract labor, great deals can certainly be made and businesses can be managed successfully. But you cannot act rationally in the face of the greatest threats against human life.

From an analytical point of view, a criticism to the totalized market and business relations in general leads to the urgent need of developing a critical reproductive rationality theory. In other words, a theory that allows for a scientific rather than tautological assessment of the market system, and that guides an economic practice that agrees with the conditions fostering the reproduction of human life, and therefore, of nature.

However, this leads to the search for balance, which many times cannot be determined by analytical rationality, whether instrumental or dialectical. For this reason, the development of the ethics of the common good becomes necessary for it to operate from within the same reality and have, as the supreme value, the defense and development of human life itself.

We are talking about the values of respect for human beings, nature, and life in all its dimensions. Therefore, we have to introduce the ethics of resistance, interpellation, intervention and transformation of the system and its institutions, depending on the reproduction of human life.

Within this perspective, economic science has to re-evolve into an economy of life. Or at least, this should be its critical awareness, since the analysis of any institutional system must include the critical analysis of negativity.

However, it is not simply about new values or a new ethical assessment of mankind and nature. As far as the total market, it has no limit other than its own arbitrariness; any new value has no effect and cannot be implemented, unless in a strictly private and individual environment. In the name of reproductive efficiency, it is necessary to establish limits that are not calculable or the result of a calculation.



Otherwise, reproductive efficiency cannot be guaranteed. However, such limits are values, or types of values that ensure reproductive efficiency by limiting the space where to legitimately make a decision on the basis of fragmentary calculations.

Nonetheless, these values cannot result from any calculation, not even "in the long term". They derive from mutual recognition among human beings, which includes recognition of nature's own life. Therefore, there is a relationship between values and efficiency. These values of human coexistence cannot arise in the name of efficiency or be subjected to it. Recognizing it is the starting point of the possibility of ensuring reproductive efficiency and thereby making life possible for the future.

The problem is not how to eliminate the world of abstractions from the mid-end relationship, but how to challenge it for the world of reality to prevail. This world of reality is the world of concrete, bodily human subjects and, therefore, a world of life and death. It is not about science talking about reality and ethics talking about values, but about recovering reality by recovering ethics.

It was precisely Karl Marx who initiated this theory of reproductive rationality and who created the conceptual framework to develop it, although he was unable to complete it. The reason for this relative failure lies in the fact that he did not focus the necessary conflictive mediation on the two rationalities, but rather looked for the exit of this praxis in the constitution of a society free of business relations, that is, without this conflict. Today, it has become clear to us that this exit is a utopia beyond all human feasibility, beyond human condition itself. But today, more than ever, it is necessary to continue this human rationality theory and develop it to a point that it can face the tasks of human praxis, in the sense of making human life sustainable on this earth.

Urgency is not futile. The total market is not a simple abstraction or a mere utopian aspiration of well-connected neoliberal economists and politicians. The current globalization process is a practical, completely fundamentalist statement of an absolute law, which is the law of the total market. The absolute affirmation of this law leads to the threat of human life itself.

Since the 80s of the last century, the total market has been embodied in a strategy, in a policy, even a State policy: the globalization strategy. It is the globalization of the domination and hegemony system, the globalization of total power that leads to global threats against human survival, with the aggravating fact that this strategy contains a sacrificial logic. This radically changes the course of modernity: we are no longer fundamentally facing a dichotomy between capitalism and socialism or between capital and labor, but rather a dichotomy between total market and human survival. Not only the threat of survival of the ones that have been excluded, but of all; although those excluded ones announce it and suffer it more dramatically.



This is the globalization system: an absolute law system, therefore threatening human life. Our current discussion regarding globalization as total and absolute law involves a human problem: the threat to human life. And this human being who faces this absolute law in the name of human survival acts as a subject.

But the threatened human life option demands a new type of solidarity, one that recognizes that the option for the life of others equals the option for one's life. The others are in me and I am in the others. It is the call of the subject, rather the cry of the subject. In the name of this subject, any absolute law, especially the law of the market, must be relativized in relation to the possibility of living. This law can be valid only to the extent that it respects life; it is not legitimate if it demands or leads to death, the sacrifice of lives, or the calculation of lives.

