Revisiting Habermas's colonisation thesis: towards a communicative transformation of the theory of reification

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Doctoral thesis

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Revisiting Habermas’s Colonization Thesis: Towards a Communicative Transformation of the Theory of Reification

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Declaration

This is to certify that the work I am submitting is my own and has not been submitted for another degree, either at University College Cork or elsewhere. All external references and sources are clearly acknowledged and identified within the contents. I have read and understood the regulations of University College Cork concerning plagiarism.

Roderick Condon

May 2018
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Introduction

0.1 General Introduction

This dissertation begins with the assumption that the concept of neoliberalism in the critical social science literature today is an iconic embodiment of an empirical problem situation; ‘neoliberalism’ is an index of a substantive problem in the objective order of late capitalist societies. This problem crystallizes around a shift in the economy-society relationship from the late 1970s onwards towards, in extreme shorthand, the primacy of the economy to the detriment of society, or more directly “the return of capitalism” (Touraine, 2001). Since 2008, this neoliberal social order has been in a profound state of crisis and, as yet, no progressive movement towards deeper democratization, which could direct evolutionary potentials away from this model, can be seen to emerge (Crouch, 2011; Fraser, 2013; Mirowski, 2013; Streeck 2014). In this way, history is effectively blocked by a social order that maintains its legitimacy only latently, as if carried by false-consciousness.

The theoretical responses to this empirical problem situation are equally stricken with limitations, evoking a perverse complementarity relationship with the neoliberal order itself. In this regard, Marxist (Harvey, 2005), neo-Marxist (Crouch, 2011; Streeck, 2014; 2016), and Foucauldian (Brown, 2005; Foucault, 2008) positions spearhead the critique of neoliberalism today. In each, there is no critical-explanatory diagnosis of the contemporary situation conducted by way of the theory of society with a serious concern for social evolution. These theories are also not elaborated through the conceptual framework of contemporary social theory such that they may profit from its insights. Furthermore, and yet more importantly, these critical theories do not proceed by way of reconstructive explanatory critique. As a consequence, within the critique of neoliberalism there is no space afforded for

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1 I recognize that neoliberalism is an elusive concept in the contemporary social sciences (Flew, 2014) but do not wish to pursue it any further here. I am more concerned with the societal context of the conditions producing the concept than the genetic content of the concept itself.
2 In this regard, I follow Critical Theory’s methodological orientation as outlined by Strydom (2011a, p.151-164).
suppressed evolutionary potentials that, under more favorable societal circumstances, could be set free to transform the social order as a whole. Because of this, societal critique takes the form of a profoundly pessimistic and one-sided diagnosis of the ultimate and inexorable triumph of capitalism over democracy, in a power-saturated account of social order.

Yet, when we look towards contemporary Critical Theory, we find that despite the empirical problem situation befitting its primary research interest – the deformation of the historical process of the realization of reason – no critical-explanatory diagnosis of neoliberalism has been advanced by this tradition. This dissertation attempts to fill this lacuna.

In *The Theory of Communicative Action*\(^3\), Jürgen Habermas (1987; 1984) outlines a critical theory of society that – unrecognized amidst its many other achievements – provides the foundation for a critical theory of neoliberalism. The thesis of the colonization of the lifeworld suggests that the overextension of economic and administrative systems in late capitalist societies produces discernable reification pathologies. Affecting core domains of societal reproduction, these pathologies impinge upon the very fabric of social life and threaten its moral dissolution. Against the still pervasive core idea of neoliberalism – that late capitalist societies are best organized through the mechanism of the market – the colonization thesis therefore demonstrates that the prioritization of economy over society has deep and far reaching consequences for democracy. Habermas’s critique illustrates how monetary-steered coordination not only bypasses democratic communication, but also comes to undermine it.

However, over thirty years since its original publication, who now reads the *TCA* as a critical theory of society? While the contemporary moment befits its diagnosis more than ever, Habermas’s mature contribution to the critique of capitalism has been all but forgotten today.

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\(^3\) Abbreviated to TCA herein, with TCA1 and TCA2 denoting volume.
0.2 The Theory of Relinguistification

This dissertation is a study in social theory. In what follows, I revisit Habermas’s colonization thesis in order to expand its account theoretically, extend its diagnosis historically, and transform its critique communicatively. This theoretical work is conducted with a view towards outlining a critical theory of neoliberalism, entwined with an historical account of the neoliberal turn. Such a theory has not yet been advanced in the literature, with macro social theory in general not brought to bear on the critique of neoliberalism in the English-speaking world.

The critical reconstruction of the colonization thesis herein culminates in the theory of relinguistification. Within Habermas’s two-level scheme, this theory both accounts for how the economic system is anchored within the lifeworld, as well as how it infringes upon symbolic reproduction and ultimately blocks democratization. Pushing Habermas’s thesis to its logical conclusion, relinguistification describes the substantive form assumed by the systemic colonization of the lifeworld in terms of systematically distorted communication. As a communicative transformation of the theory of reification, this entirely original theory provides a renewed basis for reconsidering Critical Theory’s problem of false-consciousness today.

The theory of relinguistification is advanced both to address shortcomings in Habermas’s original elaboration of the colonization thesis (explored below), and to advance that thesis in the light of societal changes since its original elaboration. In this regard, the colonization thesis in a certain sense anticipates the theory of relinguistification. Picking up where Habermas left off, relinguistification captures the effects of the colonization of the lifeworld, doing so in terms of systematically distorted communication. Going beyond Habermas, relinguistification explains these effects by way of the semantic deformations of linguistic communication produced by the interchanges between system and lifeworld. Reframing Habermas’s two-level scheme, these interchanges are perceived in terms of translation rules between two separate languages: one delinguistified and mediatized, the other linguistic and communicative. From this perspective, colonization as relinguistification concerns the translation of the delinguistified money medium into linguistic form such that
the semantic content of ordinary language is distorted. This has the effect of narrowing the space for the critical testing of validity claims and blocking thematization from within the structure of communication itself.

The theory of relinguistification then constitutes a critical theory of neoliberalism, with the latter perceived as a form of objectivating language that narrows the horizon of meaning to within a capitalistic register. Relinguistified language reifies the capitalist economic system and maintains the taken-for-grantedness of a functionalist rationality consistent with systemic reproduction. This has the effect of reframing moral-practical questions as technical ones, and blocking the thematization that is consistent with democratic will-formation.

