

**Зі світового наукового досвіду:**

УДК 339.9:111

*A.S. Filipenko*

## QUALITATIVE MEASURES OF ECONOMIC WORLD

У статті запропоновано філософське розуміння сучасного економічного світу. Розглянуто структуру економічного світу в контексті онтології та епістемології як цілісність та її складові (економічне буття, економічне суще, економічна дійсність, мистецтво економіки). Зроблено висновок, що якісний аналіз економічного світу має здійснюватися на основі філософської, загальнонаукової та економічної методології.

The article is dedicated to the analysis of philosophical understanding of current economic world. The main attention is paid to the ontological and epistemological aspects of economic world. The structure of economic world is considered as a whole and in its dimensions (economic being, economic existence, economic action, and art of economy). It is resumed that the qualitative analysis of economic world has to be based on the philosophical, general scientific and economical methodology.

Key words: economic world, ontology, epistemology, being, existence, economic reality, economic action.

Recently, the attention of economists, particularly economic methodologists, focused on issues of ontology and epistemology of economics [1.1; 1.2; 1.3; 1.4; 1.5; 1.6]. On the one hand, this is due to the poor state of modern economics, its «modern economics mostly fails to illuminate the world in which we live and, indeed, is in a state of disarray, coupled with a conviction that we ought to do something about it, and specifically to seek to replace, or at least supplement, dominant strategies with others that are rather more capable of being explanatorily succesful and useful» [2, p. 452]. It became vividly apparent during the last global financial crisis, and made well-known experts in the field of economic theory to raise questions about the content of its teaching in universities and the intellectual achievements of the mainstream. On the other hand, the scientific community felt fatigue regarding quantitative analysis of formalist models (ontology of economic models) that do not have sufficient explanatory power. It means that we have to transform our vision about economic world in terms of new economic thinking.

Economic structure of the world in the context of modern ontological and epistemological dimensions is as follows:

1. The economic world (being).
2. The economic reality (existence).
3. The economic action.
4. The art of economics (economic policy).

Ontology and epistemology as fundamental philosophical categories and basic methodological requirements are considered from the perspective of postmodern theory, focusing primarily on the fundamental ontology of M. Heidegger and the latest trends in epistemology, represented by M. Westphal, J. Pollock and others [3.1; 3.2; 3.3; 3.4].

Thinking about the relationships between being and existence (*Dasein*), M. Heidegger called «Dasein» as being in the always already existent world and wrote that Dasein is Being-in-the-world; and this in turn has care as its even more primordial state of Being (ahead of itself – Being already in a world – as Being alongside entities within-the-world) [4, p. 412]. Existence (Dasein, Being-already-in-the-World) serves as a measure, goal and implementation of being. The economic world, economic reality and economic action in some way are correlated with the relevant categories of social science, in particular, such as the social world, the social reality and social action that are reflected in the works of Yu. Kachanov [5, pp. 25–41].

Characteristic features of the economic world as a part of the universe, or its ontological properties, are unity, integrity, natural predetermination, harmony, globality, inclusiveness, infinity, and transcendence. Transcendence is treated in this case not in the traditional sense as the impossibility to know the world but «a set of assumptions of the classical theory of scientific knowledge, which involves belief in the existence

of some indisputable axioms». [6, p. 20]. «The economic world, – said famous Finnish methodologist of economics Uskali Mäki, – consists of those parts or aspects of the world that are separated as components of the subject of the economy. We can think of the economic world that it differs from other worlds (the physical world, the biological world, the world of aesthetics) on the basis it consists of specific objects or properties» [7, p. 4].

Epistemology of the economic world, that is, knowledge of its nature, content and structure, are considered in philosophy (metaphysics) and the philosophy of economics.

Ontology of economic reality (that exists) is based on the underlying structure, strength, mechanisms and tendencies that determine the contents and forms of manifestation in daily activities. M. Heidegger defines existence as «objectified nature, equipped culture, customized policies and ideals» [3.1, p. 252].

Making parallels with the social sphere with a social reality as «a set of framework conditions in which researchers structure the social world» [5, p. 37], it becomes clear that a study of the economic reality is a way of the economic world structurization.

Outward phenomena of economic reality are the resource one, which includes natural, human, technological, financial components, and institutional one encompassing values, an anthropological component, and ethics. O. Ananin believes that the paintings of economic reality reflect three basic ontologies: productive, behavioral and institutional ones [8, pp. 46–47]. The point is that these components have epistemological access on the methodological level of economics itself. Epistemological realism argues that economic reality is objectively existing structure (although to some extent it depends on the mind, or conscience), and economic theories, though partially unfinished, are able to properly reflect some important aspects of reality [9, p. 427]. On the other hand, in the epistemological and generally philosophical sense the reality is identified with truth, they are treated as synonyms [1.3, p. 311].