The rationality that responds to the irrationality of what has been rationalized can only be the rationality of everyone's life, including nature, because there is only room for human life if there is a type of nature that makes it possible. And this type of rationality of life can only be founded on solidarity between all human beings.

It is a necessary type of solidarity, but not for that reason inevitable. The destructive process of the total market can be faced only by dissolving the "compulsive forces of the facts", which is only possible by a solidary action. While, for neoclassical and neoliberal thinking, association and solidarity between human beings is seen as a distortion (given the competitive general equilibrium demands atomistic economic agents), for the economy of life they are the means to dissolve these "compulsive forces of facts".

A criterion of human praxis rationality becomes necessary, being no other than the criterion of the real and concrete human life reproduction. It refers to the reference to the human body and concrete life as a fundamental criterion of the analysis of social systems and subsystems, of partial and total institutions, and also as the methodological criterion of judgment on the different systems of knowledge and theories. In short, the reproduction of human life as a criterion of rationality and truth of all human action and discourse. Philosophically, we could say: the affirmation of life is not a formal but a material and universal principle. This criterion takes theoretical form through three fundamental concepts:

- **The "human condition" concept**, used to judge the constitution process of the scientific thought and the methodology of both natural sciences as well as social and human sciences. Using this concept allows the development of a radical critique of the transcendental concepts and ideals that have made the development of the most diverse scientific theories possible, thus discovering their utopianism and, in some cases, their transformation into ideologies and even idolatries.



- **The reproduction concept**, used to judge the possibility or impossibility, the sustainability or non-sustainability of the social forms of the human life organization. In other words, it is the analysis of feasibility in various dimensions: transcendental, historical, technical, political, economic, etc.

- **Human life as a "criterion of truth"**. Human life in community is the way of existing of human beings and, simultaneously, the criterion of practical and theoretical truth. Every statement or judgment ultimately has human life as reference.

This results in the necessary search for social consensus that surpasses the Manichaeism of modernity, particularly the search for a consensus that allows structuring the society and economy based on the survival and development of all human beings. Because, we would like to repeat it, it is not about abolishing the criterion of means-end rationality, but about recognizing that the condition of all means-end rationality must be a rationality of the reproduction of life.

3. Market, planning, and natural circuit of human life

Marx reached the following result in his criticism to capitalism and mercantile relations: the humanization of the human being, the mutual recognition of human beings as natural beings with needs, and the consequent respect for the natural circuit of human life transcend mercantile relations and *empiria* that reflects an image of reality impregnated with mercantile relations as its categorical framework. Therefore, *empiria* hides the reality of the humanization/dehumanization of the human being, which can be unveiled by criticism to fetishism.

However, if the humanization/dehumanization of the human being points to something beyond mercantile relations –although not to the future of a project to be carried out of a society without a market or a State– then humanization is behind *empiria* as a reality to be claimed. This claim is certainly in conflict with the market but cannot dissolve it or replace it. Left to its inertial movement, the logic of the total market destroys human beings and nature; this is why it takes a rational activity to claim them.

The reflection corresponding to this rational activity cannot be a mercantile calculation, and its rationality cannot be a means-end rationality in the sense of Max Weber's theory of rational action. It is rather a response to the irrationality of what Weber calls rational action, that is, a response to the irrationality of the rationalized. Having to have the inevitability of the market, this rational activity towards respecting the natural circuit of human life implies a multiplicity of actions of the civil society, which has to drag the State itself. However, in order to be efficient, this rational activity cannot give up on the means of economic planning, since only economic planning can ensure the universalization of the actions of the civil society and impose effective limits on the unbridled logic of the market.