The theoretical excurses undertaken herein draws upon Axel Honneth, Talcott Parsons, and Niklas Luhmann as interlocutors, such that they may speak together with regard to the economy and the economy-society relationship from within the Habermasian frame. The resulting reconstruction of the colonization thesis is therefore achieved through a novel synthesis of these major theorists. With this approach, I follow the example laid out by Habermas himself in the TCA, which in turn follows that of Parsons (1968a) in The Structure of Social Action. I understand this synthetic approach to be the one most conducive to theory building of disciplinary relevance and, therefore, critical importance. Contrary to the great scale of these successive leaps forward in social theory; however, the scope of the current research is strictly limited to a critical reconstruction of Habermas's colonization thesis as the theory of relinguistification.

There are essentially two stories being told in this dissertation, both of which are intricately intertwined. The first is an historical account of the emergence of the neoliberal social order from the previous postwar model. An expanded account of the colonization of the lifeworld, wherein system differentiation, cultural-structural rationalization, and class struggle are all within the frame, aids the development of this account. This historical thesis is, furthermore, elaborated through social theory, such that the theoretical excurses are enriched historically and the diagnosis of the
contemporary situation is enriched theoretically at one and the same time. The second story is a reconstruction of the colonization thesis as the theory of relinguistification. Emerging from the first, this story forms the primary contribution of the research. With the historical thesis concerned with the role of class struggle in determining the extent of colonization processes through the neoliberal turn, the theory of relinguistification is concerned with the effect of colonization processes on this class struggle itself. As such, the theory of relinguistification is concerned with how class struggle is disarmed, learning blocked, and democracy rendered subservient to capitalism. This addresses the issues indexed by the concept of neoliberalism.

Drawing from the contemporary empirical problem situation, the core normative motif of this dissertation concerns the implications of the economy-society relationship in a given historical epoch for collective learning and social evolution. This in mind, I understand the profit imperative of the capitalist economic system as a fundamental limitation in the design of the modern social formation, a limitation with which democracy must always contend. Owing to this imperative, this system inherently induces reification pathologies, which I in turn understand as a fundamental learning blockage for modern democracies. I then see each historical epoch of the social formation as normative orders exhibiting different solutions to these fundamental problems. Through historically specific economy-society relationships, these normative orders may therefore minimize or accentuate the negative effects of reification pathologies.

In this dissertation, I consider the postwar and neoliberal social orders from this perspective, and the historical transition between. Though by no means free of its own social pathologies, the postwar order developed a reasonably benign solution to the problem of capitalism by subjecting the economy to various social constraints in a project oriented by use-values. This minimized the negative effects of reification pathologies, enabling orientations towards deeper democratization to emerge. The neoliberal social order, by contrast, accentuates the problem of capitalism by absolving the economy of social constraints in a counter-project oriented by
exchange-values. This maximizes the negative effects of reification pathologies such that orientations towards deeper democratization are stifled, and existing democracy is eroded. The result is a deformed state of affairs in which a marked de-democratization is the most readily identifiable emergent socio-cultural movement today. In the spirit of Critical Theory, I advance the theory of relinguistification as a diagnosis of these disturbing times.

0.3 The TCA, the Colonization Thesis, and Contemporary Critical Theory

It is for this reason that I return to Habermas’s TCA. Habermas’s program of societal critique is animated by a concern for collective learning and social evolution, with the system-lifeworld scheme devised principally to explore the capitalism-democracy problem from this perspective. As well as today remaining his most expansive work on the theory of society, the TCA contains the theoretically most sophisticated critique of capitalism within the tradition of Critical Theory, indeed within contemporary social theory more generally. This is in large part owing to Habermas’s stereoscopic theoretical framework being composed chiefly to revisit Marx.

In the TCA, both capitalism and democracy feature, taking the form of competing types of societal integration posited at the macro level of organizational principles. With the system-lifeworld paradigm, Habermas renews Marx’s critique of capitalism on altered theoretical and empirical conditions. Within this conceptual framework, the theory of reification is reformulated in a sociologically sophisticated register in the thesis of the colonization of the lifeworld. This thesis diagnoses how the overextension of the functionalist rationality of the capitalist economic system, via mediatized forms of integration divorced of communicative contexts, comes to overstep and undermine the communicative organization of social life. When this rationality penetrates into realms central to the symbolic reproduction of society – the realms of cultural reproduction, social integration, and socialization – systemically induced pathologies ensue.
The colonization thesis, therefore, is a highly developed causal-explanatory account of capitalism overpowering and eroding democracy, elaborated by way of the theory of society. For this reason, Habermas’s theoretical framework is especially sociologically rigorous. This in mind, the colonization thesis is a fitting framework from which to advance a critical-explanatory diagnosis of the contemporary situation.

The elaboration of the TCA followed Habermas’s substantial efforts to reconstruct Marxism for Critical Theory, as well as his detailed studies developing general theories of communication, communicative competence and social evolution to serve as the normative foundations for a critical theory of society. These theories culminate in the concept of communicative action, which not only constitutes a radical expansion of sociological action theory, but also provides the normative foundations for critique in the model of communication free from distortion and oriented to attaining communicative agreement. The TCA, therefore, is the culmination of virtually all of Habermas’s work in the 1970s, as well as being formative for his mature phase afterwards. This makes the theory an especially well suited prism through which we can meaningfully refract various aspects of Habermas’s social theory. This is a particular draw for this study, in which I bring together aspects from the early and mature phases of Habermas’s thought in order to expand the colonization thesis.

The legacy of the TCA is not quite what it ought to be in contemporary Critical Theory, however. After this work, Habermas’s (1996) *Between Facts and Norms* set a turning point for the research tradition more generally, in which it moved away from the theory of society and began to occupy a distinctly normative register. This move coincided with a shift in research interest, such that Critical Theory now focused on theorizing democracy without reference to capitalism. While the focus

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4 Habermas (1973b; 1979).
5 *BFN* herein.
6 Streeck (2014) traces Critical Theory’s displacement of the concern with capitalism much further back to the Frankfurt School crisis theories of the late 1960s and early 1970s. This somewhat scathing
on democratic theorizing was a welcome and overdue expansion of the critical theory of society, the emphasis on normativity and processes of democratic will-formation examined in isolation from the principles of material reproduction and the pathologies associated with the capitalist economy was problematic for the program of societal critique. In this regard, it is ironic that coinciding almost exactly with the neoliberal turn in the objective order of Western societies, the problem of capitalism resinded from prominence in a tradition historically concerned with its critique.

