

INVISIBLE IDEOLOGY OF MAINSTREAM ECONOMICS

THE "INVISIBLE HAND"

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Abstract: The purpose of this article is to show the ideological character of the "invisible hand," which is the cornerstone of the mainstream economics. The article discusses how the "invisible hand" acts as a cognitive metaphor in mainstream economics' adoption of its worldview, its scientific view, its research methodology, and its mathematical rationality, which are spread in society through the educational system and the media. According to the "invisible hand," the individuals' selfish interest automatically results in the improvement for society as a whole. The "invisible hand," therefore, focuses on individual behavior and recommends abstraction from the social consequences of individual behavior. This atomistic view, together with its attendant abstraction from society as a whole, constitutes the foundation of the ideological character of the "invisible hand." This is because it conceals the actual social consequences of what it supports.

Key words: mainstream economics; ideology; invisible hand; social detachment

1. Introduction

This article discusses the "invisible hand" as a cognitive metaphor in mainstream economics' adoption of worldview, scientific view, research methodology, and mathematical rationality, which are learned through education and the media. The "invisible hand" focuses on individual behavior and how it translates into

improvement for society as a whole. Therefore, the “invisible hand” as an ideology has an atomistic view but abstracts from the practical social problems.

The rest of the article is organized as follows. Section 2 defines ideology. Sections 3, 4, 5, 6, and 7, respectively, explain what is meant by the “invisible hand” in mainstream economics, and what worldview, what type of science, what research methodology, and what rationality are adopted by the application of the cognitive metaphor of “invisible hand.” Sections 8 and 9, respectively, show how the “invisible hand” ideology is spread out through the educational institutions and the media. Sections 10 and 11, respectively, discuss the nexus of “invisible hand” and the “invisible hand” in reality. Section 12 is the conclusion. The purpose of this article is not so much to generate a new piece of puzzle as it is to put the existing pieces of puzzle together to make sense of them.

2. Ideology

The term “ideology” has been used in the literature with four major different meanings (see Boudon 1989; Freeden 2003; Lukes 1990): (1) social¹ bond,² (2) road³ map,⁴ (3) domination⁵ instrument,⁶ and (4) ruling-class⁷ ideas.⁸ In this article, “ideology” refers not only to the ideas, concepts, images, theories, metaphors, and stories that mystify social reality and block social change but also to those programs of social reconstruction that mobilize people for social activism. The former actually acts as a political doctrine and as the hegemonic ideas in a given class or society. The latter refers to the hegemony that is a form of domination in the sphere of ideas, exemplified in the triumph and predominance of bourgeois ideology over feudal ideology.⁹

Some of the extant social theories mystify these social functions by defining ideology as political “isms” and thus divert attention from criticizing ideology and analyzing hegemonic ideas. Other social theories state that ideologies refer to the dominant ideas in a society and that these ideas are necessary to provide a social bond. Such theories naturalize ideology by taking ideology for granted and fail to analyze its distortions, its role as a mask for special interests, and its repressive functions.

Ideology is not solely determined by either the economy or pure consciousness. Emphasis has to be placed on both the material grounding of ideology and its important role in social life. There exists a relative autonomy of ideas in a complex reciprocal interaction of being and consciousness, and not a one-way causal determination. That is, there exists a dialectical relationship between being and consciousness, including both the interaction between ideas and social life and the relative autonomy of ideas. Ideologies should not be treated as empty fantasies or mere ideas. Dialectical materialism grasps philosophies and other ideological

systems as realities and treats them in practice as such. In fact, those who combat the dominant ideology by their intellectual action and ideological critique are involved in an important element of class struggle.

Ideology should be regarded as the dominant ideas of a given society, i.e., ideology as hegemony. Ideology as a project of social reconstruction can be turned into and institutionalized as instruments of domination. Theory of ideology reflects the formation of the ideology of a rising class, which is based on the generalization of the rise of bourgeois ideology as a weapon against feudalism and the rise of Marxism as a weapon against bourgeois society. The ruling class exercises power and maintains social control through two distinct methods of force and consent. Ideology wins consent for the social order, unifies the society, and is lived in everyday experience. A variety of cultural forms serve as instruments of ideological hegemony.

