

The Market from the Ethical Viewpoint of Liberation Theology

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‘Scripture says, “My house shall be a house of prayer”;
but you have made it a robbers’ cave’ (Luke 19.46).

The first codices of ethics known to humankind combine economic prescriptions with critical ones. For example, King Uruinimgina of Lagash (2352–43 BCE) included the following ethical-economic text in Law 27 of his *Legal Reform*: ‘He freed and condoned the debts for those indebted families . . . who lived as debtors . . . He promised Ningirsu solemnly that he would never hand over the widow and orphan to the oppressor.’¹ In the same vein the Egyptian *Book of the Dead*, originating in the area of the sacred city of Memphis (going back some 5,000 years), also enunciates ethical-economic criteria: ‘I did not impoverish a poor man in his goods . . . I made none suffer hunger . . . I added no [weight] to the measure on the scales. I did not falsify the weight on the scales . . . I placed no dyke in the way of running water . . . I did not rob with violence . . . I gave bread to the hungry, water to the thirsty; I dressed the naked and gave a boat to the shipwrecked.’² (In Jesus’ discourse on the final judgment in Matthew 25.35–36, the ethical-critical requirements are in the following order: hunger, thirst, housing, clothing, sickness, prisoners; Isaiah 58.7 has: bread, housing, clothing – leaving out water. The *Book of the Dead* has: bread, water, clothing, boat [= house], changing the order of clothing and housing, but more complete than Isaiah. Could Jesus have taken his inspiration from this rather than from Isaiah? Elsewhere Jesus follows the order in the *Book of the Dead*: ‘I bid you put away anxious thoughts about food and drink to keep you alive, and clothes to cover your body’ [Matt. 6.25]. Engels follows the same order, which is really more logical, as clothing must come before housing: ‘What serves for food, clothing, housing.’³)

These highly critical criteria – still valid today – have a material, economic, critical meaning. So, if we take the six stages of moral consciousness analysed by Lawrence Kohlberg,⁴ we can match them with six degrees of ‘ethical-critical’ consciousness. Thus at a very low formal level of moral development, alongside magic and very primitive still pre-conventional myths, we already find material ethical-critical criteria and principles which are highly-developed – even in relation to conventional modernity. How is this possible? Because in the Egyptian-Mesopotamian world there was a very early material-critical consciousness, on which the Hebrew prophets drew and which they developed to its full extent; the same can be said of Jesus of Nazareth.⁵

I. The origin of the ethical-theological theory of the modern market

The modern science of economics, definitively formulated in the eighteenth century, stems from ethics and arises as the theological solution to a problem. Book V of the *Nicomachean Ethics*,⁶ on justice, gave rise to the medieval and renaissance commentaries *De jure et justitia*, as we know, and through them to modern economics. Justice is the virtue of a tendency (called *appetitus* by the Latins). Pre-Kantian modern ethics would still be a material ethics of impulses and virtues. Also, there is nothing strange in Aristotle telling us that, ‘we can use a shoe, for example, to put on our feet (use value) or as an article of exchange (trade value)’.⁷ Money, on the other hand, which serves only for trading, has ‘no value’ in itself.⁸ Money presupposes the existence of the ‘market’, the traditional ‘space’ in which the trade in the products of human work is carried out, which is pre-historic: the clans of the Paleolithic era were already trading their products. Although the ‘market’ was a social and economic ‘place’ recognized in all pre-modern ethics, ‘money’ – which is a formal instrument of exchange only, having purely ‘trade value’, especially in the case of its accumulation through avarice – has been the object of continual condemnation. For Aristotle, ‘money . . . does not correspond to anything by nature’: it is perverse. And of course, for Jesus, ‘You cannot serve God and money’ (Matt. 6.24) – a Gospel phrase that appears frequently in the works of Marx.⁹ The condemnation applies even more strongly to loans at interest: see Deuteronomy 23.20–21. Calvin reinterpreted this text, allowing Christians to lend at interest to other Christians, a doctrine John Knox carried to Scottish Presbyterianism. It is therefore not strange to find, years later, Adam Smith occupying the chair of moral philosophy in Knox’s Edinburgh!¹⁰ Contradicting a tradition going back thousands of years, modern ‘market theory’ then arose as the solution to an ethical-