Recently, we see contemporary Critical Theorists try to rectify this issue, reaching back to recover key concepts in the critique of capitalism. Most prominently, Axel Honneth has explored the theory of reification (Honneth, 2008) and the theory of ideology (Honneth, 2007) from the perspective of his own recognition paradigm. This theory of reification is posited at the micro level of inter-subjectivity, and in many ways compliments Habermas’s macro colonization thesis. The primary problem, however, is that this theory lacks the sociological sophistication of its forbearer; absent the framework of the theory of society, it is unclear how Honneth’s reified praxis links up with the macro trans-subjective entity of capitalism itself. Honneth’s (2014) recent “sociological turn” (Strydom, 2013) in Freedom’s Right offered the potential to rectify this issue in turning to the theory of society. However, this theory makes no effort to integrate the previous concepts of reification and ideology into its framework and, furthermore, elaborates no concept of capitalism whatsoever.7

Both Jütten’s (2011) and Scheuerman’s (2013) recent returns to the colonization thesis evidence how Habermas’s theory of reification retains critical-explanatory force today. These explorative studies fail to sophisticate the theoretical framework and deepen the critical diagnosis, however. Both accounts approach the colonization thesis from a philosophical rather than sociological perspective and, as such, both lack a serious engagement with the framework of the theory of society.

critique does a disservice to the critical orientation of Habermas’s social theory, however, particularly the TCA.

7 I explore this further in Chapter 1.
For the latter, one must look towards the sociological arm of contemporary Critical Theory as a research stream outside the mainstream circle that has been consistently pushing developments central to the program of societal critique initiated by Habermas. This orientation follows Habermas’s evolutionary and communication theory especially, and furthers it in a sophisticated sociological register. Included in this stream are Hauke Brunkhorst, Klaus Eder, Max Miller, and, in Ireland, Patrick O’Mahony and Piet Strydom. It is within this stream that I situate this dissertation.

While the TCA contains Habermas’s major statement in social theory it is also an incomplete project. In this regard, Habermas made it clear that his critical theory of society sets out a program to be carried forward, and was far from finished with regard to diagnosing the times. With this in mind, a lot has changed in the years since the colonization thesis was advanced. While Habermas’s thesis in some sense foresees the neoliberal turn, in more crucial respects it fails to truly diagnose it. It is on this basis that I undertake the reconstructive efforts herein, not only expanding on underdeveloped aspects of Habermas’s account, but also making it more applicable to changed historical circumstances.

Taking into account the varied criticisms raised, it is clear that Habermas’s original elaboration of the colonization thesis is not without significant shortcomings. These shortcomings, which will be elaborated in greater detail as the dissertation progresses, principally revolve around the following issues:

- The concept of a ‘norm-free’ economic system being apparently blind to normativity having any incursive structuring effect (Honneth, 2014);
- The concept of power as a steering medium on a par with money, despite salient differences (McCarthy, 1991), leading to confusion in the communicative interpretation of media theory;
- The elaboration of the concept of system by way of Parsons’s theory but intended to integrate that of Luhmann, leading to uncertainty in the system-lifeworld scheme;
- The account of the system as a fully autonomous entity with irresistible inner dynamics, such that the thesis of the colonization of the lifeworld attains an inevitability;
- The negative account of societal integration wherein the system steers and the lifeworld can only counter-steer, dispelling the constitutive role of political-ideological complexes and cultural values so central to the Parsonian account of social order (Alexander, 1991);
- The one-sided view of the colonization of the lifeworld, wherein the lifeworld itself is not subjected to critical scrutiny for having any role in colonization processes (pointed to by Berger’s (1991) critique);
- The description of colonization processes through a critically refracted functionalist differentiation thesis, such that the role of class struggle is removed from view (Joas 1990);
- The failure to describe the substantive form the colonization of the lifeworld assumes (Jutten, 2011), entwined with a failure to explore micro-sociological power relations in communication (Berger, 1991);
- The failure to link the colonization thesis with the earlier theory of systematically distorted communication, such that the critique of ideology could be maintained.8

The last point is especially pertinent with regard to the theory of relinguistification being advanced here. The problem of false-consciousness was central to first generation Critical Theorists and though Habermas (1970) reformulated this problem in the theory of systematically distorted communication, he failed to carry this into the theory of society advanced in the TCA. Both Celikates’s (2006) and Jaeggi’s (2009) consideration of the problem of false-consciousness and the program of ideology critique today attest to this being an important area for reconsideration. Beyond Critical Theory, system justification theory (Jost, et. al., 2007) is a contemporary research stream in social psychology that explicitly directs itself towards reformulating the theory of false-consciousness on altered theoretical

8 Bohmann (1990) identifies the issue of the critique of ideology being absent from Habermas’s frame.
assumptions. Additionally, the empirical problem situation of the continued reproduction of the crisis-stricken neoliberal order, with no tangible prospect of an emergent progressive alternative, urges us to reconsider the general idea of this theory today. The theory of re-linguistification takes up this task, drawing on the colonization thesis as an explanatory scheme for the theory of false-consciousness situated within the frame of a communicative theory of society.

0.4 Social Evolution and the Colonization Thesis

As the basis of the argument herein, I give the colonization thesis a specific evolutionary interpretation from the perspective of Marx’s model of historical materialism. This model remains central to evolutionary social theory today, with the foremost positions in the field (Habermas, 1979; Eder, 1983; Brunkhorst, 2014) all drawing from its basic contours. The major contribution of historical materialism lies in a stereoscopic framework that attempts to take into account and relate two dimensions of the evolutionary process: the social and the cultural (Klüver, 2002, p.50-2). Habermas, of course, recognizes this insight and integrates it into the system-lifeworld scheme. In addition to this, the Marxian approach is then concerned with the interdependencies between both sides of the evolutionary process. No other theoretical approach “is as complete in this crucial aspect” (Klüver, 2002, p.51). For this reason, the general logic of historical materialism still has much to impart today.

Marx’s (1982; 1998) theory of evolution, sketched in The German Ideology and A Contribution to the Critique of Political Economy, is diagrammatically represented in
Figure 0.1 above. This theory suggests that the mode of production constitutes the economic base of a society, the societal level of analysis. This base is in turn subdivided between the forces and relations of production, the former constituting the prevailing technology and the latter the structure of social interactions, both of which are assumed to be in a complex dialectical interrelationship. The economic base is then counterpoised to the cultural superstructure, with which it is also assumed to be in a dialectical interrelationship. As well as the structural differentiation between base and superstructure, or society and culture, there is also a differentiation within the relations of production into political classes.

