

**MARXIAN AND HAYEKIAN ANALYSIS OF PRICES
IS THERE A COMMON GROUND FOR COMPARING
COMPETING ECONOMIC PARADIGMS ?**

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Commodity prices play opposite roles in Marxian and Hayekian economics. For the former, prices mask oppressive relations between people, whereas for the latter prices reveal all the information that individual actors possess about relative scarcities in the economy, thus, in a certain sense, liberating them. I intend to discuss these differing understandings of prices by analyzing both Marx's concept of the "fetishism of commodities" and Hayek's view of the price system as a coordination process. I aim to show that the difference between these analyses rests on more profound disagreements regarding, first, the notion of freedom, and, second, the epistemological foundations of both "scientific" approaches.

The essay will be divided into three sections. In the first section I examine Marx's "fetishism of commodities", and Hayek's theory of "The Use of Knowledge in Society", depicting the role of prices for both authors. In the second section I discuss, on the one hand, the Hegelian concept of freedom as one of the underpinnings of Marxian analysis, which relies on the concepts of work and ownership. On the other hand, I contrast the Marxian analysis with the Hayekian concept of freedom, which emphasizes the notions of decision and knowledge. Finally I address the common ground from which these competing theories of prices can be compared.

I arrive at the conclusion that, in exposing the foundations of both theories, one successively exhausts the spheres of theoretical discussion in which the comparison can be pursued. Therefore, no theoretical domain remains through which a criterion of superiority

amongst these two theories can be found. That is, no common ground for comparison can be found, either in the content of their economic statements, or in an epistemological or anthropological analysis. The criterion must be sought at the other extreme: in the practical, though not empirical, realm of social application by the individuals to whom the theories are addressed.

1. UNDERSTANDING PRICES

1.a MARX'S FETISHISM OF COMMODITIES

For Marx, an understanding of the capitalist mode of production (CMP) must begin with an analysis of commodities as the products of labor, delivered to the market interchange. The value of a commodity² is the amount paid for it in the market, which is determined by the labor-time socially necessary for its production. Prices play a crucial role in the economy not merely because they help markets clear, but for **allowing the most basic relationship of the CMP to be established**, to exist. This is the relationship between the owners of capital and the owners of labor-power. It is an exchange relationship based on the acquisition of the commodity "labor-power" at the going wage (Sweezy, 1956, chapter 1). Marx distinguishes labor from the commodity labor-power, the former being the use-value and the latter the exchange-value of labor³. The wage is thus **the price** of the commodity "labor-power", established in the same way as the exchange values of any other commodity (Marx, 1979, p 170).

The acquisition of labor-power grants the capitalist a property right on the use of that commodity during the working day. The use-value of that commodity is labor, which is itself the source of value. The point is: the capitalist acquires a commodity that not only creates value, but creates **"more value than it has itself"** (op. cit., p. 193). Hence, the commodities produced embody more value than was paid for their production; although the surplus value was produced

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by the worker, the prevailing property rights give the ownership of those commodities to the capital-owner. Thus, "surplus-value" results from the very relationship between capital-owners and workers in a particular commodity market: the labor market.

However, the **appearance** of this phenomenon does not reveal its substance. None of the participants in the exchange are aware that though each commodity is paid according to its value, and no explicit expropriation or "cheating" takes place, one individual appropriates a portion of the value produced by another, **without paying any price**. This is due to the appearance of facts in the sphere of the market, a sphere "... where everything takes place on the surface" (op. cit. p. 176). Such a sphere hides the true and crucial facts of capitalism⁴.

According to Marx, relations in the marketplace appear to be relations among objects: commodities exchanged for money at the prevailing prices. The real labor interchanges, mediated by commodities, disappear. The surface reveals only "material relations between persons and social relations between things" (op. cit. p. 73). Through commodity prices the relations among people appear as social relations among goods, that is, as "objective" relations (op. cit. p. 72). Marx called this the "fetishism" of commodities⁵.

Fetishism in market relations is particularly important in one interchange of the CMP: the acquisition of the commodity labor-force. Fetishism lends the transaction the appearance of an objective fact, independent of human action. "To [the producers], their own social action takes the form of the action of objects, which rule the producers instead of being ruled by them" (op. cit. p. 75). Therefore, insofar as the appropriation of another person's production in the CMP is made possible by mystification in the marketplace, it may be said that **prices obscure the oppressive social relations** established through market exchange, constraining the scope of freedom. Yet for an oppressive relationship to prevail among individuals, it must be accepted by

both parties. This is true especially for the party for whom such a relation is disadvantageous. Oppression in an economic system that is based on the production of commodities hinges on the acceptance, by all participants, of prices as the legitimate and objective expression of the value of commodities.

