On the Logic of the Social Sciences.
By Jürgen Habermas, translated by Shierry Weber Nicholsen and Jerry A. Stark. Cambridge, Mass.: The MIT Press, 1988. *Pp. 220. $22.50.*

Jürgen Habermas is probably little known among economists outside those interested in either the philosophy of science or radical political economy. But Habermas is arguably the leading representative of Western Marxism and quite possibly the leading European social theorist independent of ideology. *On the Logic of the Social Sciences* is the long awaited translation of his review of the philosophy of the social sciences literature first published in 1967. Since the original publication of this work Habermas has shifted his focus from epistemological and methodological questions of a critical social theory toward a universal pragmatics and the development of a theory of communicative action. But *On the Logic of the Social Sciences* still contains much that is useful to those interested in the philosophy of the social sciences.

Habermas's style of presentation, however, must be admonished and admired simultaneously. Admonished because his mode of presentation is in the form of a continuous critique of the alternative positions. Habermas borrows bits of an argument here to criticize pieces of another argument there and somehow tries to reconcile contradictory projects in the end to develop his own alternative (what he refers to in this work as a "historically oriented functionalism"). It is difficult to figure out what exactly his position is as it emerges out of a grand synthesis of competing theories. On the other hand, Habermas's command of such a wide range of literature is to be admired. He is truly a unique scholar in this age of scientific specialization. In addition to discussing the literature on the philosophy of the social sciences from analytic-empirical models to philosophical hermeneutics, he discusses research in anthropology, sociology, history and psycho-analysis and how it is affected by the philosophical conversation. Habermas's project to reconstruct critical theory marks the return of *grand theory* to the social sciences. The benefits of confronting such a mind far outweigh the costs.

Section One (Chapters 1 and 2) surveys the arguments for a strict methodological dualism between the natural and the social sciences. Chapter 1 is a historical reconstruction of the argument pursued by the Neo-Kantians such as Dilthey and Rickert and later Max Weber. Readers interested in the methodology of the Austrian school should find this historical discussion—as well as the later discussion of Alfred Schutz—fascinating given the philosophical influence this school of thought had on the methodological writings of Ludwig von Mises.

Chapter 2 continues the discussion of methodological dualism and the relationship between theory construction and historical research. Habermas suggests that neither the strict dichotomy between theory and history nor the idea of the methodological unity between nomological and historical sciences is unproblematic. While he admits that past formulations of historically oriented sociology can not withstand the critique of historicism, Habermas begins his reformulation of a historically oriented critical theory.

Section Two (Chapters 3–5) is devoted to an examination of general theories of social action. Habermas begins this section with a defense of methodology and epistemology against those who argue that it is unnecessary for the practice of science. Methodology, he argues, establishes the norms of scientific research. It sets the standards and general objectives of research and thus, is indispensable. Methodological discourse is necessary for the assessment of what are good questions and what are good answers. Habermas's message rings true today and applies to those economic scholars, like Don McCloskey, who appear to suggest that we emphasize the rhetoric of economics to the exclusion of methodological and epistemological questions. Methodology is important in principle since it defines the norms of scientific research.

The section continues with detailed critiques of positivism, behaviorism and functionalism from an interpretive or hermeneutic perspective. In his critique of behaviorism, for example, Habermas points out that stimulus-response is derived from our preunderstanding of the life-world as articulated in ordinary language. Moreover, the scientific price we pay by reducing all action to measurable behavior, in terms of the loss of understanding man-in-the-world, is quite high. But, as Habermas adds, if we are not willing to pay that price we "will have to have recourse to general theories of intentional action, and . . . gain access to social facts through the understanding of meaning" [p. 74]. That, of course, requires the development of an alternative model of the philosophy of the social sciences than the analytic-empirical model of scientism.

Section Three (Chapters 6–8) presents the interpretive alternatives to the analytic-empirical philosophy of the social sciences: phenomenology (Husserl and Schutz), liguistic analysis (Wittgenstein) and hermeneutics (Gadamer). Section Four (Chapters 9 and 10) presents the limitations of these approaches and

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suggests how a critical social theory may be grounded in a historically oriented functionalism. Though I am not quite clear what exactly that means, Habermas seeks to reconstruct the emancipatory project of Western Marxism in light of developments within the philosophy of the social sciences. Habermas envisages a critical social theory that:

> In place of the desired end-state of a self-regulating system there appears the anticipated end-state of a formative process. A functionalism that is hermeneutically enlightened and historically oriented has as its aim not general theories in the sense of strict empirical science but a general interpretation : . . a historically oriented functionalism does not aim at technologically exploitable information. It is guided by an emancipatory cognitive interest that has reflection as its aim and demands enlightenment about its own formative process [pp. 187–88].

Besides the writing style, there are some other problems with the book for those interested in the philosophy of economics. There is no sustained treatment of economics. Habermas, for example, except for oblique references to theories of self-regulating systems, does not address the sociological tradition of the Scottish Moral Philosophers and the method of conjectural history developed by Ferguson, Smith and Hume. Even when he does deal directly with economics, such as the short treatment in Chapter 3, it contains fundamental misunderstandings about the nature of the *methodenstreit* between Schmoller and Menger. This is not just an economist's quibble, but affects Habermas's critique of Schutz's project which can not be understood apart of his attempt to grapple with the methodological writings of Weber and Mises and resolve some of the nagging issues remaining from the *methodenstreit* by way of the philosophical work of Henri Bergson and Edmund Husserl. Without understanding the economic theory project of the Austrian's, Schutz's demand for the "safeguarding the subjectivist domain" in social explanation will be misunderstood. Habermas understands the philosophy of Bergson and Husserl well enough, but he does not understand the social theory project of the Austrian school which Schutz was working within.

Nevertheless, this is an important work for economists to read and learn from. Habermas not only anticipated much of the criticism of positivism that would later become accepted by philosophers of the social sciences, but anticipated some of the problems with the counter-hegemony of modern hermeneutics. Even if the reader does not find Habermas's alternative program acceptable, the questions that are raised in this work are most stimulating and should generate continued research into the epistemological and methodological problems of the human sciences.

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