There are then two accounts of social change within this theory, historical and evolutionary, with the relations between both accounts being both unclear (Eder, 1983) and having no general consent (Habermas, 1979; Klüver, 2002). The first concerns collective learning processes associated with class struggle. These processes draw from all aspects in the above scheme but crystalize around transforming the relations of production. I refer to this dynamic as the level of history. The second concerns structural evolutionary adaptations to societal problems. In Marx’s theory, these adaptations concern problems in the appropriation of nature, and so take place via the forces of production. In a straightforward and orthodox reading, the Marxian model suggests that the level of development of the forces of production determines the relations of production in a given society, with this base in turn having a determining effect on the superstructure. I refer to this dynamics as the level of evolution.

In Habermas’s (1979) reconstruction of historical materialism he contests Marx’s problems in the appropriation of nature, vis-à-vis the forces of production, as the driver of societal evolutionary adaptations, and replaces these with problems of establishing a moral order. The determinacy in Habermas’s reconstruction, therefore, is the obverse of Marx’s, placing emphasis on cultural ideas in the superstructure. One problem in this account, according to Eder (1983), is that the question of how to relate class struggle to processes of structural evolution is
somewhat eliminated. In other words, the relation between the level of history and that of evolution is unclear. I will return to this briefly.

Though the Marxian concepts are in a certain sense antiquated, the conceptual scheme nonetheless maintains remarkable explanatory force today. This is especially apparent when it is run through Habermas’s developments in the TCA. In this regard, the system-lifeworld concept of society can initially be interpreted as a straightforward transposition of the base-superstructure dialectic onto altered theoretical assumptions. However, I suggest that when we examine this concept more closely and disentangle some of the confusion in its formulation, Habermas’s system-lifeworld more accurately transposes Marx’s forces and relations of production dialectic, while the base-superstructure dialectic is captured between the societal and cultural components of the lifeworld. This is consistent with Brunkhorst’s (2014, p.10) interpretation of Habermas’s framework, in which he suggests: “Habermas distinguishes system (basis) and lifeworld (superstructure), and furthermore, the material (basis) from the symbolic lifeworld (superstructure).” In the interpretation given here, Habermas’s thesis of the system decoupling from the lifeworld applies to the societal level of analysis, denoting media steered subsystems detaching from normative institutions. The lifeworld in this scheme includes both a societal and a cultural component. On this basis, I interpret Habermas’s conceptual framework by way of Marx’s theory of evolution as presented in Figure 0.2 below.

![Figure 0.2 Habermas’s Conceptual Framework vis-à-vis Marx’s Theory of Evolution](image)

With this interpretation, we can reconsider the colonization thesis and obtain a firmer understanding of its basic critique. From this perspective, I argue that
Habermas’s thesis of the colonization of the lifeworld is a Marxian empirical diagnosis that describes the obverse of his reconstruction of historical materialism under particular socio-cultural and historical circumstances. In other words, I argue that while Habermas’s evolutionary theory places emphasis on problems of establishing a moral order as the driver of societal evolution, the colonization thesis diagnoses capitalism as an interference and blockage to that evolutionary process. As such, the colonization thesis follows Marx’s model of evolution in which problems in the appropriation of nature, the concern of the forces of production, drive evolutionary adaptations.

This interpretation of the colonization thesis as one account of evolution is consistent with Brunkhorst’s (2014) distinction between evolutionary and revolutionary changes, the latter of which lead to new normative constraints to evolutionary adaptation. From this point of view, I suggest the colonization thesis describes how evolutionary processes in the capitalist economy come to undermine and block revolutionary movements for the application of new normative constraints. This in mind, the colonization thesis provides a conceptual scheme through which we may reconsider the problem of false-consciousness. I suggest that the colonization thesis applies to a society in which the economy has been given evolutionary primacy owing to a political-ideological project at the level of history. This economic primacy then comes to block learning processes by prioritizing system problems in the logic of collective action, such that class struggle is disarmed and history blocked (Eder, 1983, p.34). Contemporary technocratic neoliberalism is such a project.

0.5 Template of the Argument

The above framework (Figure 0.2), therefore, forms a conceptual template for the entire dissertation to follow. This framework aims to refine Habermas’s system-lifeworld scheme in both non-normative and normative directions, as well as expand the account of the lifeworld itself to analytically differentiate the societal and

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9 In Chapter 4, I reframe the colonization thesis via Parsons’s theory of the hierarchy of control in order to explicate its account of a capitalistic evolutionary logic. I then oppose this to a democratic evolutionary logic.
cultural components. Explicating and clarifying each aspect of the conceptual framework in turn paves the way for a full communicative transformation of the colonization thesis in the final chapter. This transformation makes the diagnosis of how class struggle is disarmed and history blocked theoretically rigorous in reframing colonization as relinguistification. The theory of relinguistification essentially reformulates the theory of false-consciousness in communication theory.

While I give a fuller overview of the chapters in the following section, a brief outline is instructive here to illustrate the logic of the argument as being woven through the above framework.

In Chapter 1, I use a comparison of Habermas and Honneth’s competing theories of the economy to first, defend the critical potentials of the system-lifeworld scheme, and second, illustrate the need for a stronger normative moment in the theory of the economy in particular. In Chapter 2, I explore Habermas’s media theory to first, highlight the confusion in the elaboration of his concept of system, and second, extrapolate the core of this concept in the idea of delinguistified communication. In Chapter 3, I use Luhmann’s account of the economy to clarify the system in Habermas’s two-level theory such that the non-normative aspect can be delineated with precision, while nonetheless being restricted in a normative account of the structure of the economy as a whole. I elaborate a two-level theory of the contemporary economy in turn, as a refinement of the system-lifeworld scheme. All of these moves serve to clarify the space of interchanges between system and lifeworld at the societal level, indicated by “Dialectic A” in Figure 0.2.

In Chapter 4, I turn to Parsons in a move to expand the account of the societal level, using the AGIL paradigm as a description of the primary institutional structures. Parsons’s account of a normatively integrated social system points the analysis beyond the non-normative dimension, in the direction of political-ideological complexes and cultural values at root of a social order. In Chapter 5, I then turn to examine modern culture and the intrinsic mediation problems emerging from the process of rationalization in this realm. Seeking a route to connect these mediation
problems at the cultural level with colonization processes at the societal level, I turn to political-ideologies as interpretive schemata at the intersection of society and culture and bound up with class struggle. All of these moves serve to clarify the space of interchanges between the societal and cultural components of the lifeworld, indicated by “Dialectic B” in Figure 0.2.