Summarizing, according to the Marxian point of view, market prices, in particular the market price of labor, make possible the appropriation of value produced by the labor of others, by means of established property rights. Market prices obscure that event, making it appear as an objective fact, an "interchange", a trade in a market; resulting from the interaction of entities like "firms" which acquire the services of labor factor. Prices conceal the true nature of an interaction where one party works in exchange for a wage, and, in excess of this, generates value that reverts to another individual, the owner of capital. Market prices and property rights characteristic of capitalism allow this to happen.

1.b HAYEKIAN PROCESSING OF INFORMATION

For Hayek, to comprehend the economic functioning of society is basically to understand how a system solves the problem of **coordination** of geographically separated individuals who continually process **information** as they make their economic **decisions**. Such information is relevant in determining social production and welfare. The information available to each individual depends on time and place, with no single person having access to "Total Knowledge" (Hayek, 1945).

Moreover, society's knowledge can be divided into two spheres: common knowledge, which is shared by most participants, and private information. In order to exploit its potential, society must attempt to make use of all the information available. Consequently, private knowledge is crucial in the organization of society. No channel is powerful enough to transmit,

at each moment in time and from each geographical location, all new information generated in private spheres, then private information must be put to use **by each person**. In addition, such information cannot be effectively processed by a central "mind". Any attempt would be at the cost of wasted knowledge, leading to sub-optimal outcomes in production and welfare.

The price system solves this problem of processing and coordination by acting as a communication medium. It relies precisely on each private actor's knowledge of his own needs and ends: the price of the resources he can offer, the prices of others' resources he wishes to acquire, and the prices of the final goods he wants to supply and purchase. Market activities are aimed at disclosing this disperse information, and communicating it to all market participants through the telecommunications system of prices. In this way the market is a **process of discovery** of information relevant to the solution of the social coordination problem (Kirzner, 1979. 20).

Thus, the relations of separate actors **within** society are mediated through prices. The price system relies on the use each individual makes of the information surrounding him. This information is embodied in the prices he faces, and to whose determination he contributes by making use of the facts available to him and to nobody else. Through this role prices **reveal** information and "mediate" relations between people. They help in achieving a degree of coordination of economic decisions compatible with output and welfare outcomes that are higher than those of alternative coordination schemes⁶.

For the private actor the existence of the market implies an "economy of knowledge", in the sense that he has to know little (but what little he knows, he knows best) to make his decisions. One can argue that the price system **liberates** people, in the sense that it allows them to process the minimum quantity of information⁷. However, the price system contributes to

freedom in another sense: it is a system based on people's liberty to use their knowledge to take advantage of opportunities they might discover, **free of any coercion** that would make them instruments of another's ends (Garrison and Kirzner, 1987; Hayek, 1984, p. 256; Kirzner, 1987; and Kukathas, 1989). In this sense an economic system in which information is communicated through market prices is the only one in which freedom can be achieved, understanding freedom as the possibility of recognizing personal circumstances, opportunities and ends, and acting accordingly.

1.c RECAPITULATION

For both authors prices lie at the core of the system to be explained by economic theory. Marx finds that prices obscure and legitimize oppressive relations, while Hayek regards prices as the only vehicles through which individuals can achieve freedom in society. Thus, the same phenomenon, prices, is interpreted by one theorist as deterring, and by the other as enhancing, human freedom. This is the point I want to address. I claim that these divergent interpretations are a result of different understandings of the notion of "Freedom". Clarifying what each author means by that concept should shed light on the origins of this discrepancy. That is the task of the following section.

2. THE CONCEPT OF FREEDOM

2.a HEGELIAN FREEDOM AND MARXIAN ALIENATION

I will attempt to trace Marx's concept of freedom to Hegel's Phenomenology of Mind. There has been a long debate among Marxist theorists about the relation between Marx's early writings, in which he criticized Hegelian philosophy, and the final theory presented in "Capital" centered on the critique of Political Economy (see Hyppolite, 1969. 95). The discussion is

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whether the early concept of alienation, which explicitly dominated the writings of his youth, is to be found in his later work; or, instead, if *Capital* should be understood as a mainly economic analysis of CMP, in which Marx abandoned his previous philosophical foundations (see Althusser, 1986). This debate is important for the present essay. The connection between Marxian analysis of prices and the Hegelian concept of freedom is clear if one accepts the existence of a continuity in Marx's thought. It is negligible if one interprets the writings of the older Marx as largely economic, and separated from his philosophical works. I agree with the view defended by Kolakowski (1978), who finds a clear continuity between Marx's later, more economic works, and his earlier, anthropologic-philosophic writings⁸. According to this interpretation *Capital* should be understood as founded, among other things, on the Marxian critique to Hegelian philosophy.

