

CRITICAL REALISM?



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An Important Philosophical ‘Disagreement’(?) in Toronto: Gilson, Lonergan & Anticipations of Critical Realism in Economics

❑ A convenient starting point is the volume on heterodox economics edited by **Phillip Armstrong** (2020) subtitled *Conversations with Key Thinkers*.

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❑ Armstrong interviewed the ‘key thinkers’, including **John Smithin** (2020) about two subjects, modern monetary theory (MMT) and **critical realism** (CR) as applied to economics. There are significant philosophical aspects to both.

❑ For the record, MMT recently came into prominence in the public policy debate in the USA, after being championed by several radical politicians. It is essentially the proposition that under flexible exchange rates (or with a fixed-but-adjustable exchange rate) a central government with its own ‘sovereign’ currency faces no binding financial constraints.

❑ However, this presentation will focus rather on CR, in particular.

[Armstrong P., ed. 2020. *Can Heterodox Economics Make a Difference? Conversations with Key Thinkers*, Cheltenham: Edward Elgar.]

[Smithin, J. 2020. Professor John Smithin. In *Can Heterodox Economics Make a Difference? Conversations with Key Thinkers*, ed. P. Armstrong, 440-51, Cheltenham: Edward Elgar.]

Critical Realism in Economics

- ❑ Critical realism, as applied to economics, has been championed by Prof. **Tony Lawson** of the University of Cambridge drawing on the earlier work of the philosopher **Roy Bhaskar**. It argues for an ‘ontological turn’ in economic methodology (that is, toward a realist social ontology). There should be less reliance on statistical induction that seeks evidence of ‘constant event conjunctions’.
- ❑ From the philosophical point of view the most significant aspect of CR is the qualifier ‘**critical**’. This indicates acceptance of all, or most, of the implications of the ‘**critique of knowledge**’, which was the product of the ‘high modern’ period in philosophy from **Descartes** in the 17th century down to **Kant** in the 18th. The vocabulary and presuppositions of CR tend to be Kantian in nature.
- ❑ Kant’s magnum opus was, of course, the *Critique of Pure Reason*.

[Kant E. 1781. *Critique of Pure Reason*. (Reprinted by St. Martin’s Press, NYC: 1963).]

[Lawson, T. 2003. *Reorienting Economics*. London: Routledge.]

[Lawson, T. 1997. *Economics and Reality*. London: Routledge.]

Realism *per totam viam*

□ D'Ansi Mendoza coined the above phrase as part of the subtitle of a 2012 PhD thesis. This work also canvassed a realist social ontology, but a realism which goes 'all the way'. That is, one which does not necessarily accept the (implicitly idealist) starting point of the critique of knowledge. Mendoza's work drew on sources such as Aristotle, Aquinas, Gilson, and Searle.

□ **Realism *per totam viam*** would not be a 'naïve' or 'direct' realism. Rather, it would be a 'methodical' or 'philosophical' realism. Some writers simply use the term '**non-critical realism**', and we have earlier also used the expression **metaphysical realism**.

□ The issues that separate it from CR are essentially those of **the philosophy of mind** (as that term is used today). The point is; what is it that we are conscious of, when we are indeed conscious?

□ The '**Moderns**' in philosophy tended to supposed that what we are directly conscious of, and all we are directly conscious of, is the contents of our own minds. Also, they used the term 'idea' in a blanket sense to cover all the contents of the mind. They did not (adequately) distinguish between the intellect and the senses. The opposite view is that in the case of ideas (properly so-called) it is always the idea's *object* of which we are directly conscious, *not* the idea itself. The **ideas** are not '**that which we apprehend**', but the '**means by which**' we apprehend the **object** (Adler 1985, 27).

[Adler, M.J. 1985. *Ten Philosophical Mistakes: Basic Errors in Modern Thought – How They Came About , Their Consequences and How to Avoid Them*. New York: Macmillan Publishing Company.]

[Mendoza Espana , D'A. .2012. *Three Essays on Money, Credit, and Philosophy: a Realist Approach per totam viam to Monetary Science*, Ph.D Thesis in Economics, York University, Toronto.]

Anticipations

□ The premise of this presentation is that the secular debates about CR, of the late 20th and early 21st centuries, were anticipated by Catholic scholars in the mid 20th century - including **Gilson** and **Lonergan**. All of the relevant philosophical issues the differences between a methodical realism and CR were fully discussed (if not agreed upon) in the debate about twentieth century neo-scholasticism.