Through these combined efforts, I extend the colonization thesis significantly beyond its original rendering. Against Habermas’s formulation, I advance an expanded approach in which the aspects of system differentiation, cultural-structural rationalization, and class struggle are all within view. This provides the basis for a critical-explanatory historical account of the neoliberal turn. This historical thesis then leads into a communicative transformation of the colonization thesis in the theory of relinguistification. This theory provides a renewed basis for the problem of false-consciousness today.

In the above framework, class struggle can be seen as located at the societal level, the level of history, and involving both the material and ideal interests of the evolutionary dynamics of the capitalist economic system on one side, and the evolutionary dynamics of modern culture on the other. Reinterpreting the colonization thesis on this basis presents its diagnosis as an explication of the evolutionary logic of capitalism coming to dominate the evolutionary logic of democracy through a political-ideological project. From this perspective, I present the process of the colonization of the lifeworld as not inevitable, but rather determined through class struggle. Through the latter, the evolutionary logics of capitalism and democracy come to be combined in socio-culturally and historically specific normative orders. In this dissertation, I focus on the postwar and neoliberal social orders as two contrasting models and explore the transition between.

The colonization thesis approaches collective learning and social evolution negatively, however, diagnosing a state of affairs in which class struggle is disarmed by the intrusion of systemic rationality into the social and cultural realms of the lifeworld. In this regard, the aim of the expanded account that I seek to develop
here, an account in which system differentiation, cultural-structural rationalization and class struggle are all within view, is to explicate pathologies at each level and explore their causal relations. In other words, rather than examine colonization in isolation, as a pathology of system differentiation, I seek to relate this to two other moments in the pathologization of reason consistent with capitalism essentially blocking democracy. Through this approach, I aim to entwine the account of colonization processes at the societal level, with reification processes at the cultural level, both of which I understand as interlocking and mutually reinforcing in relinquaturalization at the level of communication. The latter denotes reifying language as a mechanism in the distortion of communication. In this regard, the thesis of relinquaturalization develops an account of blocked thematization within language as a form of false-consciousness that prevents deeper democratization and maintains repressive hegemony. A template for this expanded account of colonization is presented in Figure 0.3 below.

<table>
<thead>
<tr>
<th>Level of Analysis</th>
<th>Societal</th>
<th>Cultural</th>
<th>Communicative</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Process</strong></td>
<td>System Differentiation (Evolution)</td>
<td>Cultural-Structural Rationalization (Evolution)</td>
<td>Class Struggle (History)</td>
</tr>
<tr>
<td><strong>Pathology</strong></td>
<td>Colonization</td>
<td>Cultural Reification</td>
<td>Relinquaturalization</td>
</tr>
</tbody>
</table>

*Figure 0.3 Template for an Expanded Account of Colonization*

**0.6 The Chapters**

The core normative motif animating this dissertation concerns the implications of the economy-society relationship in a given historical epoch with regard to collective learning and social evolution. Extending from this motif, the sequence of the study follows two broad themes. The first half of the dissertation, chapters 1 to 3, is an excursus on theorizing the economy. A detailed sociological treatment of the economy is central to the study. In this discussion, I defend Habermas’s two-level perspective on the economy-society relationship, while expanding the scheme in both normative and non-normative directions. This refines the system-lifeworld concept significantly beyond its original formulation. The second half of the dissertation, chapters 3 to 6, examines the constitution of society more generally
from the perspective of the economy-within-society. In this discussion, I look
towards societal institutions and cultural structures such that political-ideological
complexes and cultural values can be brought into consideration. This shifts the
concern of the colonization thesis from the autonomous dynamics of the capitalist
economy to the normative-political projects shaping the institutional order of a
given historical epoch. These combined moves then facilitate a historical thesis,
carried through the contours of social theory, which focuses on the move from the
postwar to neoliberal social order. This thesis feeds into the theory of
relinguistification, which I then substantiate with a brief sketch in the conclusion.

In Chapter 1, I begin the study with an explorative account of Habermas and
Honneth’s theories of the economy in order to lay the foundations for the excursus
on theorizing the economy that directs the first three chapters. In this broader
context, Chapter 1 undertakes the first major move towards refining the system-
lifeworld scheme so that the colonization thesis can later be transformed. Given
that the comparative discussion in this chapter addresses the two competing
theories of the economy in contemporary Critical Theory the content also has
broader significance to the field.

I introduce Habermas’s theory in opposition to Honneth’s in order to defend
Habermas’s norm-free approach while nonetheless exposing it to insights in a
normative direction and noting its deficits in this regard. Associating Habermas’s
theory with a renewal of Marx, and Honneth’s with a renewal of Parsons, I identify
the merits of each approach in order to argue for some level of synthesis. Through
theoretically and substantively contextualized critical reflections in the second half
of the chapter, however, I reveal the weakness in Honneth’s account to be its
blindness to the specificities of the capitalistic form of the economy. With this
move, I champion Habermas’s theory on the basis of its consistency with the
Marxian critique of capitalism. Therein lies the continuing value of the system-
lifeworld scheme.
Having already identified it as a clear basis of separation between the theories of economy explored in Chapter 1, in Chapter 2 I turn to focus on Habermas’s media theory in detail. This chapter is aimed at obtaining a deeper understanding of Habermas’s norm-free economy and extrapolating its core. With this orientation, Chapter 2 undertakes the second major move towards refining the system-lifeworld scheme.

I provide an account of Habermas’s critical reworking of Parson’s media theory in which I explore how Habermas arrives at the concept of system in the system-lifeworld scheme. Through critical reflections, I argue that Habermas’s system was muddled in its exposition and fell somewhere uncertainly between Parsons and Luhmann as a result. This shortcoming notwithstanding, I reveal how Habermas’s communicative reinterpretation of Parsons’s media lays the groundwork for a fully communicative understanding of the system-lifeworld scheme that exceeds Habermas’s own formulation. In this regard, I recover the distinction between delinguistified and linguistic forms of communication as key in Habermas’s media theory. Uncovering this core opens the system-lifeworld scheme to clarification and refinement in the reconstruction to follow. This move paves the way for the appropriation of Luhmann in the following chapter, and the communicative transformation of the colonization thesis in the final chapter.

In Chapter 3, I bring the critical insights amassed in the first two chapters to bear on the system-lifeworld scheme and, in doing so, refine the concept in a two-level theory of the contemporary economy. This chapter undertakes the last major move before the colonization thesis itself can be explored, expanded, and transformed. Through outlining a two-level theory of the contemporary economy that synthesizes insights from all theorists explored so far, I reconstruct the system-lifeworld scheme, striking a more suitable balance between non-normative and normative moments than Habermas’s exposition achieved.