theological dispute in enlightened Presbyterian Scotland, with its Calvinist tradition. In his *Fable of the Bees* (1705), Bernard Mandeville had cynically confronted – without much hope of success – the hypocritical moralizing position of many members of ‘commercial society’ by stating that ‘private vices’, such as egoism, the self-interest of the nascent bourgeoisie, could bring ‘public benefit’ – the wealth of the nation, the elimination of poverty through paying wages to the wretched, and so on. Put this way, the formula could not be accepted by traditional Christian moralists, or by the ‘common sense’ of a semi-feudal population, which would not accept such contradictions of its deepest convictions.

It was Adam Smith who effectively solved the problem, even though many others had preceded him and nearly all of what he wrote in *The Theory of Moral Sentiments*¹¹ had been expressed before. Starting from a scientific theory derived from Newton¹² (Smith had studied astronomy, physics and other sciences, with particular admiration for Newton), the whole ambit of human behaviour, moved by passions or sentiments, should be explained by means of certain non-intentional regularities that govern society as the natural laws do nature. (He uses the following argument: 1. Someone can through the sentiment of sympathy put himself in the place of another [there is an actor and a spectator]; 2. Then someone places himself in front of another and a spectator [so there are now an actor, a patient and a spectator]); 3. Finally the actor imagines himself to be his own spectator: this ‘spectator’ is his own conscience, which from ‘impartial spectator’ changes into an authentic ‘transcendental spectator’ – here largely anticipating Kant himself. This universal ‘moral conscience’ which each individual carries within himself is the same as the presence of the omniscient Stoic God who, present in every individual, reveals to us the ‘harmony’ of a system of behaviour, morality, virtues: ‘For Smith, the supreme tribunal is total and absolute perfection, which can be none other than the tribunal of God, the Great judge, the Omniscient author of Nature.’)¹³ And since Christians cannot simply accept the cynicism of Mandeville – ‘All public spirit, therefore, all preference of public to private interest, is, according to him, a mere cheat and imposition upon mankind; and that human virtue which is so much boasted of, and which is the occasion of so much emulation among men, is the mere offspring of flattery begot upon pride’¹⁴ – the discovery (in the manner of a real scientific-social ‘invention’) is made that the market is the ‘space’ (as though it were a laboratory) in which a spectacular metamorphosis is produced. This is somehow necessary while unperceived by every individual conscience, in the sense of not being decided by any individual, so non-intentional – which gives an absolute guarantee to the order, ‘regularity’, or legality that is its effect. This is the self-interest of each

particular individual, no longer seen simply as the vice of egoism, which struggles chaotically, irrationally and disorderedly for its own ends. (It is understandable – and even revolutionary – that, faced with the apathy of a feudal society simply following established paths and promoting conformism and lack of creativity by attacking egoism, the nascent – and so critical – bourgeoisie should justify ‘the selfish and original passions of human nature [which appear] to be of vastly more importance’. This of course leads rapidly to criticism of the ‘melancholy’ of many moralists who exaggerate ‘commiseration for those miseries which we never saw’. Smith recommends concentrating on what really motivates human beings – self-interest, and not commiseration with the sufferings of the alien poor.¹⁵) But this self-interest produces public benefit or love of neighbour as its ‘effect’, thanks to the intervention of a provident God, who regulates the whole like a clock – the Newtonian self-referring machine in the hands of the divine clockmaker. (Speaking of the Stoics, whom he admires and follows, Smith writes: ‘A wise man never complains of the destiny of Providence, nor thinks the universe in confusion when he is out of order. He does not look upon himself as a whole . . . He enters, if I may say so, into the sentiments of that divine Being, and considers himself as an atom . . . Riches or poverty, pleasure or pain, health or sickness, all is alike.’ And: ‘According to Zeno, the founder of Stoical doctrine, every animal was by nature recommended to its own care, and was endowed with the principle of self-love, that it might endeavour to preserve, not only its existence, but all the different parts of its nature.’¹⁶ So self-interest has been reconciled with common good; self-love with love of neighbour. The way to a science of economics was open, and Smith developed it on the classical lines of the moral philosophy of his time, moving from natural theology through ethics, in *The Theory of Moral Sentiments* (1759) to a consideration of justice and government in *Lectures on Jurisprudence* (1763), developed over ten years (1766–76) into *An Inquiry into the Nature and Causes of the Wealth of Nations*. In this he famously claimed that we generally look in vain for the help we seek from others by appealing to their benevolence, and would do better to appeal to their self-love, to make them see that it is to their advantage to do what one is asking of them: ‘Give me that which I want, and you shall have that which you want.’ It is not the tradesman’s benevolence that provides us with food, but his consideration of his own interest: we invoke not his humanitarian sentiments, but his self-love.¹⁷