Natural resources such as economic reality, are usually characterized by exhaustion and are relatively limited, although in the context of the economic world universe is infinite, and matter and energy do not disappear, but are merely transformed into other forms. Human resources have their natural limits, which on the one hand provide economic growth, but on the other – make a significant pressure on the environment, which put on the agenda the problem of demographic processes regulation. And now remain relevant I. Franko's words: «who says «progress», says two things in one breath. One that alters everything and nothing stands still, and the second – the second is not so apparent, and is rather a question than a statement: whether it has been changing for the better, or for worse?» [10, p. 445].

Nowadays the population of the world is witnessing an anthropological and mental diversity, while globalization creates a tendency towards homogenization and unification of living standards, behavior, needs, and interests etc. Technology resources possess such features as inexhaustibility, nature-and-human similitude, aggressiveness, human phobia etc. In the financial sector, as a result of stunning growth of financial transactions and their disengaging from the real economic processes, there have been forming «intangible» assets, and processes of deontologization take place [11, p. 151]. Institutional ontology of real economic world is based on civilizational, ethnic, personal values. International (global) norms and standards produced by the UN system and its economic

and financial departments, regional integration rules and regimes that are mandatory for participants in integration associations, became also important. Institutional structures are complemented by anthropological dimensions of psychoneurology, economic necessity, economic freedom and ethics: ethics of wealth, capital accumulation, labor ethics, social ethics, environmental ethics.

Epistemological structure of economic reality contains following components:

1) Genesis and adequacy of knowledge about economic reality (fragmented, diffused knowledge).

2) Methodology: a) scientific rationalism; b) monism.

3) Economic theory, economic history: a) the global economy, the global economic equilibrium; b) microeconomics; c) macroeconomics.

4) Tools: a) qualitative methods; b) quantitative methods.

We define the economic action as a functioning economic reality in the processes of production, exchange, consumption, and so on. That is, in the economic reality resources and institutions are involved in a broad socio-economic structures, ranging from households to macroeconomic, transnational and global economic structures. «The action, — said M. Heidegger, — is the scope of the effective, what works. What does it mean «to act»? «Act» means «to do» [3.1, p. 333].

Ontology of economic action unfolds in the following components:

a) Globalized economy, wavy development.

b) Economic areas of various qualities: advanced economies (first tier); transition economies (second tier); developing countries (third tier).

c) Convergence — divergence.

d) Functioning economic systems (models): civilization and regional (Anglo-Saxon, Rhine, Southern European, Scandinavian, Islamic, Confucian, Southeast Asian etc.).

Epistemology reflect economic action:

a) Theoretical concepts, doctrines of: New classics; Post-Keynesian Economics (New Keynesians); Neo-institutionalism; Heterodoxy; Marxism; Islamism; Feminism.

b) Methodology: Rational monism; Paradigmatic background; Scientific discourse; Interdisciplinary; Analytical Approach; Systems Analysis; Actor-oriented methodology.

Ontological and epistemological aspects of the arts of economy (politics) are similar to the relevant categories of economic reality and economic action.

The main methods of the arts of economy are monetary: currency, financial and fiscal (taxes, fees, customs duties, excise duties etc.). Tools of applied (engineering) methodology are primarily the quantitative ones (econometrics, statistics, and mathematical methods).

Modern epistemological interpretation of economic ontology, on the one hand, is an attempt to reflect in the same system a reality and economic being and the art of economics, which by definition are multilevel and of various qualities. In this context, knowledge of the economic sphere becomes of chaotic and syncretic character. On the other hand, the epistemological differentiation, heterogeneity of economic reality and especially economic being as coherent and relatively independent systems, suggests that modern economic science has not yet acquired the status of a universal knowledge of its object and purpose. The current conceptual trends reflect only the other side of the real economy without revealing its full picture.

It is possible to overcome this diversity and discord in two scenarios. The first scenario is the synthesis of the major conceptual approaches and modern research schools, which is extremely problematic. The second scenario involves a fundamental change in the ontology of a scientific paradigm, bringing it to the global level, which is the dialectical removing all the lower levels of the economic system. Global discourse and global economic knowledge correlate with the laws of the universe, which integral part is the economic world. We do not mean the identification of physical and economic worlds, but refer to the presence of physical unity of the world, as evidenced and proved by physical and philosophical sciences, and the logical conclusion about the economic unity of the world, which (unity), unfortunately, at the level of economic reality and especially at the level of economic being is heterogeneous, fragmented and dissected. Global economic paradigm obviously has to be based on the principles of postmodernism, key positions of which are overcoming of traditional methodological culture of modernity, narrowly substantial and substrate dimensions, harsh determinism, totalitarian narratives etc. Global economic paradigm can explain the economic universe through disclosure, content and patterns of economic reality, the economic being and the arts of economy. Hierarchical, multi-level nature of this paradigm is fully correlated with the methodological principles of synergy, systematic, analytical and actor-oriented approaches. The most complete and full disclosure and explanation of the economic world can be achieved on a philosophical level of scientific methodology. The doctrine about the economic life in a context of the basic metaphysical position is a cornerstone of economic analysis in the world.