As part of the critical reconstruction in Chapter 3, I invite Luhmann into the debate to inform the two-level paradigm in the non-normative direction. Luhmann’s theory
describes a self-reproducing system of delinguistified monetary communication operationally divorced from social action contexts. This account is used to make up for the lack of clarity and systemic dynamics in Habermas’s system concept. Additionally, I highlight how Luhmann’s theory translates the principal feature of capitalism – the profit imperative – to the conceptual level such that the autonomous dynamics of the capitalist economy are suitably accounted for. The critical potentials of this theory are only realizable when brought through the two-level scheme, however. In this way, Luhmann’s system is used to clarify Marx’s theory of capitalism in Habermas’s thesis. Habermas’s framework is then defended and expanded to pave the way for the transformation of the colonization thesis to follow in the final chapter.

This chapter concludes the broad theme of the first half of the dissertation, the excursus on theorizing the economy, and points towards the broad them of the second half, the constitution of society more generally.

In Chapter 4, I expand the analysis to the societal level, beyond the economy in the narrow sense, to consider the broader problem of the economy-society relationship. This problem takes us to the core of the colonization thesis itself.

I begin with an account of the colonization thesis on Habermas’s own terms to clarify its theoretical and substantive content. In this account, I highlight how the colonization thesis is intended as an excursus on the contradicting evolutionary logics of capitalism and democracy. I then argue that the principal problem with this thesis is the one-sidedness in its diagnosis. This in mind, I turn to Parsons in search of a corrective.

Having used Luhmann in the previous chapter to clarify the non-normative aspect of Habermas’s theory, Parsons is used here to clarify the normative aspect of the societal institutional level, beyond the economic sphere. I identify the AGIL system paradigm and the theory of the hierarchy of control as two aspects of Parsons’s theory that harbor potentials to expand and enrich the colonization thesis. I defend
the AGIL scheme in terms of its descriptive value as an architectonic of modern society, its analytical value as a normative account of social order, and its historical-substantive value as a theorization of the postwar social order. While the latter allows us to identify a de-reified normative standard in Parsons’s theory that is consistent with the postwar order itself, the former allow us to shift focus from the autonomous dynamics of a non-normative system to the political-ideological complexes and cultural values to be explored in the following chapter. This chapter largely expands our understanding of colonization processes beyond a focus on the system and towards the lifeworld itself.

I close the chapter by reinterpreting Habermas’s colonization thesis through Parsons’s evolutionary theory and AGIL scheme. I identify Parsons’s cybernetic hierarchy as a social theoretical account of normatively directed social evolution that, although couched in a systems theoretical framework, enlightens the interpretation of the colonization thesis in a more explicit evolutionary direction. I use this theory to posit Habermas’s colonization thesis and Parsons’s cybernetic hierarchy as theorizations of the evolutionary logics of capitalism and democracy. This move sets up the analysis of postwar and neoliberal social orders to be elaborated in the final chapter, as part of the move from colonization to relinguistification.

In Chapter 5, I continue to follow the move, initiated in the previous chapter, to expand the analysis of colonization processes into the lifeworld itself. In this chapter, I turn to the cultural level in a move to correct the minimization of this aspect in Habermas’s thesis. Against Habermas’s elaboration, I argue that culture has its own intrinsic dynamics of structural rationalization that must also be taken into account. This chapter is primarily aimed at disrupting the harmonious picture of the lifeworld imparted by Habermas’s exposition in the TCA.

I explore the cultural level principally in search of interlocking and mutually reinforcing dynamics between cultural rationalization and the colonization of the lifeworld. This in mind, I follow Piet Strydom’s account of mediation problems, as
specific and identifiable tendencies towards one-sidedness emerging from the differentiated structure of modern culture. This account distinguishes reification processes at the cultural level from colonization processes at the societal level, with which they nonetheless interlink. To connect the cultural level with the societal, I outline a stylized account of political-ideologies, understanding such ideologies as central to class struggle, system differentiation, and cultural-structural rationalization. This account also links political-ideologies with identifiable mediation problems in modern culture.

I then turn to Parsons’s theory of ideology to reinforce the account of mediation problems as well as to bind it more closely to a sociological theory of ideology. In this chapter, I give a specific reading of Parsons’s theory such that its consistency with the problem of the absolutization of cultural components in political-ideologies is highlighted. This suggests, against Habermas, that Parsons did in fact attempt to develop an account of pathologies within his theoretical frame. This further use of Parsons here builds on the previous chapter, both of which are intended to highlight new ways of understanding and interpreting his theory. This aspect of the study has implications beyond its application in the dissertation here.

The account of cultural mediation problems and political-ideologies in this chapter allows us to perceive an affinity between the tendencies of expertisation and cultural reification, both of which are consistent with the political-ideology of technocratic liberalism. The dominant orientation through both postwar and neoliberal orders, technocratic liberalism is especially well suited to overextend media steered systems, whether administrative or economic. This cultural analysis paves the way for the historical account of the neoliberal turn with a focus on class struggle in the final chapter.

In Chapter 6, I bring together all of the theoretical work conducted over the course of the dissertation in an expanded historical-theoretical analysis that pushes the colonization thesis towards its communicative transformation in the thesis of relinguistification. Having addressed the aspects of system differentiation and
cultural-structural rationalization in the preceding discussions, this chapter brings the aspect of class struggle to the fore to overcome the final shortcoming in Habermas’s thesis.

The first half of the chapter takes the form of a theoretically informed historical analysis of the societal movement from the postwar to the neoliberal social order. This account is concerned with the aspect of class struggle in two ways. First, from the point of view of its role in determining the extent of colonization processes over the course of the neoliberal turn, and second from the point of view of the effects of colonization processes on the class struggle itself. The latter forms the focus of the theory of relinguistification.

Seeing in the colonization thesis the potential for a theory to account for how class struggle is closed down, a theory of false-consciousness, I attempt to bring this aspect to light in this chapter with the theory of relinguistification. I do this by reinterpreting the colonization thesis on the basis of the theoretical refinements achieved over the course of the entire study, entwined with the historical-theoretical analysis. Using Parsons as a theoretical account of the postwar social order, I reframe the thesis of the decoupling of system and lifeworld by combining Parsons and Luhmann. This provides a theory of the neoliberal social order through which the colonization thesis can be reframed.