It is indeed a mediation –although it refers to a conflictive relationship– that has to be accepted and challenged so that neither of the two poles is abolished. This mediation only has content, if it is articulated according to the need to integrate the market with the natural circuit of human life. Marx's analysis would also lead to this, if we introduce the fact that mercantile relations originate in the fragmentation of human action, which is the result of a human condition. It is only in this mediation that legitimacy and the need for economic planning come to light.

Planning is not a market competitor, but rather a response to distortions on the natural circuit of human life produced by the market. It is a demand from the market itself, as it is the effective condition to enforce respect for the natural circuit of human life. The degree to which this planning is necessary cannot be deduced a priori. It depends on the destructive impact produced by the distortions that the market originates and to which it is necessary to react.

Therefore, a constant formulation and reformulation of the social relations of production is necessary. That implies a constant definition of the market/planning relationship. This presupposes the de-utopization of the market and planning, for both to serve the rationality criteria resulting from the demand for respect for the natural circuit of human life. It turns out then that only the recognition of this circuit, as a last resort, both in the market and in planning, is able to de-utopize both elements.

4. Reproduction of human life, utopia, and freedom

Asking which is the alternative society we want immediately leads us to a fundamental question in politics and political philosophy: which is the best possible society? Thomas More in *Utopia*, Francis Bacon in *The New Atlantis*, and Tommaso Campanella in *The City of the Sun* were the first Renaissance and Modernity theorists who tried to answer this question, although Plato had already done so in Classical Antiquity in *The Republic*, his masterpiece. However, the search for a perfect society usually becomes a trap or even the road to totalitarianism.

First, a straight answer to asking what the best possible society would be is not possible, since we need a reference to what "the best possible" mean. We cannot take this reference from any preconceived ethics, because it would not contain a feasibility criterion. We cannot formulate society duties or models without first determining this feasibility framework.

Consequently, imagining the best possible society has to start from an analysis of "the best conceivable society". Thus, the best possible society appears as an anticipation of the best conceivable society.

The content of what is possible is always something impossible that, irrespectively, gives meaning and direction to the possible. And politics is the art of progressively making the impossible



possible. We can use this analysis as a starting point to rethink the traditional contrast between socialism and capitalism, as well as to evaluate the feasibility of any proposal for a perfect society, whether it is a communist society, an anarchist society (without institutions) or a total market society (perfect competition).

Take the example of the contrast between socialism and capitalism, which largely remains in force in the theoretical debate. And let's take two of its main representatives: Karl Marx and Max Weber. Without a doubt, Marx starts from an entirely relevant affirmation: the affirmation of a concrete, bodily human life, and not of any abstract anthropocentrism. He thinks of this statement in terms of a type of plenitude that he describes as "kingdom of freedom" or communism, and in relation to it he conceives the socialist society to which he aspires as an approximation or anticipation of "the best possible." The conceptualization of such plenitude is absolutely radical, while the society to be developed appears rather as a feasible society that developed "as much as possible".

Weber, on the other hand, rightly sees that this realm of freedom is impossible and utopian and expresses his criticism against it. He rightly notes that the abolition of mercantile relations –which Marx considers part of the possible– falls within the scope of the impossible. However, in his own analysis, Weber follows the same scheme that he criticizes about Marx. Indeed, he affirms that precisely capitalism can ensure the material reproduction of human life, but since he cannot support this statement empirically, he also conceives it in terms of an impossible capitalist fullness; concept that he takes from the first neoclassical economic analyzes of the general equilibrium of the markets.

We can call this type of utopias «transcendental utopias». This is the utopia in communism, the utopia in anarchism, and the neoliberal utopia of the total market. Now, any proposed society that relates to a perfectly impossible plenitude distorts itself since its factual realization is considered steps towards that infinity in relation to what it has been conceived. Twentieth century's history had abundant utopian construction projects with disastrous consequences for human beings and nature.

The utopian horizon of human praxis is, without any doubt, a central and essential element of this praxis, but it cannot be formulated from a perfect society that can be achieved through a calculable quantitative approximation (asymptotic approximation), as if it were a means-end relationship. When trying this way, we transform the problem of searching for a better society into a problem of calculable progress, a process that can become destructive because of at least three reasons: a) it destroys the entire experience of human society in this fictional path towards the realization of the perfect society, b) it eliminates everything that does not seem compatible with this calculated progress, which practically eliminates reality, and c) it promises utopia with the condition of giving up all criticism, all resistance.