□ API Associate **Sherman Balogh** has given a presentation specifically on Lonergan's self-proclaimed critical realist approach. This is now available on the API YouTube channel.

Balogh, S. 2021. The critical realism of Bernard Lonergan. Paper presented to the Aurora Philosophy Institute, April. www.theapi.ca

Canadian Studies?

- ❑ A significant interest of the API is in Canadian philosophy. Given our location in the GTA we have a particular interest in the intellectual scene in Toronto in the 1950s and 1960s, exemplified by such figures as the famous **Marshall McLuhan** ('the medium is the message'). Gilson and Lonergan were both part of that scene.
- ❑ **Etienne Gilson**, originally from France, was a founder, and later Director, of the **Pontifical Institute of Mediaeval Studies** (PIMS) at St. Michael's College, University of Toronto. He continued to have an affiliation with the College until 1968. (McLuhan was also on the faculty of St. Michael's.)
- ❑ **Bernard Lonergan** was from Buckingham, PQ, and eventually Professor at Regius College, another Catholic constituent college of the U of T, in 1947-53 and 1965-75.
- ❑ The *magna opera* of the two scholars were both largely composed/written in Toronto.

[Gilson, E. 1952. *Being and Some Philosophers: Second Edition* Toronto: PIMS.]

[Lonergan, B. 1957. *Insight: A Study of Human Understanding, (Collected Works, vol. 3, Toronto: U of T Press).*]

‘Get Your Retaliation in First’

❑ This is a long-standing maxim of professional footballers. *Cf.* the members of John Smithin’s favourite team Southampton FC in the late 1960s. Those were the glory days of the ‘**Alehouse Boys**’, as they were dubbed by a famous manager of Liverpool after his skillful side came up against the more robust play of SFC.

❑ How relevant is this slogan to the philosophy of Gilson and Lonergan? In the title of this presentation, we were careful to use the term ‘disagreement’ rather than ‘debate’. There was no direct debate. Gilson wrote *before* Lonergan, and also claimed that in principle all versions of critical realism are untenable, regardless of any novel future form they might take. He ‘got his retaliation in first’. According to **Wilhelmsen** (1986) the most that could be said was that:

A mark of the continuing importance of *Realisme thomiste* is that philosophers of this school* (**Coreth, Lonergan** and many more), feel compelled to write, whether implicitly or explicitly, with Gilson’s critique in mind [* *i.e.*, ‘Transcendental Thomism’].

❑ There is explicit commentary by Lonergan on **Kant, Gilson & Coreth**, in a paper ‘Metaphysics as horizon’, published in 1967. This is brief and does not seem decisive. The best course, therefore, is to separately evaluate the arguments of both authors on the merits.

[Lonergan B. 1967. *Metaphysics as horizon. Collected Writings, vol. 4, Toronto: U of T Press.*]
[Wilhelmsen, F.D. 1986. ‘Foreword’ to *Thomist Realism and the Critique of Knowledge* by Etienne Gilson, San Francisco: Ignatius Press.]

Gilson: ‘A Handbook for Beginning Realists’

❑ This was the subtitle of Gilson’s first book on the subject, *Methodical Realism*. In that book Gilson attacked the views of two critical realists of the Louvain school, **Cardinal Mercier** and **Monsignor Noel**, well-known in their day in the debate among neo-scholastics of the early 20th century).

❑ Gilson argued that realism was incompatible with the critical method, and that realism *per se* (Mendoza’s **realism per totam viam**) is its own method. To the extent that Mercier and Noel accommodated the critique of knowledge in their own thought it could not be considered realism, still less **‘realisme thomiste’**.

❑ The critique of knowledge is idealist in method, and starts with thought. This problems goes all the way back to **Descartes** (Gilson 1990, 12), who:

... was in intention a realist ... [but] ... an idealist in method.

❑ But this does not work. We cannot **‘proceed from thought to things’**. There is no bridge between them. (This is precisely the **‘problem of the bridge’**).

Beginning Realists ...