Hegemonic ideology attempts to legitimate the existing society, its institutions, and its way of life. It induces people to consent to their society and see its way of life as natural, good, and just. Ideology gains hegemony when it is widely accepted as describing the way things are, which acts as a powerful force for social cohesion and stability. Hegemonic ideology becomes the dominant, most widely shared belief that is incorporated in social practices and institutions. In this way, hegemonic ideology becomes part of everyday consciousness and serves as a means of indirect rule.

Ideologies are both descriptive and prescriptive. They describe entities in the world (such as the market, the state, the university) and prescribe certain attitudes or behavior toward them. They provide theories about the economy, state, and education that legitimate certain institutions and ideas and prescribe conformist acceptance. Ideologies are value-laden but have a rational core. Any society needs an ideology to serve as its social bond, by providing a shared set of ideas, images, and values. Hegemonic ideologies mask existing domination, inequality, and injustice. Hegemonic ideology attempts to define the limits of ideological discourse by setting the political agenda, by defining the issues and terms of debate, and by screening oppositional ideas.

Systematic and comprehensive dominant ideologies are produced by intellectuals whose aim is to perfect the illusions about their class. They construct ideologies that defend and legitimate the existing social system and combat oppositional ideologies. Revolutionary ideologies are constructed by revolutionary intellectuals whose aim is to attack the existing ideological and social system and to legitimate radical change. Therefore, one of the tasks of hegemonic intellectuals is to exclude oppositional ideas and intellectuals by either critique or suppression.

Hegemonic ideology takes effect through an ideological apparatus consisting of the family, school, church, media, workplace, and social group. These institutions

construct, strengthen, and perpetuate the hegemonic ideology by producing and reproducing ideologies of authority, hierarchy, and conformity. Thus, hegemonic ideology is institutionalized in practice, lived by people, and becomes part of their everyday consciousness. Hegemonic ideology portrays specific forms of consciousness and social intercourse as simple, natural, rational, universal, and eternal. Hegemonic ideology produces false consciousness by presenting private interests as public interests or by confusing partial interests with universal interests. Most ideologies tend to neglect to reflect and criticize their underlying assumptions.

In the culture industry, culture is increasingly transformed into a mode of domination. Through the culture industry, ideology becomes the reflection of what is, and the consciousness becomes increasingly ideological. Ideology turns masses to consumers and molds and constrains their state of consciousness. All that is not in agreement is censured and explicitly condemned, but conformism is inculcated. The dominant class uses the power of the culture industry to inculcate its ideology and restrict people's critical consciousness and individuality. Ideology produces a false consciousness by systematically hiding social contradictions and suppressing alternatives.

3. The "Invisible Hand" and Mainstream Economics

In mainstream economics, the "invisible hand" is linked to the laissez-faire economics approach.¹⁰ In laissez-faire economics, emphasis is placed on the importance of the free market, private property rights, and a limited government role in economic affairs. Primary players are the individual consumer, firm, and entrepreneur. The inalienable natural rights of individuals must be protected from private and public entities such as labor unions, churches, and the state. Free individuals can pursue their own political and economic interests, which in turn will improve the welfare of their society. Thus, the "invisible hand" translates the individuals' selfish interest into improvement for society as a whole.

Under such conditions, each individual tries to find the most lucrative employment for his capital. Although he acts based on his own advantage and not that of society, his action naturally and necessarily leads to the most advantageous outcome to society. Markets inherently tend toward the most socially beneficial equilibrium. Therefore, the state should not interfere with the self-regulating and efficient invisible hand of the market.

Freely operated international economic interactions are beneficial to all participants, i.e., they are positive-sum games, where a positive-sum game is a form of variable-sum game in which all participants gain. All states and individuals gain from open and free economic relationships, although they do not gain equally. Therefore, one should be less concerned with distributional issues

between rich vs poor or large vs small states. The international economic system performs most efficiently when it is based on the free-market price mechanism. This certainly concerns values such as liberty and efficiency. The ultimate goal of international economic activity is the achievement of the most efficient use of the world's scarce resources to maximize economic growth and prosperity. Therefore, one should primarily be concerned with aggregate outcomes and data such as the growth of gross domestic product, trade, foreign investment, and per capita income. Under free functioning of markets, all states gain, and therefore, absolute gains in the level of foreign trade and investment are more important than relative gains among states.

