

Silent Confusions

“In its explicative model on the functioning of the rational space called market, Economics lends itself to manipulation by the predominant ideological sensitivities, through the fact that it accepts a skewing of the role and the status of factors in the equation of wealth production.”

In Economics, assertions do not invariably call on the objective founding of the truth and on the empirical testing of hypotheses. The specificity of cognition in Economics presupposes the replacement of the experiment with the observation – throughout large data series – of the causes and the consequences of economic reality. However, it also presupposes something different, much harder for rational thought to accept: the admission of faith in explaining the way things work, as well as the acceptance of subjective forms of manifestation in the understanding of causality. The expectation, for instance, becomes a forger of attitudes. This cognitive constitution of a discrete nature, permissive to the fluid influences of what the economists have dubbed “the animal spirits”, provides the rationalist experimentalists with indubitable proof that Economics is not a mature science.

The most confusing sign for the non-orthodoxy of the model of intellectual knowledge with which Economics operates is offered by the assumption that the economic system built on the factorial preeminence of the capital has an immanent auto-corrective behavior. This vision, ubiquitous in the world of economists, seems to eliminate the specificity of economic phenomena – which obey stochastic causality – by instituting a superior determination, akin to the invisible hand, which is responsible for continuity. The most obvious form invoked as the reason for the self-regulating capacity of capitalist economic systems is the recurrence of profit and the diffusion of prosperity. But is the expectation for the infallibility of self-regulation a cognitive path, when there is an economic crisis? Or, in other words, is expectation – as a basis for the trust in auto-correction – a source for the acceptance of loss? Of course, there is also a corollary for the question, entirely avoided: which is the source for the correction?

The questions appear contentious, if we take as a guide the rarity of their being brought up in the debates concerning the consistency of economic theory, and scientifically useless when we observe that the answers are being charged with ideological perspectives. As they say, there is no place for doubt when the games are made by faith. The consequence of the acceptance, with regard to causality, of a different course for the intellectual understanding of economic phenomena obfuscates, pure and simple, the epistemic state of the body of economic knowledge.

The conceptual structuring of Economics in the perimeter defined by the procedures of the logic for validating the specific truth of the sciences of nature is not entirely possible. Essentially, Economics’ object is human behavior justified by yield;

a behavior which does not exclusively have objective causes. This fact certainly looks to be in contradiction with the perception that Economics deals with the state of rationality of human action. The puzzlement comes from the acceptance of a non-rational source for the state of rationality. This state is a characteristic of evolved markets, such as the financial ones, which make speculative bubbles appear and disappear.

By observing the human behavior's sources for the proportions between the rational and the non-rational, and the objectual and the subjectual such as they are in reality, Economics would not have a problem of logic, but an epistemological one: keeping as well the natural proportions in its conceptual architecture, ahead of all the proposed explicative models. Behavioral excesses are determined by the excesses of founding the understanding only on certain behavioral sources, discounting others of similar relevance. Highlighting only certain sources within explicative models generates phenomena of cognitive dissonance, with one thing being told by the theory and another being suggested by the theoretical good sense which stems for the spontaneous contact with reality.

In the end, the complication affects the status of Economics in a somber note with regard to the clarification of what the scientific character of economic knowledge is. Where the assumption of self-regulation having a power of law becomes essential in the construction of explanations, an abstraction from the subjectual essence of economic phenomena is being made. Thus, for instance, deciding in favor of the immanence of randamental effects translates into an elimination from the explicative model of the fundamental causes of a stochastic nature, which originate from subjective behavior. The epistemic result is in accordance with the rationalist visions, but in perfect contradiction with the object of economic knowledge.

The oddity arrives from the direction of a non-scientific need, whose purpose is to avoid the doubting of the social virtues of the economic systems, which generate order by resorting to a preminent, if not unique, principle. We are in fact talking about a logical inconsistency, the switching in the planes of reference from the economic (belonging to wealth production) to the societal (which manages power). In its explicative model on the functioning of the rational space called market, Economics lends itself to manipulation by the predominant ideological sensitivities, through the fact that it accepts a skewing of the role and the status of factors in the equation of wealth production. The effect is absurd, because systems which are at most antithetical (economy versus society, market versus state) are laid into an irreducible (antinomian) conflicting position. The absurdity starts with an ideological option in favor of either the capital factor, or the labor factor.

The way in which this is done is also absurd: a product of man (the capital and the societal system centered on it) is declared as the main cause of reality. The expectation for something to happen is an irrational request for inaction. Meaning that the human condition is to be emptied of content, without action it will no longer be in resonance with the human nature.

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Note: The authors are responsible for the content of their articles and for obtaining necessary permissions.

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Subscriptions distribution:
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Tel./Fax: 021/210.73.10; 021/210.63.07
021/210.63.08

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<http://www.icaap.org>
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www.econometeoreticasiaplicata.ro; www.ectap.ro

Reception of texts: economia.ta@edeconomica.com

ISSN 1841-8678 (Print)
ISSN 1844-0029 (Online)