- ❑ Fundamentally, idealism postulates what we have previously called the **primacy of consciousness** rather the **primacy of existence** (or ‘**being**’).
- ❑ To a realist, putting the matter in Cartesian terms, it is not so much a question of ‘**I think therefore I am**’, but ‘**I am therefore I think**’. Hence the incompatibility.
- ❑ One criticism made of *Methodical Realism* was that the views of only a few critical realists were discussed. In his second book on the topic, *Thomist Realism and the Critique of Knowledge*, Gilson discussed the work of more contemporaries.
- ❑ He also argued, however, that this was not really *necessary*. What is at stake are fundamental philosophical principles, not the formulations of particular authors.
- ❑ There was no need to repeat the exercise each time a new version of critical realism is proposed. This applies both to Lonergan and the secular versions of CR.

[Gilson, E. 1990/1935. *Methodical Realism*. San Francisco: Ignatius Press.]

Gilson, E. 1983/1939. *Thomist Realism and the Critique of Knowledge*. San Francisco: Ignatius Press.]

Lonergan: Cognition Theory, Epistemology, Metaphysics

❑ Lonergan's Insight is a massive volume of 875 pages and is not easy to read. However **Peter Beer** (2009, 2020) has published a readable introduction to Lonergan's work.

❑ What is interesting is how Beer characterizes Lonergan's achievements. In order, Lonergan is said to have made contributions in (1) **cognition theory**, (2) **epistemology**, (3) **metaphysics**.

❑ This may provide the key to the Gilson/Lonergan impasse. Whatever the value of Lonergan's contribution to the 'special science' of cognition theory (and consensus here is highly positive), from the philosophical point of view this sequence is the wrong way round. It violates the **philosophical order**.

❑ The metaphysics must come first, specifically the fundamental choice between realism and idealism. The appropriate epistemology follows from that. Then, the epistemology may be applied to a particular 'special science', whatever that is.

[Beer, P. 2020. *An Introduction to Bernard Lonergan: Exploring Lonergan's Approach to the Great Philosophical Questions*, Glenn Waverley, Victoria, Australia: Sid Harta Publishers.]

Watching the Detectives'? (I)

❑ A device used by Beer to explain Lonergan's cognitional theory was to refer to the murder mystery, '**Dial M for Murder**', directed by **Alfred Hitchcock**. Chief Inspector Hubbard of Scotland Yard is called in to investigate the case of a woman who has killed an intruder to her apartment, apparently in self-defence. Then it seems that the intruder was a blackmailer with information about the woman's activities, and maybe she murdered him to cover this up. Finally, it is revealed that the whole thing was planned by the woman's husband, who has planted evidence expecting that she would be wrongly convicted and executed.

❑ Hubbard has to sort all this out, and ultimately **himself be convinced** that he has discovered the truth. This may be far from an accurate depiction of real-world police procedures, constraints, and motivations, but it is a good illustration of Lonergan's theory.

❑ Lonergan also mentions detective stories in the preface to his long book. He says that 'in the ideal detective story the reader is given all the clues but fails to spot the criminal'. The fictional detective, however, solves the mystery by a '**supervening act of understanding**'. This is what Lonergan means by **insight**, and sets out to explain.

❑ The key question is exactly how does this 'insight' come about? Is there any role for the '**transcendentals**'? If the philosophical order is maintained, presumably there would not need to be. The metaphysics would already be established. It would not be necessary to (try to) derive the metaphysics from the practical situation.

Watching the Detectives’? (II)

❑ These detective procedures seem closely to parallel what Lawson (in the works cited earlier) has called the **abductive** or **retroductive** method. (As opposed to pure deduction or statistical induction.)

❑ Under **realism *per totam viam***, rather than **critical realism**, it is important to note that much of this orientation remains. The former also canvasses **abduction/retroduction** as the correct empirical method.

❑ In many of the social sciences, including the monetary macroeconomics with which we started, realism implies that the ultimate goal of research is explanation rather than prediction or forecasting. **Reed Collis’s** (2018) recent PhD thesis provides a good exemplar of the correct method.



❑ However, this by no means suggests that there cannot be sensible policy advice in economics. Advice, that is, based on genuine knowledge - precisely the knowledge acquired by the abductive method.

❑ Recall Gilson’s quote that ‘**the greatest difference between the idealist and the realist is that the idealist thinks, whereas a realist knows**’.

[Collis, R. 2018. *Three Essays on Monetary Macroeconomics*. PhD thesis in Economics, York University, Toronto.]