Utopia becomes the absolute destructive power since it destroys reality, because if it is not compatible with the terms of the perfect society, then it has to be eliminated, even from the empirical sciences. Reality is perceived only as quantifiable *empiria*, an abstraction that replaces reality in the name of empirical sciences. However, reality is a reality of life. Real is what one can live with and what is needed to live: nature and human coexistence. To return to this reality, the only starting point can be claiming the human being as a subject, who insists on his needs and rights, in conflict with the logic that is characteristic of the institutional systems. It is not just a conflict between classes, but fundamentally, a conflict between the possibility of life and the logic in the systems.

Therefore, we must approach the utopian reference differently. Utopia is a source of ideas about the meaning of life, a reference for judgment, a reflection on destiny, an imagination of horizons. In order not to invalidate this claim, utopia must never become an end to be accomplished, not even asymptotically. Utopia must not become a perfect society that governs and is imposed over reality and everybody's will. Utopia is rather kind of a "regulatory idea", in the Kantian sense of the term (we are referring to Kant's Critique of Pure Reason). It is only as such that utopia does not become a prison, a wall, or a concentration camp again, but rather a source of life and hope. This is the *necessary utopia*.

We can now try to answer the starting question about "the best possible society". It is not about doing what is utopian as such, but rather aspiring to a state that is always in re-evolution, that even if it does not exist yet, is desirable and attainable. Today, political realism, or politics as the art of making the impossible possible, has to exist in a world, a society where each human being can ensure their possibility to live within a framework that includes the reproduction of nature, without which the reproduction of human life itself is not possible. Human freedom can only consist of a relationship between the subject and its institutions, where the subject subdues the institutions to the subjects' living conditions. On the contrary, the "machinery of freedom" (market automatism, laws of history) promises freedom as a result of absolute submission to institutions and their laws. They do not admit any "subjection" of the human being, who is transformed somewhere in the gear of the "machinery of freedom".

Free subjects are free to the extent that they are able to relativize law based on life's needs. Freedom is not in the law, but in the relationship of the subjects with the law. Regarding the law of the market, freedom consists precisely in being able to subordinate it to the needs of the subjects. Mutual recognition between bodily subjects with needs necessarily implies the relativization of any law based on this recognition. The law is valid only to the extent that it does not prevent this mutual recognition.

Let's use the case of "consumer freedom" as an example. Capitalist mercantile relations interfere in a certain way in the spontaneity of the consumer, thus deforming it. They replace orientation



towards use values with another type of orientation based on exchange values and profit. Consumers thus lose their freedom. Claiming it means questioning it, confronting it, and being subject to the same mercantile relationships, insofar as they behave as destroyers of spontaneity and, therefore, of freedom.

Economy of life judges human freedom from the possibilities of life and death: exercising freedom is only possible within the framework of human life. Its starting point is the analysis of the coordination of social labor and the feasibility criteria of the multiple human activities that are necessary to produce a material product that allows for the survival and development of all, based on an adequate satisfaction of the human needs. It is not dedicated to the analysis of partial institutions –companies, schools, unions, etc.– or global institutions –systems of ownership, market, State– but rather to the forms of organization and coordination of the social division of labor where these institutions are inserted since they decide on the life or death of the human being and, in this way, on possible human freedom.

References

- Hinkelammert, F.J. & Mora, H.M. (2001). *Coordinación social del trabajo, mercado y reproducción de la vida humana. Preludio a una teoría crítica de la racionalidad reproductiva*. Costa Rica: DEI.
- Hinkelammert, F.J. & Mora, H.M. (2013). *Hacia una economía para la vida*. Preludio a una segunda crítica de la economía política. México: Editorial Universidad Michoacana San Nicolás de Hidalgo, Morelia.