Ultimately, this is a theology that reconciles the opposites:¹⁸ it is the provident ‘hand of God’ that draws, necessarily and non-intentionally, a rational order (the market, the ‘space’ of universality) out of the irrational chaos or disorder (of individual self-interest). Individuals do all they can to

promote their domestic interests, and thereby find themselves necessarily contributing to maximizing the income of society as a whole – the formal outcome of a ‘means and ends’ instrumentality, its ‘effect’. As a general rule, no one sets out (the action is non-intentional) to advance the public interest; nor does anyone know (again, the non-consciousness of the effect produced, even though this is still necessary, as we have seen) to what extent he is promoting it. In such cases, we are guided by an invisible hand to promote an end that had not entered into our calculations. It is the very non-intentionality that epistemologically allows the ‘science’ of economics more surely to achieve a ‘regularity’ that approximates it to Newtonian physics.¹⁹

So far we are still on the level of economic ‘necessity’, through divine intervention, so at the natural theology stage of the classical argument this is a theological economics. Smith concludes, ethico-theologically, that there is nothing wrong for society in public interest not entering into its calculations. (Here he is arguing against the traditional ethics in which the self-understanding of and responsibility for an action were ethical constituents of it. He is now showing that economic structures exist beyond explicit intentionality.) By promoting their self-interest, people advance the interest of society in a more effective manner than they would have done if it had entered into their calculations. (Smith uses the ‘efficacy’ argument here, but at the same time is critical of feudal, traditional, moralizing society, which rejects the nascent ‘commercial society’ of his time. He is thereby providing an ethical-theological basis for the bourgeoisie in its critical, prophetic, revolutionary phase. The devastating ‘effects’ of these non-intentional consequences had yet to be seen, and it was to be left to Engels to show intentional ethical commiseration with the suffering of their victims, in his magnificent *The Situation of the Working Class in England*.) Rulers who seek to direct individuals as to how they should employ their private capital are taking on an ‘impossible task’.²⁰

Here we have a clear and deliberate outline of the market economy model and of the ‘impossibility’ of trying to regulate it. The ‘Law of the Market’ – as a necessary ontological regulator – requires, in this theory, that the market be left to regulate itself through its own non-intentional structures – a ‘cybernetic system’, as we would call it today²¹ – which are both necessary and best, speaking ethico-theologically. To touch this so perfect and extremely complicated ‘clock’ is pride: only the ‘hand of God’, the perfect clockmaker, can interfere. Humility means attending to the very reality of the market.²² This state of affairs leads, after the event, to the formulation of Hume’s so-called ‘natural fallacy’ – the feudal, moralistic, apparent ‘ought to be’ is replaced by the effective ‘being’ of the market. What concerns us is the ‘being’ (of the self-interest of the market);

the 'ought to be' remains up in the air and is no longer necessary. In effect, 'being' now has its own ethics.