The argument in favor of free trade was originally based on the theory of absolute advantage. In an unregulated international economy, each state finds a productive niche based on absolute advantage. That is, each state benefits by specializing in those goods it produces most efficiently and trading them with other states. This entails an international division of labor. The theory of absolute advantage was subsequently strengthened by the theory of comparative advantage. That is, two countries would benefit from trade based on comparative advantage. This means that even if one country does not have absolute advantage in the production of any commodity, it should specialize in, produce, and export those commodities in which it has relative advantage (i.e., the least cost disadvantage). Later, the theory of comparative advantage was strengthened by adding a different, though less integrated, theory called social Darwinism to state that free market economies constitute the most civilized form of human competition in which the fittest would naturally rise to the top.

These theories support the idea that market is a self-regulating mechanism that leads to the equilibrium of supply and demand and the most efficient allocation of resources. Government interference with free competition and the natural efficiency of market mechanism inevitably leads to social stagnation, political corruption, and unresponsive state bureaucracies. Free markets require (1) privatization of government-run enterprises, (2) deregulation of the economy, (3) liberalization of trade and industry, (4) tax cuts, (5) control over inflation, (6) strict control on labor union, (7) minimization of public expenditures and social spending, (8) downsizing of government, (9) expansion of international markets, and (10) deregulation of international financial flows.

When the world becomes a single open marketplace, global trade not only enhances efficiency and economic growth but also enhances consumer satisfaction, distributing more products to more people at lower prices. Global investment creates jobs in host countries, and technological advances in conjunction with globalization reduce the burdens of human labor in many industries. Globalization also serves as the primary vehicle for economic development. In short, globalization

leads to unprecedented material prosperity around the world. During the transition to a globalized world, some classes and countries may struggle and some classes and countries may gain more than others. However, in the long run, substantial benefits accrue to all.

Politics and economics are separable and autonomous areas of activity. This is because free market produces aggregate social benefits, and therefore, governments should not interfere in domestic and international economic exchanges. The role of the government is to create an open environment in which individuals and private firms can freely express their economic preferences for the smooth functioning of markets. More specifically, the state should promote competition and free trade, should protect members of society from injustice or oppression, and should provide public goods and public institutions. Public goods include national defense and infrastructure, e.g., roads and railways that facilitate the transport of goods and people. Public goods are not provided by private individuals and groups on their own.

Less-developed countries face the same basic challenges that advanced industrial countries did during the 19th century. Less-developed countries can benefit from the advanced industrial countries' innovative technology and modern forms of organization. Less-developed countries can accomplish this by integration with the advanced industrial countries. In short, all states, including both advanced industrial countries and less developed countries, benefit from the growth of interdependence and globalization if they follow liberal policies.

Economic globalization involves interdependencies of national economies through trade, financial flows, and foreign direct investment by multinational firms. Thus, expanding economic activity forms the primary aspect of globalization and acts as the engine behind its rapid development.

Two major aspects of economic globalization are the internationalization of financial transactions and the changing nature of the production process. The increase in international capital flows is a favorable development because global savings and resources move to their most productive economic locations and financial markets impose necessary discipline on states. Furthermore, the significant level of globalization is eroding states' economic control. The other important aspect of globalization is the changing nature of global production. The manufacturing of a product value is added in several countries.

4. The "Invisible Hand" and Mainstream Economics' Worldview

The "invisible hand," as an ideology, acts as a cognitive metaphor in mainstream economics' adoption of its individualist worldview, according to which the properties of the aggregate are determined by the properties of its units, and

therefore, the focus is placed on individual units. That is, the application of the cognitive metaphor of “invisible hand” by mainstream economics leads to its adoption of the individualistic worldview that also encourages detachment from practical social problems.¹¹

The individualist worldview of mainstream economics is well reflected in the tradition of positivism. This assumes that the social world is concrete, meaning it can be identified, studied, and measured through approaches derived from the natural sciences. It is based on the belief that the positivist methods that have triumphed in natural sciences should prevail in social sciences, as well. This belief has become dominant in sociology and mainstream economics. The world of economics and finance is treated as a place of concrete reality, characterized by uniformities and regularities that can be understood and explained in terms of causes and effects. Given these assumptions, the individuals are regarded as taking on a passive role; their behavior is being determined by the economic environment.

