ETZIONI'S "DEONTOLOGICAL PARADigm": A NEW DIRECTION
FOR SOCIAL ECONOMICS?

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Specialists in the subject are often embarrassed by the challenge -- just what is social economics? What is the differentiating characteristic which separates the social species from the wider genus? If social economics merely shifts the basic reference point for evaluating policy from the individual to society, then how if at all does social economics differ from standard general equilibrium welfare economics? And if social economics is not somehow concerned with the resource allocation problem, then what right has the discipline to identify itself as any kind of economics? Perhaps we in the ASE should grant that the name is a misnomer and admit what our critics have been thinking (even if too polite to say it out loud) for years -- i.e., that social economics is at best only bowlderized moral philosophy and at worst merely ideological cover for expanding the welfare state?

For the embarrassed social economist help is on the way. With his latest book -- The Moral Dimension: Towards a New Economics (The Free Press, 1988) -- Amitzi Etzioni shows us how we might overcome our identity crisis. In his challenging effort to generate a new "deontological paradigm," the author sketches out a threefold connection between neoclassical economics, a comprehensive moral framework, and public policy. If ASE members were to accept his challenge to join the effort to "expand, revise and elaborate" his "first cut" version of the new model (p. 16), we might be able to clarify our methodology, rediscover moral foundations, and gain the perspective required to guide further, fruitful research. The book is tendentious, difficult at points, tantalizingly elusive about key issues. For the serious student of social economics, it is also highly recommended by his reviewer.

Etzioni's line of argument can be conveniently introduced by considering his objections to the neoclassical paradigm. The latter is described as "reductionist." Such a model of human behavior postulates that each and every human act is driven by a single, unitary force -- the desire of the agent to maximize his personal, private "pleasure." With malicious glee the author recounts the persistent efforts -- "never mind the facts; full speed ahead" (p. 59) -- of economists and other social scientists to make such a simplistic assumption "explain" the observed facts. Do human beings on occasion appear to act as altruists rather than egoists? Such an "anomaly" can be readily fitted into the accepted paradigm by assuming interdependent utilities. When Mutt the rational egoist sets out to maximize his private pleasure, he
will do things like contribute to charity which makes Jeff happy. Religious belief sometimes seems to inhibit economic acquisitiveness. But such sublimation of egoisms only apparent. Ascetic practices for instance are undertaken because some individuals incorporate a "salvation motive," a desire for "afterlife consumption" into their utility function (Cf. the JPE article cited by Etzioni, p. 26). The good Catholics of Manila send children out to beg while those in Boston refuse to do so. The variation in conduct occurs not because of cross cultural differences in moral context, but because the price is right in the Philippines but not in the U.S. (p. 80f). Thus, according to the neoclassical paradigm, each and every decision -- to consume or not consume commodity X; to produce or not to produce commodity Y; to beget or not beget offspring (Becker's model of the family); to steal or not to steal (economics of crime) -- is produced by the agent's primal desire to maximize his selfish pleasure. Insisting that such "conceptual acrobatics" (p. 249) will not suffice to cover the inadequacies of the neoclassical model, Etzioni as a good deontologist then proceeds to do his duty for the sake of duty by providing a "first cut" version of an alternative paradigm.

According to the latter, there are two primary motivational factors rather than one at work in human conduct. Some actions are undertaken merely because the "enhance satisfaction" (p. 22) or provide pleasure for the agent. But there is also another kind of act -- designated as "moral" -- the performance of which "discharges moral commitments" or "evokes a value" (pp. 22, 95). These latter are performed not because they produce the sensation of pleasure, but because they allow the agent to experience a "sense of affirmation" (p. 23). Thus, "codetermination" operates in human conduct; "individually are simultaneously under the influence of two major factors -- their pleasure and their moral duty" (p. 63). The distinction between the two motive forces is said to be "irreducible" (pp. 67f). Moral commitment will not interchange with pleasure; to suppose that such substitution is possible would imply the mistaken assumption that behavior is directed toward a single "unitary goal" (p. 87). Moreover, the actor who trades off the evocation of moral value for pleasure will achieve, not the maximization of meta-utility predicted in the neoclassical model, but instead will be exposed to the experience of guilt. (pp. 71, 74).

Etzioni maintains that his deontological paradigm provides a more plausible explanation for human behavior than that provided by its "one dimensional" neoclassical alternative. For example, the neoclassical model assumes that "the decision to become a criminal is...no different from the decision to become a brick layer" (Rubin's words as quoted by Etzioni, p. 241) and concludes that variations in criminal activity reflect changes in the benefit/cost ratio of engaging in such behavior. Etzioni would claim, on the contrary, that "normative/affective (N/A)" factors -- the individual's