II. Ethics as market 'function'

Friedrich von Hayek, of the Austrian school,²³ can be taken as representative of the most radical neo-liberal economic tradition today. Adam Smith has undergone deep changes. In the first place, Smith is a critical economist, critical of feudalism and mercantilism; Hayek is a conservative economist, against the 'constructivist rationalism' of the social democratic or Keynesian welfare state and Soviet central planning. In the second place, while Smith sees the market as regulated by 'the hand of God', with Hayek it has become a condition for the ontological possibility of the sufficient knowledge of everything it needs to operate – to 'offer' what is on offer and to 'prefer' what is demanded. Faced with the human impossibility of possessing perfect divine omniscience – the individual's humble recognition of the cognitive limits of his own finite reason – of the infinite complexity of the world, the market – through the mechanism of fully free competition without monopoly or coercion (an absolute condition) – provides us with sufficient knowledge through 'prices':²⁴ 'Although the science of economics has duly analysed the phenomenon of division of labour . . . it has not devoted a similar effort to the problem of the fragmentation of knowledge.'²⁵

Partial human knowledge, thanks to the monetary calculation of price in the – purely formal – 'market system', is now the chief player in any 'possible reasoning'. 'Market order' is a natural, spontaneous, non-intentional system, with no need of voluntary intervention. The market system, however, needs a basis for its operation: this is the currently dominant moral order, which provides the customs and institutions on which the market mechanisms operate, its basic rules being: respect for private property, recognition of the effective freedom of every participant,²⁶ obligation to honour stipulated deals, honesty in observing the rules of competition, discipline in saving, and so on. (Norms such as altruism, solidarity, fellowship or equality are expressly excluded: 'An order in which all treated their fellows as themselves would lead to a world in which few would have the possibility of multiplying and fructifying.'²⁷ 'We live in a civilized society, because we have come to assume, in a non-intentional manner, certain inherited habits of a fundamentally moral character . . . Acceptance of moral norms transmitted by tradition – norms on which the market rests – is what allows us to generate and utilize a greater volume of information and resources than a centrally-planned economy could place at the disposal of the community.'²⁸

Purely individual morality is dissolved in this 'wide order' – Hegel's *Sittlichkeit*, or Lévinas' *totalité*. Hayek sets out to rebuild the history of the current moral order of the present-day bourgeois market, the product of a centuries-long natural evolution. The paradox is that he rationally bases (argues) this current morality, taking the 'survival of humanity' as its rationale: 'The debate between the market order and the socialist is a question that decisively affects the very survival of the human species. The assumption by society of socialist recommendations in questions of ethics would imply the disappearance of a large part of the population and the pauperization of the remainder.'²⁹ (He fails to see that these are precisely the 'effects' of an untrammelled market economy!)

The efficacy, operability, of the competitive market system is demonstrated by the very survival of the members of present-day civilization. Life is the major premise of the argument. In this way 'current bourgeois morality' – in Hayek's extreme traditional and conservative sense – is not an *a posteriori* expression that seeks to justify the market – as was done by H. B. Acton, for example, who in Chapter 3 of his *The Moral of the Market*, entitled 'The Ethics of Competition', tried to justify competition; Hayek on the other hand shows the (ontological) moral 'condition of possibility' of competition (*a priori*). (This was the sense in which Marx said that economics, 'despite its worldly and pleasurable appearance, is a true moral science, the most moral of all the sciences. Self-denial, renunciation of life and of all human needs is its basic dogma. The less you eat and drink, the less liquor you buy, the less you go to the theatre, to balls, to the tavern . . . the more you save, the greater becomes your treasure that neither moth nor rust devour, your capital.'³⁰ Hayek proposes a naturalist ontology, which makes the market and competition the normative, non-intentional, ethical frame of reference, beyond the reach of any sort of criticism – the conservative concept of 'tradition', which Karl Popper also proposes. (Ricardo Gómez, in a strictly epistemological refutation, comments: 'Society is only the sum total of the individuals that make it up, linked to one another especially by a system of homogeneous traditions . . . Hayek is right to state that a free society is a society of traditional links. Whence both for him and for Popper . . . trying to change it radically is irrational, since it would imply among other things abandoning the genuinely free society.'³¹) Ultimately, this is a tautology: starting from the current bourgeois morality and the formal pre-existence of the market, it goes on to deduce its normative foundations – still always argued *a priori* and defined as basic norms. Then, on the basis of these – which, as I have indicated, were deduced from the market – it claims to provide an ontological-ethical and historical-evolutionary foundation for this same market. This is what I have called a 'functional

ethic'; it has its theologies and the 'social teaching' of some churches, equally functional.³² This functional ethic is deduced from: (a) a functional social science – in this case an extreme one, belonging to a neo-liberal, conservative economics, in which the 'logic of the global market' of itself most effectively assures the survival of the human race; (b) a really existing capitalist system.