Marx stresses the sphere of production as the realm where the crucial events of CMP occur. The sphere of the market is that of **deceptive** appearances, as was shown in the previous section⁹. This emphasis on production is the result of Marx's philosophical attitude, in which a person's self-defining activity is labor (and not decision-making): "In Marx's view, the basic characteristic of humanity is labor, i.e. contact with nature. [A man] recognizes himself in nature [...] in the sense that, in the process of the self-creation of man by labor, nature is an object **for** man, perceived in a human fashion, cognitively organized in accordance with human needs [...]." (Kolakowski, 1978, pp. 134-136). This focus on labor as the constituent factor of humanity was taken from Hegel's philosophy. In Marx's own words: "Certainly, it was Hegel who revealed the nature of labor as the activity through which man produces himself" (cited in Hyppolite, 1969, p.100).

For Hegel the development of consciousness (*das Bewußtsein*) reaches a phase in which "desire" (*die Begierde*) is directed not at material objects, but towards another desire: it confronts

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another consciousness (Kojève, 1989, p. 6). A confrontation splits the roles of the two meeting consciousnesses into a Master and a Servant. Although it seems that the Master should reach self-consciousness (*das Selbstbewußtsein*) through the negation of the other man and the recognition the servant must have for him, in fact only the servant is capable of reaching self-consciousness and freedom through his labor. Indeed, two elements allow for self-recognition by the servant: first, he has felt fear (*die Fürcht*), through which he has touched his profound being¹⁰. Second, he has been **at work** (*die Arbeit*) for the Master, transforming the object (*der Gegenstand*) into something **for human use**: "forming" the object, giving it a **permanent** form in which he can recognize himself in something that **endures** (*bleibt*)¹¹. As Marcuse puts it: "the process of labor likewise determines the development of consciousness. The 'life and death struggle' between the master and the servant opens the path to self-conscious freedom" (Marcuse, 1983. 259; Kojève, 1989. 22).

However, since this labor is for the benefit of others, and since the products of his work belong to others, the worker cannot recognize himself in them. The actual form of labor "... leads first to the total 'estrangement' of consciousness; man is overpowered by things he has himself made. The realization of reason therefore implies the overcoming of this estrangement, the establishment of a condition in which the subject knows and possesses itself in all its objects. This demonstration of the role of labor, and of the process of reification (*die Verdinglichung*) and its abolition, is, Marx declares, the greatest achievement of Hegel's **Phenomenology of Mind**." (Marcuse, 1983. 260; Kauder, 1970,. 409- 410.)

There are three elements to be stressed in the concept of self-conscious freedom exposed so far: labor, knowledge and ownership. Human realization in terms of self-consciousness and freedom is preconditioned on the worker recognizing himself in the products of his labor. That cannot be possible if such products do not belong to him and if he knows them to be

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independent things¹². This occurs, as we saw in the first section, as a result of property rights arrangements and market relations of the CMP. Further, such a situation is legitimized as an objective "fact" by the fetishism of commodities.

What reigns is a misleading appearance of phenomena in which the possibility of real freedom is nonexistent. For Marx, economic theory can reveal the apparently objective relations as contingent ones and subject to human action. This gives an emancipative role (and responsibility) to economic theory. The difference between Marx's concept of science (*Wissenschaft*) and the accepted wisdom of the time is stark. From Marx's epistemological standpoint, economic science has a **social and historical role** to play. The truth-seeking at which science is aimed must contribute to a transformation of society. It should allow individuals, and in particular the proletariat, to gain a greater consciousness of its true functioning, and to foster a more rational social order, one in accordance with human freedom. The scientific truth has a crucial historical meaning.

2. b NON-COERCED CHOICE: THE HAYEKIAN CONCEPT OF FREEDOM

Hayekian analysis is founded upon an explicitly philosophical theory of society. Economic science has an object of study because society is a ground where a "spontaneous order" can emerge among its disparate components. Such order cannot be explained solely by the aggregation of the separate decisions of all social actors; in some sense the total is greater than the sum of its parts. One of the consequences of such a spontaneous order is the emergence of a coordinating institution for the price system. That institution, the market, is not the result of deliberate design by any of its participants (Kukathas, 1990. 86; Garrison and Kirzner, 1987).

