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Heilbroner’s worldly philosophy

See also:
colonialism and imperialism; classic texts; core-periphery analysis; cycles and trends in the world capitalist economy; global crisis of world capitalism; global liberalism; regulation approach

Selected references

Heilbroner’s worldly philosophy

“Worldly philosophy” is a term that has origins in Robert L. Heilbroner’s famous book, *The Worldly Philosophers* first published in 1952. This work is an account of the “lives and ideas of the great economic thinkers written while he was still a graduate student at the New School for Social Research. Over the years, however, the term has come to be also associated with Heilbroner’s own thought, itself inseparably intertwined with both his interpretation of the history of economic thought and his vision and analysis of capitalism.

This 1952 work marks the beginnings of Heilbroner’s public expressions of skepticism regarding mainstream economics. He is concerned with its unacceptable and damaging ahistorical, uncritical, overly formalist, methodological individualist, and positivist character. At the same time, he expresses a hope that refined *political economy* might provide a framework for a greater understanding of the deep structures of contemporary capitalism. Such an approach could serve as the basis for constructive socioeconomic and political change.

Early work

Heilbroner’s early work dealt with the dramatic scenarios of classical political economy, especially the work of Adam Smith, David Ricardo, Thomas Malthus, Karl Marx and John Stuart Mill, as well as Joseph Schumpeter, Thorstein Veblen and John Maynard Keynes, who are viewed as continuing the classical tradition of treating the economy as being historically and institutionally situated. The classical scenarios depicted the almost

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Values and hierarchies

Heilbroner approached the study of the economy with a focus on ideologies and psychologies of exchange. He adopted Habermas’s notion of the post-Schumpeterian society as cleansing the model of the early ideolo
Inexorable movement of the capitalist economic system, with its “laws of motion,” systematic tendencies leading to some predetermined destination. Underlying the system’s movement were a variety of factors, both economic and non-economic. In other words, the trajectory of the system was inseparable from both (a) the wider sociopolitical context within which the economy is situated, and (b) the subjective drives and behavioral tendencies of historical agents, which both shape and are shaped by changing socioeconomic and political structures.

Marx’s analysis of capitalism is seen as being thoroughly in this tradition, but his vision of socialism as a possible alternative system represents a crucial break with the classics, concerned as it is with historical possibility. J.S. Mill is viewed as a transitional figure, insofar as his work illustrates a growing awareness of the possibility of human interference into the trajectory of the system, and thus a significant decrease in the determinacy of the trajectory. Large-scale structural and technological transformation, socioeconomic crises and the increasing presence of the state in economic affairs set the stage for Schumpeter, Veblen and Keynes, each with their own vision of the future toward which the system may be heading. Worldly philosophy, then, is very much a historical economics, in the sense of including economic history, the history of ideas and the mutual impact of material and ideological forces upon secular historical transformations.

Values and interpretation

Heilbroner’s initial fascination with the worldly philosophers’ prognoses led to his analyses of the economic, political, cultural and sociopsychological drives, motivations and propensities underlying production, distribution and exchange. In these investigations, Heilbroner adopted his own versions of Schumpeter’s notions of “vision” and “analysis.” Whereas for Schumpeter, “analysis” had a kind of “cleansing” effect, which prevented the necessarily ideological nature of the “pre-analytical cognitive act” from tainting the scientific endeavor, for Heilbroner economic theory is inescapably value laden. Biases are always present, at times lurking just beneath the surface but often emerging in the form of assumptions which determine the content of their analytical categories and the direction of their prognostications. All inquiry is necessarily interpretive. However, socioeconomic analysis is additionally complicated by the fact that the object of inquiry is human beings, who must interpret the world which they inhabit and interact with other human beings. Thus, the social inquirer operates in a context of multiple layers of interpretation, or what has been called the “double hermeneutic” (see Value Judgments and World Views).

More often, it is the failure to employ a self-reflective and critical approach, explicitly recognizing the sociopolitical underpinnings and implications of economic inquiry, that results in blind spots for the economist. The necessarily interpretative nature of economic inquiry means that the very object of inquiry cannot be taken to be self-evident. The “economy” is an abstraction from the social totality, and thus defining “the object” is a task which will influence the nature and direction of analysis. Heilbroner has long advocated “material provisioning” as the central problematic of the political economist: that is, providing the theoretical and empirical foundations for improving the material and cultural “lot” of human beings.

Is worldly philosophy still possible?

In recent years, Heilbroner has questioned whether, under contemporary circumstances, worldly philosophy is still possible. He believes that scenarios and visions do not lend themselves to formal analytical procedures. More importantly, he believes that the economic behaviors that set the system on its path have become less dependable, while political intervention has become more strategic. An instrumental approach, in Lowe’s sense, thus becomes more appropriate, with “blueprints depicting possible routes from present realities.
heterogeneous capital and labor

to desired destinations” replacing “scenarios depicting a future immanent in the present” (Heilbronner 1992: 381; see also Heilbroner 1994a; Heilbroner and Milberg 1995: 118ff; Lowe’s instrumental method). Despite his doubts, however, Heilbroner continues to express the hope that the “irrelevant scholasticism” of contemporary neoclassical economics (Heilbroner 1994b: 8) might be replaced with a reinvigorated political economy. Political economy may “perhaps be resurrected by a corps of dissenting economists,” employing a framework that “take[s] full cognizance of the sociopolitical realities of our time, whatever the difficulties they may pose for the construction of elegant models…. [A] rekindling of the tradition of political economy is within the realm of possibility. That would indeed be a happy ending to the teachings of the worldly philosophy” (Heilbronner 1996: 336).

Selected references


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heterogeneous capital and labor

It is often suggested that theorists in the tradition of Piero Sraffa (1960) are prone to insist on the heterogeneity of capital. If this statement is to provide a useful starting point for our discussion, it must first be noted that there is, of course, no need to insist on the real-world importance of heterogeneous capital goods, or indeed of different kinds of concrete labor. What needs to be insisted on is, rather, that this heterogeneity be adequately reflected in economic theory. The basic issue therefore is not whether economic theorists should account for heterogeneous capital goods or for different types of labor, but rather whether either of these can or must be aggregated, and if so, by which method(s) such an “aggregation” (or “reduction”) can or should be accomplished.

Aggregate capital

The problem of the “aggregation” of heterogeneous capital goods has been a major concern of both classical and (early) neoclassical economists alike. The very simple reason for this is that, in a capitalist economy with free competition, a uniform rate of profit on the value of capital must be obtained. Any theory of distribution, whether it is based on the neoclassical idea of relative scarcities of different factors of production or on the classical concept of a social surplus, is therefore confronted with the problem of somehow having to “aggregate” heterogeneous capital goods. In the SURPLUS APPROACH TO POLITICAL ECONOMY the general rate of profit is conceptions...