III. Prophetic criticism of the market

How should a critical, or liberation, theology proceed in the face of formulations of this sort, with their pretension to scientific objectivity, inevitability, and economic common sense? It should have recourse to the critical criterion of negation and materiality, as Horkheimer notes: 'What traditional theory [meaning neo-liberal economics] allows simply as current, its positive role [Hayek's 'positivity' of the market system is 'affirmation of the ruling ethnicity'] in a functioning society . . . is questioned by critical thought. The aim this sets itself, a situation based on reason, is founded on the actual misery of the present . . . The theory outlined [both 'negative criticism' of the market system and 'positive construction of alternatives'] by critical thought does not operate for the benefit of an existing situation.'³³ Horkheimer is here speaking of two situations: that of the current order (the market, in this case), and that of the future based on a 'praxis of liberation'. Or, as the founder of the Marburg School, the Orthodox Jew Hermann Cohen, writes: 'The prophets were not philosophers, but they were politicians . . . The poor became for them the symbol of human suffering . . . Thus, their God becomes the God of the poor. The social insight of the prophets recognizes in the poor the symptomatic sign of the sickness of the State.'³⁴ Or again, as a message from the Zapatista Army for National Liberation reads in a Mexican daily:

The eldest of the elders of our peoples spoke to us words that came from afar, from when our lives were not, from when our voice was silent. And the truth walked in the words of the eldest of the elders of our people. And we learned from their words

that the long night of suffering [suffering being the 'sign' of material negativity, of living corporeality as the starting point of criticism] of our peoples came from the hands and words of the powerful,

that our wretchedness was wealth for a few,

that on the bones and dust of our ancestors and our children a house had been built for the powerful,

and that our footstep could not enter this house,

and that the abundance of its table was filled from the hollow of our stomachs,
 and that its luxuries were born of our poverty,
 and that the strength of its roofs and walls was raised on the weakness of our bodies,
 and that the health that filled its spaces came from our death,
 and that the wisdom that dwelt there was nourished on our ignorance,
 that the peace that ruled there was war for our peoples . . . ³⁵

Such statements, like those of the biblical prophets, are redolent of a critical logic that derives always from affirmation of life for human beings as 'flesh' – Hebrew *basar*, Greek *sarx*, which is not the mere 'body' – as the criterion of truth – of judgments on reality, of science, of theology. Justice is always linked to life: 'Surely life is more than food, the body more than clothes' (Matt. 6.26); life is the criterion of truth: 'The Word . . . was alive with his life, and that life was the light [= truth] of men' (John 1.1–4); 'I am the way, the truth and the life' (John 14.6); life for, or the full satisfaction of, the poor is the 'kingdom of God' (Luke 6.20–24). Life is the criterion of truth integrated in the norms, actions, institutions or ethical systems; it is the content of what is good: 'Today I offer you the choice of life and good, or death and evil' (Deut. 30.15). What kills (death) is contained in a 'false', one-sided pronouncement by those who hold power; this has death-dealing instrumental 'efficacy': what it effects is evil – in its norms, actions, institutions or ethical systems, such as Hayek's market.³⁶ (My forthcoming work on the ethics of liberation mentions a third criterion of demarcation: the first distinguishes science from what is not science; the second distinguishes between natural and human, or social sciences; this third distinguishes functional from critical human or social sciences.³⁷ In some ways the Popper-Adorno debate pointed to some aspects of this 'third' criterion, but it did so confusedly.³⁸ Adorno – like the Frankfurt School in general – confused these three criteria in the debate between 1. analytical or positivist thought [of the instrumental reason] and 2. dialectical-critical thought. The ethics of discourse – in losing the negativity-materiality of ethics – cannot even posit the theme of what is 'critical'. We need to distinguish between: (a) dialectical thought as understanding, and (b) scientific social thought as explanation; but also between (c) 'functional' social sciences [such as in von Hayek, which can in some cases be dialectical] and (d) 'critical' social sciences [which have to be dialectical, but also have other requirements]. Furthermore, 'critical' human or social sciences need to be distinguished from (e) 'critical' philosophy [without confusing the two into an ambiguous 'critical theory']. Finally, and applying these epistemological distinctions to the

area of theology, (f) critical theology, such as liberation theology, which is not a 'functional' theology – as are most of the current theologies of the 'universal religions' – now has to posit with epistemological precision the whole question of this 'third criterion of delimitation'.³⁹⁾