The market system is a discovery process in which individuals solve an kind of epistemological problem. They need information for making economic decisions, but they have access neither to a whole nor "objective" knowledge, nor to an "objective" world¹³. Since valuation is subjective rather than objective, a subjectivist approach is needed for an understanding of the process of knowledge acquisition. Individuals know their circumstances and goals from a subjective perspective, and even more, from a private or personal point of view, and disregard the bulk of the information available in society. Correspondingly, the rest of society knows little about each individual's desires and possibilities.

It is precisely this fact that highlights the necessity of individual free action for exploiting all the information available (Gray, 1986, chap. 1, Kirzner, 1979, p. 15). "The case for individual freedom rests chiefly on the recognition of the inevitable ignorance of all of us concerning a great many of the factors on which the achievement of our ends and welfare depends" (Hayek, 1960, p. 23).

The same argument developed in the previous section regarding private knowledge applies here to emphasize the impossibility of **judging for others how best to use their information and to what ends to direct their acts**. The recognition of the role of private knowledge implies independent, non-coerced decision making. If individuals act in service to alien decisions directed to "the ends of another," they are coerced, not free. "The value of freedom is that it facilitates the coordination of this knowledge and, indeed, enables individuals to discover 'knowledge'" (Kukathas, 1990, p. 132). In this sense an individual is taken as a distinct entity, not as member of a social class or as a component in the summation of economic aggregates. His role in society becomes crucial upon the recognition of what he, and only he, can make out of his very personal circumstances and aspirations.

2.c RECAPITULATION

We find Marx's theory, where market prices constitute a misleading mechanism that hides and legitimizes oppressive relations in society, to be grounded in a theory of humanity and a notion of freedom centered on labor as the constitutive human activity. On the other hand, Hayek's theory of prices as the vehicle of information in the market sees individuals as decision-makers commanding personal and crucial information, usable only if they are able to pursue their own ends in an environment of non-coercion.

The exposition has shown that three levels of analysis are necessary to understand these divergent theories of prices: first an identification of **the relevant "economic" problem** to be addressed, in an attempt to comprehend the prevailing economic order. For Marx the problem is the relation of interchange between capitalists and workers, and for Hayek it is the coordination problem of separated decision makers. Second, the implicit **adoption of a particular theory of knowledge**, which indicates how the problem of interest is to be understood. In Marx the differentiation is between appearance and reality, and the emphasis on the possibility of knowing

the "real" functioning of society through the sphere of production (with the help of the theory of history, which I do not discuss). In Hayek it is the Kantian idea of the **unknowability** of objective things, and the unavoidability of subjectivism, highlighting our ignorance and limitations when "knowing" in everyday life and in science. Third, the foundation of these two epistemological perspectives rests on **different anthropological stances** regarding the definition of what is central in individuals (labor and decision-making respectively) and of freedom (self-realization and non-coercion, respectively).

We are therefore faced with the comparison of two entirely different bodies of knowledge, which, at least for the purpose of the present essay, aim to account for the same phenomenon: market prices. Both authors search for distinct kinds of information to explain that phenomenon, leaving us without a common reference point for the discussion. The problem now is that the **domains** through which we can discuss these theories have been exhausted in the course of the exposition. The comparison itself loses **ground, though not content or relevance**, since there is no sphere in which it can be pursued.

Concluding Remarks

In order to compare Marx's and Hayek's theories of prices and to discuss their explanatory powers, we could, on the one hand, rely on a scientifically designed empirical testing of the theories' propositions. The problem, however, cannot be reduced to some testing device. Distinct paradigms cannot compete solely on the basis of empirical verification, because each possesses an inherent definition of science and of the legitimacy of its statements. In the case of Marx and Hayek, the validity of their theories is not undermined by the untestability of their propositions.

On the other hand, one could survey and evaluate mutual theoretical criticism in the two perspectives. Here, however we face a problem: the comparison would require an "independent" viewpoint from which to find a criterion of superiority. In principle, the Theory of Knowledge should provide such an "external" vantage point¹⁴. Additionally, two spheres provided by philosophy should serve: anthropology (the theory of man and freedom), and metaphysics (which, in a broad sense, tries to address what things **are**). As we have seen, all these spheres are exhausted by both theories. At a theoretical level there are no other **languages** or spheres in which the discussion can be pursued, unless it is to point to each theorist's pre-scientific, even pre-philosophical, choices. These choices determine the relevant problem, a notion of its object, a method of inquiry and a criterion for the demarcation of true and false, and of scientific and non-scientific statements. Mutual criticism thus lacks a common ground for comparison.