The economic reality is the subject of general scientific methodology based on the application of the principles of synergy, world-systems analysis, interdisciplinary research. Interdisciplinary approach is a methodology of modern science, when combining of achievements of many disciplines provides a fundamental breakthrough. Epistemological arsenal of economic reality study is based on methodological principles of classical economics, enriched by methodological tools of postmodernism, a mix of qualitative and quantitative methods of economic analysis. Art of the economy (economic policy) is built on a basis of either the explanatory methodology or applied (engineering) methodology [12, pp. 57–65], with its precise tools of statistics, econometrics, mathematics, on the other hand.

So, the above mentioned approach, on the one hand, considers the economic world as an ontological area with appropriate epistemological systems in terms of Popperian «Third World». On the other hand, economic world is divided into three interrelationship parts: economic reality, economic action and art of economics. It means that the economic world (economic being) has to explain philosophy, and philosophy of economics. Economic reality (existence) is a subject of philosophy of economics as well, and related to general methodology (interdisciplinary, systems analysis, and synergy). It is natural that economic theory and economic history add a full picture to economic reality. It is priority for social-economic practice to understand how the economy works and which of the existing economic schools explains more adequately it in terms of a paradigm or a mainstream. This is a key issues of economic action, of practical economic life. Finally, concerning arts of economics in context of Keynesian understanding good economist is like a good dentist. In this case the better tools are the instruments of engineering methodology, abstracting of other methodological levels.

- 1.1. Philosophy of Economics. An Anthology. Ed. by D. Hausman. Translated from English. — M., 2012 (rush.); 1.2. *Boumans M.* Economic Methodology. Understanding Economics as a Science / M. Boumans, J.B. Davis. — N. Y., 2010; 1.3. Dewey, Pragmatism, and Economic Methodology. Ed. by E.L. Khalil.— L. & N. Y., 2004; 1.4. *Hoffmann T.S.* Wirtschaftsphilosophie. Ansätze und Perspektiven von der Antike bis heute / T.S. Hoffmann. — Wiesbaden, 2009; 1.5. *Jespersen J.* Macroeconomic Methodology. A Post-Keynesian Perspective / J. Jespersen. — Cheltenham, 2009; 1.6. The Oxford Handbook of Philosophy of Economics. Ed. by H. Kincaid & D.Ross. — Oxford University Press, 2009; 2. *Lawson T.* What Has Realism Got to Do with it? / T. Lawson // The Philosophy of Economics. An Anthology. Third Edition. Ed. by D.M. Hausman. — Cambridge University Press, 2008; 3.1. *Heidegger M.* Time and Being / M. Heidegger // Articles ad Reports. Translated from German. — St-Petersburg, 2007 (rush.); 3.2 *Heidegger M.* What is called thinking? / M. Heidegger // Translated from German. — M., 2007 (rush.); 3.3 Enzyklopädie Philosophie und Wissenschaftstheorie. Band 2: C-F. — Stuttgart — Weimar, 2005. — S. 586—587; 3.4 The Blackwell Guide to Epistemology. Ed. by J. Greco & E. Sosa. — Carlton, Victoria, 2006; 4. *Heidegger M.* Nietzsche / M. Heidegger // Vol. I. Translated from German. — St.-Petersburg, 2006 (rush.); 5. *Kachanov Yu.L.* Beginning of Sociology / Yu.L. Kachanov. — St.-Petersburg, 1999 (rush.); 6. *Otreshko N.B.* The Transformation of the Epistemological Foundations of Sociology: the Subject, the Method of Learning, the Picture of the Social World. — Kyiv, 2009 (rush.); 7. *Mäki U.* The Economic World View: Studies in the Ontology of Economics / U. Mäki. — Cambridge University Press, 2001; 8. *Ananin O.I.* The Structure of Economic and Theoretical Knowledge: a Methodological Analysis / O.I. Ananin. — M., 2005 (rush.); 9. Philosophy of Economics. An Anthology. Ed. by D. Hausman. Translated from English. — M., 2012 (rush.); 10. *Franko I.* What is Progress? Cit. by: Rizhak L. Philosophy as a Reflection of the Spirit. — Lviv, 2009 (ukr.); 11. Journal of Economic Methodology. Vol. 20. — June 2013. — № 2.; 12. *Colander D.* The systemic failure of economic methodologists // The Journal of Economic Methodology. Vol. 20. — March 2013. — № 1. — P. 57—65.