It is pragmatic in orientation and is concerned to understand society so that the knowledge thus generated can be used in society. It is problem orientated in approach as it is concerned to provide practical solutions to practical problems.

It assumes that society has a concrete existence and follows certain order. These assumptions lead to the existence of an objective and value-free social science that can produce true explanatory and predictive knowledge of the reality “out there.” It assumes scientific theories can be assessed objectively by reference to empirical evidence. Scientists do not see any roles for themselves, within the phenomenon that they analyze, through the rigor and technique of the scientific method. It attributes independence to the observer from the observed, i.e., an ability to observe “what is” without affecting it. It assumes there are universal standards of science, which determine what constitutes an adequate explanation of what is observed. It assumes there are external rules and regulations governing the external world. The goal of scientists is to find the orders that prevail within that phenomenon.

It seeks to provide rational explanations of social affairs and generate regulative sociology. It assumes a continuing order, pattern, and coherence and tries to explain what is. It emphasizes the importance of understanding order, equilibrium, and stability in society and the way in which these can be maintained. It is concerned with the regulation and control of social affairs. It believes in social engineering as a basis for social reform.

The rationality that underlies its science is used to explain the rationality of society. Science provides the basis for structuring and ordering the social world, similar to the structure and order in the natural world. The methods of natural science are used to generate explanations of the social world. The use of mechanical

and biological analogies for modeling and understanding the social phenomena is particularly favored.

5. The “Invisible Hand” and Mainstream Economics’ View of Science

The “invisible hand,” as an ideology, acts as a cognitive metaphor in mainstream economics’ adoption of its scientific view, according to which incremental discoveries of objective truth add up to form the cumulative discovery of objective truth. That is, the application of the cognitive metaphor of “invisible hand” by mainstream economics leads to its adoption of the scientific view that also regards the properties of the aggregate are determined by the properties of its units.¹²

According to the mainstream economics’ scientific view, knowledge grows linearly as new data are added to the existing stock of research findings. Science must be both objective and truthful. However, when a theory becomes more truthful and has more explanatory power, the probability that its predictions become true gets smaller.

Progress in science satisfies the following two conditions. First, a new theory which constitutes a progress vis-à-vis another must be at variance with it. It must lead to some conflicting results. This reflects the revolutionary nature of progress in science. Second, progress in science must be conservative. A new theory must explain not only what is explained by all previous theories but also new phenomena.

A theory that fails must be discarded. This is the condition of falsifiability, as opposed to verifiability. A new theory is verifiable if

- (1) It is based on a new and unifying idea about observable relations;
- (2) It is testable, i.e., it has testable implications that have not been observed yet; and
- (3) It is successful in going through novel and severe tests, i.e., success in new predictions and difficulty in refutations.

The following is a comprehensive set of rules to judge the superiority of theory *B*, the new theory, over theory *A*, the old theory:

- (1) *B* is a more precise theory than *A*;
- (2) *B* explains more facts than *A*;
- (3) *B* explains facts in more detail than *A*;
- (4) *B* succeeds in more tests than *A*;
- (5) *B* implies more tests than *A*; and
- (6) *B* connects and unifies more facts than *A*.

In summary, science is the totality of facts, theories, and methods, which scientists have contributed to it, one element at a time. Scientific development is the gradual process of linearly adding these elements, singly and in combination, to the ever-growing stock of research finding that constitutes scientific knowledge.

6. The “Invisible Hand” and Mainstream Economics’ Methodology

The “invisible hand,” as an ideology, acts as a cognitive metaphor in mainstream economics’ adoption of its methodology, which has the following three features: (1) it is based on atomistic view, (2) it follows deductive logic, and (3) it abstracts from the situation being analyzed. That is, the application of the cognitive metaphor of “invisible hand” by mainstream economics leads to its adoption of the methodology that not only has an atomistic view and follows deductive logic but also abstracts from practical social problems.

The mainstream economic methodology supports an atomistic view with deductive logic and searches for generalizable, objective knowledge of rules and regularities of elements of the subject of study; requires research to be systematic, comparative, replicative observation and measurement; and, therefore, abstracts from the situation being analyzed. This leads to the divergence between research and practice.¹³ More important to the subject of this article, it leads to the separation of economics and financial theory from the social context.

