

The shortcut

„Political Economics has been, including in its theoretical formulation, something important in as far as (and only to that extent...) it has shown where exactly must the government find the truth principle of its own governmental policy.”

Michel Foucault

The temptation of ideological solutions to the problems of the economy has a cause: the economic is the most accessible goal of the politic. As long as politics is the pure management of power, it will do without the substance of control over people. So far no other formula for the efficient long-term control has been invented, other than that of the redistribution of wealth. This is how politics has become the acting universe through which the recipes for the access to resources are drawn, including the access to the final resource which is wealth.

It must be pointed out that it is not the fault of politics for exerting interference in the form of ideologies. In the end, any ideology is nothing – beyond resentments – but a shortcut for solving problems, cued to Alexander the Great's procedure involving the Gordian Knot.

In the absence of palpable results to impress in any area of activity, the pressure for the shortcut intervenes. The economy has – as an activity – numerous failures with regard to the expectations of people; everything seems too little, too slow, too flat, too short for too many, in a too persistent way, too differentiated and taking too long. Experiencing the failure must end! Resorting to taking the shortcut of ideologies seems natural because of the need of human motivation.

Yet still, the shortcut is failure in itself, the grand illusion of fulfillment, the numbing solution to progress. The market, for instance, this unifying hypothesis at the foundation of Economics, functions unperturbed in the absence of human sentiments. The human mechanisms of the market are implacable. The market would be the perfect regulator if it weren't for the results being invariably relativized by the human condition as too little, too slow, too flat, too short, and the human nature would not imagine structural abundance based on spatially and temporally limited expectations. The reconciliation between the rationality of the market and the humanity of expectations is the ambition of the ideologies. As it cannot be done concretely, it generates illusion for the implicated parties; the market self-regulates and eliminated failure, while the expectations are pushed into deviate side-ways of the type of generational sacrifice, revolutionary romanticism or salvation in the afterlife.

In spite of a persistent assumption, Economics is the most experimental science. Only that the instruments through which it experiments are not in accordance with its essence nor are they pursuing the objective-function of economic activity. The experiment is ideologically built, by

way of policies, and it cannot even be avoided as it could plainly be seen for the past three centuries, even the past two millennia if we accept the idea that the economy was – to the ancient Greeks – a problem solvable only within the fundamental framework of the human evolution and not that of the polis. After the economy turned into a ground where power is being distributed – meaning the moment in which wealth has become the public symbol of power (partially after The Renaissance and completely starting with The Enlightenment and the First Industrial Revolution) – ideologies have made the house rules in a cyclical way.

The balance between individual and social, laissez-faire and interventionism, regulation and deregulation, self-regulation and coordination, market and planning, monetarism and Keynesianism, public and private, homo oeconomicus and the natural man, national and global etc. constitutes the very history of the economy as an activity and as a science.

In fact Economics presents itself as an ideology, thus having many facets, opposed, somewhat divergent. With the exception of Microeconomics, which is a purely theoretical innovation and where non-ideological solutions are liable to prioritization, in the fields of Macroeconomics, Socioeconomics or Institutional Economics everything gets reduced to the ideology.

He who claims that the economy is not political does not understand why, for example, the central banks are lenders of last resort, why the orchestrator for coming out of crises or for spectacular leaps is the government, why the market is a centrifugal force to the peripheries and a centripetal force to wealth, why capital delocalizes production to areas with cheap labor force, why struggling banks are nationalized, why the mining industry's unions are being dispersed a.s.o.

It cannot be avoided, in the end, having the ideological vision in the construction of solutions to the problems of Economics as Macroeconomics and Socioeconomics.

The trick is to exercise the testing of the inevitably alternative solutions of policies and according to extra-economical contexts the most useful option to be selected. However, as long as wealth remains the expression of power and private property the fundament of liberty, ideology will continue to be the natural state of Economics. With epistemological rigor, that which can be seen is only Political Economics, as a reflex of the capacity of the economy of producing the strong symbol of power and the most efficient instrument of control as a function of politics.

Marin Dinu

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