Using a hybrid media theory, I propose two communicative circuits competing in contemporary society, one capitalistic and extending ‘from above’, and the other democratic and extending ‘from below’. This approach establishes a conceptual scheme for understanding the dynamics of the colonization of the lifeworld in the neoliberal order in terms of types of communication. This focus on communication paves the way for reinterpreting colonization as relinguistification, with the latter focused on the form of language associated with communication types. The move from colonization to relinguistification is justified further by reference to four pertinent fragments in Habermas’s social theory that point towards its necessity. These are: the unsubstantiated description of the form of colonization, the concept
of latent strategic action, the mature development of ordinary language as a universal medium, and the ideology-critique of systems theory vis-à-vis objectivating language.

I conclude the study with a brief sketch of the theory of relinguistification intended to substantiate the theory further and highlight its potential for application. This involves first summarizing key aspects of the theory and outlining its primary assumptions and conceptual framework, before then applying the theory in an analysis focused on socialization.
Chapter 1. Habermas versus Honneth: Competing Theories of the Economy

1.1 Introduction
In order to revisit the colonization thesis, I must first defend the conceptual framework on which it is based. The main argument charting the course of the first three chapters is that Habermas’s system-lifeworld concept of society must be maintained on the basis of its centrality to the critique of capitalism; a critical account of the quasi-autonomous evolutionary tendencies of the capitalist economy is not possible outside of this framework. Habermas’s own formulation of the two-level concept is somewhat confused, however, and this leads to his theory of the economy having problems in both non-normative and normative directions. Expanding Habermas’s theory of the economy is, therefore, the central concern of the first half of this dissertation.

In this chapter, I give an explorative account of Habermas and Honneth’s theories of the economy followed by critical reflections on both in order to open the discussion to follow. I introduce Habermas’s theory of the economy and oppose to it Honneth’s in order to defend the system-lifeworld scheme while sensitizing it towards expansion in a normative direction. This is the first major move towards refining the system-lifeworld scheme and transforming the colonization thesis in turn. Aside from its value to the overall argument of this dissertation, the content of this chapter has broader significance to the field. Owing to what effectively amounts to an ongoing and inconclusive debate between Habermas and Honneth, contemporary Critical Theory is divided between non-normative and normative accounts of the capitalist economy. This situation undoubtedly plays a role in the failure on the part of this research tradition more generally to launch a critique of capitalism today. The elaboration of both accounts and critical comparison herein can bring some clarity to this debate.
For the present dissertation, the key point in presenting both accounts and the differences between is to show that while Habermas’s theory of the economy does indeed need expansion in a normative direction, its maintenance of the non-normative dimension is pivotal. So while some level of synthesis is required for a full sociological account of the economy, the nuances of such a synthesis must be balanced through Habermas’s system-lifeworld framework. This is the only way in which we can elaborate a critical theory of contemporary capitalism.

In *Freedom’s Right*, Honneth develops a normative account of the economy that is explicitly put forward as a theory to rival Habermas’s. This account responds to the normative deficit in Habermas’s own formulation such that Honneth’s counter-position reveals how Habermas came up short with regard to this aspect of the economy in particular. Its merits vis-à-vis normativity notwithstanding, I argue here that the major flaw in Honneth’s account is in dispensing non-normativity from the economy altogether. Because of this, his account of the normative market sphere is blind to the specificities of its contemporary capitalistic form. While Habermas’s account is not without its own shortcomings in this regard – and so in Chapter 3 I will turn to Luhmann for correction – it nonetheless places the capitalistic form in a framework in which it can be related to the broader normative institutional structure of the economy more generally. This is the essence of the system-lifeworld scheme, which is itself the foundation of the colonization thesis. In this way, Habermas’s approach remains a proven platform for societal critique. The theory of relinguistification, as a reconstruction of the colonization thesis, relies on the critical account of the systemic attributes of the capitalist economy that Habermas seeks to provide with the system-lifeworld scheme.

I begin with a descriptive account of both Habermas (1.2) and Honneth’s (1.3) theories of the economy within their respective theories of society. To contextualize these theories appropriately, I also make reference to their broader orientations and projects in social theory (1.2.a; 1.3.a). With Habermas’s account, I highlight the

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10 *FR herein*
renewal of Marx as its central orientation (1.2.b), while with Honneth’s; it is the renewal of Parsons that I identify as its most salient sociological feature (1.3.b). These inflections are important as Habermas’s colonization thesis attempts to update the Marxian theory of reification through Parsons’s media theory. Later, in Chapter 4, the question of whether Habermas achieved an appropriate balance of Marx and Parsons will come to the fore. From this point of view, Honneth’s account here serves to remind us that there is still much of value in Parsons beyond Habermas’s selective appropriation. After exploring both theories of economy in terms of the merits of each account, I then turn to advance some critical reflections ultimately aimed at a defense of the Habermasian scheme (1.4). To fit with the substantive and theoretical orientations of this dissertation these reflections are thematized around the subjects of: contemporary neoliberal capitalism (1.4.a), the relationship with Marxism and the critique of capitalism (1.4.b), the theory of crisis (1.4.c), and, leading into the discussion in Chapter 2, media theory (1.4.d).

1.2 Habermas’s Norm-Free Economic System

I structure the account of Habermas’s economic system according to two moves: first elaborating the theory of the economy with reference to the broader context of the theory of society developed in the TCA (1.2.a), before then focusing on how this approach to the economic system renews Marx (1.2.b).

1.2.a Habermas’s Economy in the Context of the TCA

Habermas’s concept of the economy is outlined as part of his theory of modern society in the TCA. This work must be seen in light of Habermas’s broader project of rejuvenating Critical Theory after the impasse reached by the first generation theorists. Habermas’s principal intention with the turn towards the theory of society is to critically reconstruct the first generation critique of rationalization as reification with more nuanced. By providing firmer normative and methodological foundations for Critical Theory, Habermas attempts a theory of society capable of registering progress as well as regress, one which maintains affirmation in order to escape pessimism in the vision of modernity as a whole (Jay, 1984, p.462-3.). To Habermas, it is not modernity that is at issue, but rather the limits to its cognitive potentials set by the evolutionary trajectory of the capitalistic path to modernization. The TCA
must be subsequently seen in light of Habermas’s further project, therefore, which is an attempt to reconstruct and reestablish Western Marxism as a whole, to render it intellectually rigorous and practically defensible (Jay, 1984, p.463). This in mind, the TCA is a pivotal work in Habermas’s oeuvre, his magnum opus.