Life has to be considered in its sacramental materiality; 'Take this and eat; this is my body [*basar*]' (Matt. 26.26); 'I was hungry and you gave me food' (Matt. 25.35). This is the first material or universal ethical principle: every ethical subject is obliged (deontic principle) to make the content of every norm, action, institution or system of ethics (*Sittlichkeit*) promote the production, reproduction or development of the life of every human being in community, the building-up of the kingdom of God. The content of the pronouncement will then be true. The 'application' of this material universal principle requires a second, formal moral principle, which can be stated thus: every ethical subject is morally obliged to recognize as equal and to promote the symmetrical participation of every human being in his or her life (as a member of the kingdom of God) and therefore has to make an option in his or her argument and community. The consensus reached will then be valid. (This cannot be done, as Peter Ulrich proposes, through constructing an epistemology of the science of economics on discursive reasoning. He criticizes utilitarian economics, but fails to reconstruct a practical-material economic theory, since in the end he proposes only a discursive economic theory – that of the communicating community of economists – but not the constructive economic theory of the production, reproduction, and development of the life of every human being through means of communitarian, practical-productive economic relationships.⁴⁰⁾ Finally, the true and valid mediation needs a third principle, obliging us to do what is possible to do – unlike anarchists, who try to carry out what is impossible. And only when we carry out what is in practice true, valid, and possible will our norms, actions, institutions and systems of ethics be good. Theologically, this is a stage in building the kingdom of God.

What happens empirically or historically – using Popper and Hayek's arguments of the impossibility of 'perfect planning' – is that no economic system can – unfortunately – fail to produce victims as an unintended effect. Only a perfect system – empirically impossible – would produce no victims (For Hayek, although perfect competition is a model – leaving aside the inconsistency here, since if it is 'perfect' there can be no competition, either logically or empirically – it introduces to the empirical market a 'tendency' toward equilibrium, which cannot be demonstrated scientifically. This 'effect' of the market, equilibrium [a secularized version of Adam Smith's harmony through the Hand of God] acts, in the market, as a perfect system: that is, its negative effects – such as the dire poverty of the majority of human beings at the present time – are not

products of any imbalance in the market, but of a lack of more market. We are here in the realm of metaphysics, in the worst sense of the word; this is an 'unfalsifiable' [as Popper terms it] ideological proposition, 'immunized' against any empirical rebuttal. In theology this is called idolatry; Marx called it fetishism; in epistemology it is false science.⁴¹) Smith observed cynically that in a civilized society only the shortage of food among the lower orders could limit the multiplication of the human race, and this could be brought about only by destroying many of the children born to fertile couples.⁴² (He is arguing against slavery, that the labour of free man will always come out cheaper in the long run than that of slaves, since the 'frugality and careful attention of the poor' [!] is naturally found in the free.)

His cynical argumentation is directed against the society of his day, and so is critical and even revolutionary in its context, but his same reasoning applied today would show that it is cheaper to let the free poor in Bangladesh or the southern Sahara die than to try to save them from starvation or AIDS. Hayek hints at the same sort of argument when he writes that there will always be those perturbed by 'some effects of the market', and when, after showing the 'wonders' of the system, he claims that 'even in the most calamitous times, nine out of ten [persons] will see their hopes realized'.⁴³ But what if the situation were virtually the inverse – that today one person out of ten sees his or her hopes realized? And what if the market system were to produce, as an unintended effect, a desperate poverty for most of the human race and – now – a growing percentage of poor in the central capitalist countries? As it is impossible for there to be no 'poor' (the economic 'victims'), their presence can be tolerated when they are a minority or their situation is tolerable. But what happens when they become the majority and their situation becomes intolerable, that is, when the wealth of a few can no longer be cosmetically hidden in the face of the mortal misery of the poorest – as the Zapatista text from Chiapas showed?