Some questions remain: Is it feasible to have a unified language for all people interested in understanding the so called "economy"¹⁵? Further, is it reasonable to expect that those people share a minimum set of values that defines the set of "relevant" problems analyzed by the discipline? Finally, is the result of this selective perspective desirable? Considering the exposition developed in the present essay I would venture that the answer to the three questions is: No. A discipline with flourishing dissenting and competing proposals for the functioning of society is preferable.

To conclude, in the exposition of the foundations of both theories one successively exhausts the spheres of rational discussion where the comparison can be pursued. No theoretical domain remains open for finding a criterion of superiority between these theories. Neither the content of their specifically economic statements, nor epistemology, nor anthropology remains untouched in the search for a common ground for discussion. Scientifically designed "empirical

testing" is not adequate for settling the dispute, since each paradigm has a distinct concept of science and of the legitimacy of its propositions.

ENDNOTES

* Universidad de los Andes, Bogotá, Colombia. Israel Kirzner provided the original impulse as well as thoughtful comments and encouragement. This paper was motivated by conversations with Danny Averbuch and Miguel Gandour. I am grateful to Robert Heilbroner, Peter Boettke, Anwar Shaikh, Daniel Castellanos, Tatiana Matthiesen, Zeinab Partow, and Tina Sheth for helpful comments; the usual disclaimer applies.

¹ Two comments are appropriate here: first, I will not deal with the discussion of the transformation of values into prices, developed by Marx in: Vol. III, part II, chapter IX of *Capital*, and which has been subject of a long-standing debate. I will focus on what Marx regarded as the role of prices in the relation among producers, and between firms and workers; in that sense prices and exchange values can be taken as having the same meaning. Furthermore, some statements of the fetishism of commodities, like: "It is, however, just this ultimate money-form of the world of commodities that actually conceals, instead of disclosing, the social character of private labor, and the social relations between individual producers." (Marx, 1979, p 76, emphasis added), show that he is talking about money prices, and that what is said of exchange-values is also valid for prices. Kauder (1970) summarizes Böhm-Bawerk's critique on the inconsistency between values and prices. Second, this paper does not address the particular role played by wages, interest rates, rents and commodity prices. I pursue the comparison of

Marxian and Hayekian theories of prices at a higher level of generality, not entering in the specific problems of the markets where each of those prices are determined.

² Marx considered this distinction his central contribution to Political Economy. In "The two-fold character of the labor embodied in commodities" (1979, Part I sec. 2) he says: "I was the first to point out and to examine critically this two-fold nature of the labor contained in commodities" (p. 41); in Chapter IV he analyses how this two-fold character is to be found in the commodity labor-power: the "commodity whose use-value possesses the peculiar property of being a source of value, whose actual consumption, therefore, is itself an embodiment of labor, and, consequently, a creation of value" (op. cit, p. 167). This fact is stressed by Oakley (1979, p. 287).

³ For Marx, Political Economy differs from "vulgar economics" in that it tries to penetrate the surface of phenomena to identify the underlying relations between people (see Meek, 1972, p. 500).

⁴ "There is a definite social relation between men, that assumes, in their eyes, the fantastic form of a relation between things. [...] The productions of the human [...] appear as independent beings [...]. This I call the Fetishism which attaches itself to the products of labor, so soon as they are produced as commodities, and which is therefore inseparable from the production of commodities" (op. cit. p. 72).

⁵ Although this assertion is not "testable" in a scientific sense, according to Hayek this does not diminish its validity: "The peculiarity of competition [...] is that its performance cannot be

tested in particular instances where it is significant, but is shown only by the fact that the market will prevail in comparison with any alternative arrangements" (Hayek, 1984, p. 256).

⁶ See Hayek (1945, pp. 526-527). Here it is interesting to cite Arrow (1974, pp. 20-21) for whom the price system "... requires of the participants in an economy relatively little knowledge. They need only know about their own needs. The individual need not worry about the social effects of his actions. According to the system, if he does something which affects somebody else, he pays the price. If he withdraws resources that somebody else could use, he is made aware through the price he has to pay, but he does not have to further consider the others as individuals. They are compensated through the prices he has to pay. Further, not only do we have a limited need for knowledge (a man need only to know the things he can be expected to know best) but, to put the same thing perhaps further differently, the individual has a sense of freedom. [although]...this freedom can be, to (substitute "for" instead of "to") a large number of people, very limited." And Hayek (1960, p. 17): "... we must recognize that we may be free and yet miserable. Liberty does not mean all good things or the absence of all evils. It is true that to be free may mean freedom to starve, to make costly mistakes, or to run mortal risks".