The objectivist view of the social world, as a concrete structure, encourages an emphasis on studying the nature of relationships among the elements constituting the structure. Knowledge of the social world implies a need to understand the social structure, which gives rise to scientific methodology, which emphasizes the empirical analysis of concrete relationships in an external social world. It encourages an objective form of knowledge, which specifies the precise nature of laws, regularities, and relationships among phenomena measured in terms of social facts.

The scientific methodology, which is also used in natural sciences, is appropriate when the social world is viewed as a concrete structure. By analyzing large sets of data through sophisticated quantitative approaches, social scientists are, in effect, viewing the social world as a concrete structure, and human beings’ character formed by a deterministic set of forces. They believe the social world can be objectively measured, and they can reveal the nature of that world by examining lawful relations between elements, which, for the sake of accurate definition and measurement, have to be abstracted from their context.

The methodology traditionally favored in the study of social sciences is called scientific. It is based on its paradigmatic assumptions and therefore is committed to the method of observation.

The scientific methodology consists of the following five principal stages (see Morgan 1983, Chapters 3–6; 1985):

- (1) Observation,
- (2) Theory building,
- (3) Hypothesis: systematic doubt,
- (4) Experimental framework/design, and
- (5) Test: rejection, reformulation, or confirmation of the theory.

The scientific methodology begins with the observation of phenomenon. It is based on the idea that the researcher observes what is “out there.” Reality is the source of ideas, which is the basis for the development of theory. This is the process which is called theory building. The scientist makes sense of what is observed “out there” in the “real world.”

The theory often starts as a very broad idea, which is rather imprecise. In the next stage, the scientist comes up with a hypothesis, or a set of hypotheses, which translates the theory into a testable form.

A hypothesis should have the crucial property of being refutable, i.e., the possibility that it is untrue. In other words, the development of a hypothesis is based on “systematic doubt,” which is crucial for the scientific process. Without bringing doubt on research, it is not scientific. Scientists should try to refute, or disprove, their favored theory, perhaps not to reject it altogether, but to proceed in terms of a methodological process of rejection, reformulation, or confirmation of the theory.

The test of a hypothesis is based on the specification of the hypothesis in a testable form so that it can be refuted. The testing, based on systematic doubt, leads to the rejection or confirmation of the hypothesis. But, to be scientific, confirmation should not be sought, but should come through the process of attempting to reject. This process is an open one: when the hypothesis is not confirmed, it is reformulated, which, in turn, may lead to the reformulation of the theory. In other words, the results of the experiments may lead to the recommencement of the process.

The scientific methodology is an iterative process. It begins with stage 1, goes through the various steps to stage 5, and then goes back to stage 2 or 1. This is to obtain an improved understanding of the subject of study.

The model presented above represents a scientific methodology. Its aim is to generate ever-better descriptions and explanations of reality.

7. Invisible Hand and Mainstream Economics' Rationality

The “invisible hand,” as an ideology, acts as a cognitive metaphor in mainstream economics' adoption of its rationality that considers logic as the foundation of

mathematics and uses mathematics for logical abstraction. That is, the application of the cognitive metaphor of “invisible hand” by mainstream economics leads to its adoption of the mathematical rationality that also encourages abstraction and detachment from practical social problems.

The rationality of mainstream economics regards mathematics as a language, a universal instrument of representation (see Ewald 1996; Frege 1959; Hale 1999; Peressini 1999; Russell 1990; Urquhart 1999). The universe is mathematical in structure and behavior, and nature acts in accordance with general laws. Mathematics is a neutral medium into which all statements of each theory, and the statements of all theories, can be translated without modifying them. Mathematics, in this way, is devoid of content. That is, as a result of the conceptual neutrality of the methods and procedures of mathematical formalization, the objects of analysis are unaffected by their mathematical manipulation.

Mathematics is uniquely capable of interpreting theory with its ability to separate the rational from the vague intuitional, the essential from the inessential. It is the unique standard of logic, consistency, and proof. Once intuitions are formed, mathematical models can be constructed, which prove or disprove the logical consistency of the theory. Other languages are incapable of doing this because the operations of mathematics have an essential truth that other languages do not possess. Mathematics is more important than other languages in that it is uniquely capable of generating truth statements and that it has no impact on what is being thought and communicated. Mathematical statements are based on the necessity of arriving at conclusions as a result of following mathematical rules. Mathematics eliminates the noise by agreeing on the meaning of symbols that otherwise would vary from one use to another. That is, everyone agrees to recognize the same symbol.