When this happens, critical economic theory becomes necessary for a critical and realist theology. We shall have to find a 'scientific' basis for any 'explanation' of the 'causes' of the material negativity of the victims. (This would be a social science as a 'programme of scientific investigation' in the manner of Latakos, but of course using criteria of 'scientificity' developed critically and not the standard criteria used by Latakos himself: these, being very narrow and reductive, are too easily applied as ill-defined scientific demands and used to deduce that, for example, psychoanalysis, Marxist economic analysis, or – I would add – Paulo Freire's pedagogy of the oppressed, are not scientific. Such scientific discourses do not, evidently, meet the criteria of the functional sciences, but they do meet those of critical science, which starts from an ethical option, siding with the

victims as the condition of a practical possibility of a 'critical' science. All this would lead us very far off, but we absolutely have to start the discussion, since this 'third' criterion has not yet been introduced into the epistemology of the philosophy of science as a criterion of 'demarcation'.⁴⁴) In other words: we have to find rational arguments for the why of widespread poverty. There is a forceful text that explicitly defines what I shall henceforth call the 'third criterion of demarcation' in epistemology. Mark Marx's words carefully:

It was clear that, since the same real development gave the bourgeois economy [what I have called 'functional social science'] its implacable expression, that is: the contradiction between the growing wealth of the nation in England and the growing penury of the workers; and since, furthermore, these contradictions were given, in the theory of Ricardo and others, a theoretically self-evident, though unconscious expression, it was natural for those thinkers who took the side of the proletariat to seize on the contradiction already made clear by them. Work is the only source of trade value and the only active creator of use value. So you say. But, on the other hand, you also state that capital is everything and the worker is nothing or simply a cost of producing capital. You contradict yourselves. Capital is no more than a swindle perpetrated on the worker. Work is everything.⁴⁵

(The workers were the victims Marx visualized, but today we could formulate the contradiction within the market process as being the contradiction between the growing wealth of the 'central' capitalist countries and the growing penury of those on the 'periphery'. And Ricardo's 'unconsciousness' implies the unintended effects of the capitalist system.) These lines express the 'third criterion of demarcation' to which I have been referring. Marx also saw that it applied on the world scale; that, in the global market, not only individual capitalists but nations themselves could trade continually with one another while deriving unequal benefits from this trade, if not as unequal as in the dealings between capitalist and worker.⁴⁶ In Marx's 'programme of scientific inquiry', his concern was to 'explain the cause' of poverty: he called its structural cause 'surplus value' – value produced in 'overtime' and not paid for in wages; human life turned into an unpaid object and so stolen from the worker. This shows us the 'logic' of critical social science, what critical theology needs for its own discourse. Today I am more concerned with the linkage between the penury of the peripheral nations (their peoples, ethnicities, groups and classes) and the question of 'competition' among nations' capital, which allows the 'transfer' of value (surplus value) from one nation to another. Globalization has not proceeded so far as to blur national boundaries.

This means that, because it denies the possibility of promotion of life for the human subject, the norm, action or institution – here Hayek's 'market' – is interpreted theologically as the sin of injustice, since it is a denial of the kingdom of God in each human being, through the death of the poor. So an ethical-theological judgment can be pronounced – through analytical-critical means – on market theory, on its rules, its logic, and its supposed ethic.

The market, as defined by neo-classical and neo-liberal economists, is a formally auto-poietic, self-referrent and abstract system (like the 'L language' in Tarski's semantics or Luhmann's 'system'), whose only purpose is the reproduction of capital, within the framework of the market and dealing only in 'prices': it has no 'work-value' doctrine with which to measure anthropology and economics against ethics. The lives of human beings have no relevance whatsoever for such 'formal systems' – which have no content. 'Survival' is a topic, but only as an apology to hide the horrible unintentional effects, which no supposed 'balance' can prevent. What exists in practice is an appalling imbalance.⁴⁷

So, the affirmation of life shows us that this is what is denied to the victims (the poor and unemployed in both peripheral and central capitalism): factual judgments or formal pronouncements (instrumental or dialectical-ontological in nature) are now judged as false, in that they fail to reproduce life; invalid, in that those affected have not participated in the decisions that victimize them; and ineffectual, since the efficacy of the market is not practicable reproduction of life for the majorities: it is ineffectual for life. The norms, actions, institutions or ethical systems that are the unintentional fruit of the market, as formulated by Hayek – its logic – contains the evil and injustice proper to those who kill: 'See . . . death and evil' (Deut. 30.15).