⁷ "From 1843 onwards he [Marx] developed his ideas with extreme consistency, and all his later work may be regarded as a continuation and elaboration of the body of thought which was already constituted by the time of the German Ideology." (Kolakowski, 1978, p. 178). The same opinion is expressed by Hyppolite (1969, p. 96).

⁸ Here I want to criticize Blaug's (1988) claim that "whether we group economic agents together as entrepreneurs and households, or as workers, capitalists and landlords has nothing to

do with the phenomenon of fetishism" (p. 269). The exposition of fetishism of commodities and of Marx's attention to labor and production developed so far shows how crucial the differentiation is for him between what happens in the sphere of circulation and in the sphere of production. Workers and capitalists are connected through fetishized market relations, and this lies at the very core of capitalism. If one is to change this relation and to analyze the interaction between households and entrepreneurs making decisions with the information provided by market prices, the picture of the whole system would change. Thus, the categories of capitalists and workers, and the analysis of fetishism are part of the different understanding of capitalist economy provided by Marx. Therefore Blaug's claim is false. See also Meek (1972), p. 501.

⁹ *"Dies Bewußtsein hat nämlich nicht um dieses oder jenes, noch für diesen oder jenen Augenblick Angst gehabt, sondern um sein ganzes Wesen; den es hat die Furcht des Todes, des absoluten Herrn, empfunden. Es ist darin innerlich aufgelöst worden, hat durchaus in sich selbst erzittert, und alles fixe hat in ihm gebebt."* Hegel (1986, p. 153) and Kojève (1985), p. 21.

¹⁰ *"Durch die Arbeit kommt es [das Bewußtsein] zu sich selbst.[...]. Die Arbeit [...] bildet. Die negative Beziehung auf den Gegenstand wird zur **Form** desselben und zu einen **Bleibenden**, weil eben dem Arbeitenden der Gegenstand Selbständigkeit hat. Diese **negative** Mitte oder das formierende **Tun** ist zugleich die **Einzelheit** oder das reine Fürsichsein des Bewußtseins, welches nun in der Arbeit außer es in das Elemente des Bleibens tritt; das Arbeitende Bewußtsein kommt also hierdurch zur Anschauung des selbständigen Seins **als seiner selbst.**"* Hegel (op. cit. pp. 153-4).

¹¹ Independence is the key to the concept of alienation which runs through the entire work of Marx. "Alienation means subjugation of man by his own works, which have assumed the guise of independent things" (Kolakowski, 1978, p. 178). "What the worker produces becomes for the bourgeois a 'commodity' [...]. The proletarian on the other hand comes to see his labor process as something which does not belong to him, and his product as something which remains a *Gegenstand*, i.e. as something standing over against him and opposed to him. What he produces he can only reappropriate as a consumer, a buyer of commodities." George (1987), p. 135.

¹² This claim leads Gray (1986) to identify Hayek with Kantian philosophy: "The aim, of scientific investigation is not, then, for Hayek, the discovery behind the veil of appearance of the natures or essence of things in themselves, for, with Kant, and against Aristotelian essentialism, he stigmatizes the notion of essence or absolute reality as useless or harmful in science and in philosophy." (p. 6). "Where Hayek deviates from Descartes' conception of mind, however, is not primarily in his denying ontological independence to mind, but in his demonstration that complete intellectual self-understanding is an impossibility. [...] In social theory, this Kantian perspective implies the impossibility of any Archimedean point from which a synoptic view can be gained of society as a whole and in terms of which social life may be understood and, it may be, redesigned" (p. 24).

¹³ Analyzing the mutual criticism of Marginalist and Marxist economists, Meek (1972) points to two different notions of science underlying the debate: for Marxists, scientific analysis must penetrate the surface of the market to reveal the social forces at play; for the Marginalists a scientific analysis must separate the purely economic phenomena from others (i.e. political), that is, it must possess a demarcation criterion (p. 501).

¹⁴ Here we have either a discipline facing competing incompatible paradigms, or we are simply making the mistake of trying to encompass, under the term "economics", noncomparable theoretical settings. I do not think we are making this second mistake. For a comparison of different paradigms in economics see Chica (1982).

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