The notion of mathematics as a special code is linked, in turn, to the twin pillars of traditional epistemology: empiricism and rationalism.

Empiricists consider mathematics as a universal instrument of representation. It is used as a tool to express the statements of a discourse, which already, always has an essential grasp on the real. It is the universal language by which statements about objects of different economic and social theories can all be expressed.

Theory is compared to the facts to examine its validity. The role of mathematics is to express the various intuitive statements of the theorist in a neutral language such that they can be measured against reality. This is based on the traditional subject–object dichotomy: the passive subject and the active object impressing itself on the knowing subject. The theorists know how the world works by observing it. They then translate the description into a model to check its consistency, its logical thoroughness, and so on. Mathematics merely represents, in a different language, that which was already present in the pre-mathematical intuition.

Rationalists consider logic as the foundation of mathematics and use mathematics for logical abstraction. Thus, the use of formal, mathematical methods is a necessary, although not sufficient, condition for arriving at scientific propositions. Mathematical models are conceived as abstract images or ideal representations of a complex reality. The process of theorizing is identified with the initial elaboration of, and deductive operations on, a set of mathematical models.

Here, the subject becomes the active participant in discovering knowledge by operating on the theoretical model of reality. In this sense, the logical structure of theory—not the correspondence of theory to the facts—becomes the privileged or absolute standard of the process of theorizing. Reality, in turn, is said to correspond to the rational order of thought. The laws that govern reality are deduced from the singular set of mathematical models in and through which the essence of reality can be grasped.

Both empiricists and rationalists conceive of mathematics as a neutral language and as the language singularly privileged over all others. They represent two sides of the same epistemological coin: although each reverses the order of proof of the other, both empiricism and rationalism presume the same fundamental terms and some form of correspondence between them. In this sense, they are variant forms of an essentialist conception of the process of theorizing. Both of them invoke an absolute epistemological standard to guarantee the singular, unique scientific production of knowledge.

8. The “Invisible Hand” Is Spread through the Institutions of Education

The “invisible hand” as a concept and as a cognitive metaphor is learned through mainstream institutions of education. However, in general, knowledge of theory conditions human beings’ beliefs, attitudes, and behavior. These, in turn, contribute to the formation of the qualities of the reality that the human beings accordingly construct. That is, in general, knowledge influences the formation of reality (see, e.g., Scholte 2000), and, in particular, knowledge of economics influences economic reality (see, e.g., Ardalan 2008; Austin and Wilcox 2007; Blendon et al. 1997; Caplan 2001; 2002; Fuchs et al. 1998; Hodgson 2009).

9. The “Invisible Hand” Is Spread through the Media

Media news in the process of reporting events influence them. Media news report more events than just those events that would not exist in the absence of media. Media news coverage alters many social situations by changing everyday life. Thus, media news watchers must learn how to critically watch the news, and media personnel must become aware of the news reporting process that not only

transforms events into news but also changes public conceptions of issues and problems. Thus, while media news may superficially acquaint people with some events, they help to shape the public consciousness and, therefore, the future of society.¹⁴

10. The Nexus of "Invisible Hand"

In contemporary social life, rational domination is the primary mode of organization (see, e.g., Held 1980). Neutrality, objectivity, and an observer who is not part of the phenomenon being studied provide the basis for the social order that replaces earlier forms of social organization, reflecting criteria like birth, class, ethnicity, and gender. Bureaucratic values replace traditional values and provide the foundation for certain elements of society to dominate others, through the control of the definitions of rationality.

Claims, perspectives, and philosophies are ideological if they conceal social contradictions in favor of a dominant class or group. For instance, they are ideological when they present overall social interests but conceal the interests of the ruling class, or when they present societal outcomes as natural but they are the result of particular social relations, or when they present the social situation as harmonious but it is conflict-ridden. Ideologies are not illusions but embodied in social relations. Ideologies often consist of packages of symbols, ideas, images, and theories through which people experience their relation to each other and the world. Ideologies mystify social relations or adequately reflect distorted ones. Therefore, the aim should be to expose contradictions between society's performance and legitimating ideologies.