This leads us on to three further ethical principles: 4. the ethical-critical principle that obliges us to criticize the market system from its victims; 5. the consensual formal principle that obliges us to organize symmetrical participation for the victims – through the new critical social and political movements: ecological, feminist, workers' rights, Third World, and so on; and 6. the liberation principle that obliges us really to deconstruct the negativities – or norms, actions, institutions or ethical systems – and practically construct the new bodies needed – the complex stages of a liberation process.

Practical-material reasoning can then compare the ends to which the market as described by Hayek tends and judge them from the three positive ethical criteria (life; symmetrical participation; practicability) and – only now – launch its negative ethical 'judgment', deduced from the positive ethical criteria of the Last Judgment: 'I was hungry and you gave me food'

(Matt. 25.35). These negative ethical judgments (on 'hunger' and the like), which are normative pronouncements, are not primarily 'value judgments', as Rudolf Carnap or Alfred Ayer thought. The values are borne by norms, actions, institutions, and ethical systems insofar as they are mediations for the promotion of human life. The values do not found the ethics. Ethics does not consist essentially in subjective or individual approval or condemnation, but in judgments of universal facts: 'John is hungry because he has no wages (work) in the competitive labour market.' This is judging a fact! From this judgment of fact we deduce, contrary to Hume's badly-named 'natural fallacy',⁴⁸ that, on principle (and not considering specific cases but taking a universal view), 'I must give John food, or he will die without my help!' Emmanuel Levinas has shown us why we are 'responsible-for-the-Other', because in community and solidarity his death is the anticipation of our death; those who kill are committing suicide, since they are initiating or perpetuating a 'logic of negation of life' that will eventually bring about their own death – as a Latin American proverb puts it; *El que ha hierro mata, a hierro muere*, 'Kill with steel, die from steel'.

Translated by Paul Burns

Notes

1. See F. Lara Peinado and F. Lara González (eds.), *Los primeros códigos de la humanidad*, Madrid 1994, 24–5.
2. 'The Book of the Dead', ch. 125, in *ibid.*, 202–9.
3. Prologue to 'The Origin of the Family', in *WEB*, Vol. 21, Berlin 1981, 27–8.
4. See L. Kohlberg, *Essays on Moral Development*, Vol. 1, Cambridge, Mass. 1981–2; L. Kohlberg and A. Colby, *The Measurement of Moral Judgment*, Vols. 1–2, Cambridge, Mass. 1987; J. Habermas, commentary in *Moralbewusstsein und kommunikatives Handeln*, Frankfurt 1983, 127ff. I deal with the critical criterion in my forthcoming *Ética de la liberación*, chs. 4 and 5.
5. *Ética* (n. 4), historical introduction and ch. 4 on 'critical ethics'.
6. 1129 a 1ff.
7. *Politics*, 1, 3; 1257 a 8–9.
8. *Ibid.*, 1257 b 13.
9. 1257 b 12; see my *Las metáforas teológicas de Marx*, Estella 1993, 200ff., 'A central biblical text'.
10. *Ibid.*, 139ff., 'Death in Deuteronomy: the Birth of Capital'.
11. *The Glasgow Edition of the Works and Correspondence of Adam Smith*, Vol. 1, Indianapolis 1987; see G. Gutiérrez, *Ética y Economía*, Univ. Iberoamericana, Mexico City 1996 (unpublished Master's thesis).
12. See 'A History of Astronomy' and other researches on similar subjects, in *Glasgow Edition* (n. 11), Vol. 3, *Essays on Philosophical Subjects*, 1980, 31ff.
13. Gutiérrez, *Ética y Economía* (n. 11), 29.