11. The "Invisible Hand" in Reality

In reality, the "invisible hand" has established the globalization of global capitalism, which involves a significant range of trans-border activities in contemporary social life. Advances in technology, communications, and transportation are facilitating the globalization process at an unprecedented speed. The role of the multinational corporations, in the form of monopolies and oligopolies, in enhancing foreign direct investment, trade, and technology, as well as resource allocation and resource distribution is historically unsurpassed. The capitalist economic system is spreading throughout the globe. International economic organizations are becoming truly universal in membership. However, global capitalism has not affected all of the world's people in the same ways and to the same extent (see, e.g., Cohn 2005; Scholte 2000).

Global capitalism has disastrous consequences for economic security. Global capitalism is out of control and in chaos. Global financial markets put even the largest of fortunes at increasing risk. Wild fluctuations in foreign exchange rates, stock prices, and the values of other financial assets destroy livelihoods instantly. Global capital outflows bring even major national economies to the verge of complete collapse in a short period of time. Global finance burdens both small and large countries with debt and other economic crises. Global competition reduces flows of aid to poor developing countries. Global capitalism and development are antithetical. Globalization through economic restructuring reduces welfare provisions for vulnerable sectors of society. Global competition increases unemployment as companies relocate and downsize, and full employment is unattainable. Global competition among firms results in a “race to the bottom” of working conditions with disastrous consequences for the working class. In this world war of savage capitalism, governments and workforces do whatever is necessary to obtain and maintain the confidence of global markets.

12. Conclusion

This article has discussed the worldview, scientific view, research methodology, and mathematical rationality adopted by the cognitive metaphor of “invisible hand,” which are learned through mainstream education institutions and the media. Individuals can pursue their own political and economic interests, which in turn will improve the welfare of their society. Therefore, the “invisible hand” as an ideology has an atomistic view but abstracts from society as a whole.

Notes

1. For the general literature, see Barth (1976), Kennedy (1978), Lane (1962), Parsons (1951; 1959), and Sutton et al. (1956).
2. For the economics literature, see Amadae (2003), Backhouse (2010), Dobb (1973), Meek (1967), Melki (2011), Robinson (1962), Schumpeter (1949), and Soderbaum (2008).
3. For the general literature, see Berger and Luckmann (1966), Geertz (1973), and Ricoeur (1986).
4. For the economics literature, see Ayers (1967), Boulding (1969), Burke (2004), Colander (2005), Galbraith (1970), Katouzian (1980), Leroux (2004), Macfie (1963), Myrdal (1965), North (1992; 2005), Samuels (1979), and Ward (1972).
5. For the general literature, see Boggs (1976), Gramsci (1971), Kellner (1978), Korsch (1970), Lukacs (1971), and Mannheim (1936).
6. For the economics literature, see Di Ruzza and Halevi (2004), Foley (1975; 2004), Fullbrook (2004), Heilbroner (1973; 1988), Hoover (2003), Hunt and Schwartz (1972), Monsen (1963), and Nell (1972).
7. For the general literature, see Althusser (1984), Marx and Engels ([1970] 2004), Meszaros (1989), Parekh (1982), and Therborn (1980).
8. For the economics literature, see Bendix (1957), Fine (1980), Freeman and Kliman (2008), Gramm (1973), Lange (1963), and Sweezy (1970).

9. See Boggs (1976), Gramsci (1971), Korsch (1970), Lukacs (1971), and Mannheim (1936). This section is based on Kellner (1978).
10. For this literature, see Friedman (1962), Friedman and Friedman (1980), Fukuyama (1992), Hayek (1978), Naisbitt (1995), and Ohmae (1990; 1995). For an alternative view, see Sen (1995). This section is based on Cohn (2005), Scholte (2000), Steger (2002; 2003), and Wriston (1992).
11. This section is based on Burrell and Morgan (1979).
12. Much of the discussions that follow is based on Popper (1979) and Frankfurter and Philippatos (1992).
13. Mobley and Kuniansky's (1992) survey of practitioners in Finance supports their previous surveys in Marketing and Management Information Systems, i.e., divergence of research and practice. Note that, business schools, in general, do research within this same paradigm. This section is based on Ardalan (2008).
14. See, e.g., Elliott (1974), Epstein (1973), Gans (1974), and Hirsch and Newcomb (1987). This section is based on Altheide (1974).

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