In Habermas’s system-lifeworld scheme, the modern capitalist economy is described as structurally decoupled from society, with the latter communicatively conceived as a meaning-producing lifeworld. In this scheme, the lifeworld is understood as being both established by, and having an incursive structuring effect on, communicative action, the latter of which is constitutive of social life. The system is based on a ‘norm-free’ sociality that is essentially different to the norm-rich sociality carried in communicative action. Though Habermas’s system includes the administrative subsystem, we are here concerned primarily with the economic. “In capitalist societies,” to Habermas (TCA2, p.150), “the market is the most important example of a norm-free regulation of cooperative contexts.” The structural decoupling of system and lifeworld in capitalist modernity is therefore both analytical and historical-empirical.

Communicative action is based on the establishment of consensus “whether normatively guaranteed or communicatively achieved” (TCA2, p.150). This makes communicative action conducive to social integration, that is, the coordination of action through the members of society reaching understanding about their common goals. This has the effect of harmonizing their action orientations at the societal level. Conversely, system integration, particularly in modern capitalist society, emerges from “functional interconnections that are not intended” by social actors and “are usually not even perceived within the horizon of everyday practice” (TCA2, p.150). Insofar as it stabilizes “nonintended interconnections of action by way of functionally intermeshing action consequences” (TCA2, p.150), the capitalist

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11 Furthermore, this entire line of intellectual development stretching over the opening twenty years of Habermas’s output was fundamentally and basically shaped by the cognitive revolution and its associated redefinition of the relationship between the natural and social sciences. See the argument put forward by Strydom (2011b).

12 The case of the administrative system and associated medium of power was always somewhat precarious to begin with and will be analyzed in greater detail in the following chapter.
economy is the primary mechanism of system integration in capitalist modernity. System integration, therefore, reaches through the action orientations of members of society, escaping their intuitive knowledge of social life, and ultimately evading the conscious communicative establishment of common goals. This form of functional interconnectedness, then, integrates society through “the non-normative steering of individual decisions not subjectively coordinated” (TCA2, p.150).

Habermas establishes this two-level concept of society, as lifeworld and system, which correspondingly can be integrated either socially or systemically, in order to explore the dynamics of societal development in late capitalist modernity. This conceptual scheme sets contradiction at the macro level of organizational principles that have primacy in the symbolic and material realms respectively. From here it is a relatively straightforward step to map the concepts of democracy and capitalism onto lifeworld and system in such a way that modern culture and the project of democracy can be defended, whilst capitalism and capitalist modernity can be critiqued. Habermas seeks to develop this critique on the basis of the resulting communicative deficit imposed on the coordination of societal goals by the capitalist economic system. This deficit emanates from the bypassing of communicative action by functional mechanisms of system integration. To account for this at the level of social interaction, however, Habermas establishes two different types of action coordination: communicative and non-communicative, the former of which is conducive to the harmonization of action orientations and ultimately the conscious establishment of societal goals, the latter of which is conducive to the functional integration of action consequences and the steering of individual decisions.

At root of Habermas’s concept of the norm-free economy is his interpretation of money developed by way of a critical refraction of Parsons’s media theory\textsuperscript{13}. Habermas’s communicative rendering of this theory is largely informed by

\textsuperscript{13}Habermas’s critical interpretation of Parsons’s media theory is discussed in much greater detail in the next chapter.
Luhmann’s radicalization of it in a full systems theory of society.\textsuperscript{14} Yet, via Luhmann, Habermas intends to pull the Parsonian theory closer to Marx’s critique of capitalism. To Habermas, it is no coincidence that Parsons followed the model of money in developing media theory, given that “with the emergence of the capitalist mode of production the economy was the first functionally specified subsystem to be differentiated” and money “was the first medium to be institutionalized” (TCA2, p.258). Critically reinterpreting Parsons, Habermas sees money as a medium that bypasses the linguistic basis of communicative action, and its inherent normativity. From Habermas’s communication-theoretical starting point, the delinguistified form of money is what distinguishes it as a specific medium.\textsuperscript{15} As a steering medium, money coordinates individual decisions by eliciting only strategic responses from actors towards its usage, as opposed to the communicative action of linguistic interaction. Following purposive-rationality, social actors are oriented by means-ends schema made calculable and materially applicable via the money medium. This essentially bypasses the communicative rationality and concern with schema of validity constitutive of communicative action as the basis of normative integration. From the lifeworld perspective, therefore, the functional coordination of media-steered relations cuts across and ruptures society, perceived from within as a network of communicative cooperation (TCA2, p.148).

In Habermas’s view, however, the structure of action in realms of material reproduction – as purposive-rational action – makes media-steered subsystems especially well suited to fulfilling these functions. Here, the bypassing of communication by way of encoding purposive-rationality is societally advantageous in important respects: the adoption of monetary steering expands the scope for organization, facilitating a greater degree of adaptive capacity as well as societal complexity. The advantage of adopting steering media lies in the relief granted the burdensome task of reaching consensus in communication time and time again. This is a task rendered all the more arduous and uncertain under the conditions of a

\textsuperscript{14} The way in which Habermas interprets Parsons, being informed by Luhmann, causes problems for the subsequent rendering of the Habermasian system concept. This is explored in the next chapter.

\textsuperscript{15} This will become a key point as the study progresses, forming the basis of a reconstruction of Habermas’s concept of system to better achieve its aims vis-à-vis the critique of capitalism.
modern lifeworld, operating as it does with a horizontally and vertically rationalized culture\textsuperscript{16}.

In Habermas’s view, therefore, modern society – as a complex differentiated society – simply would not be possible without some measure of media-steered subsystems to relieve communication of the burden of achieving consensus in all areas of life, those of material reproduction in particular. That steering media are particularly effective for directing social action of material reproduction, as well as allowing a great increase in functional efficiency, is evidenced by the historical achievements of industrial production. On these grounds, Habermas’s concept of the economy is affirmative in terms of the \textit{potential} organizational efficiency offered by the money medium. This move takes Habermas’s critique of capitalism a significant step beyond that offered by orthodox Marxist approaches, and while the latter charge Habermas with departing the Marxist tradition completely; he strongly protests that he remains within it (Jay, 1984, p.463). This view is reinforced when we view the \textit{TCA} in terms of its relationship with Marx.

\textbf{1.2.b The Renewal of Marx}

It is surprising just how few commentators prioritize the renewal of Marx’s theory of reification in understanding the theoretical framework of the \textit{TCA}.\textsuperscript{17} The \textit{TCA} is principally interpreted as a four-fold theoretical construction containing: a theory of rationality, a theory of action, a theory of social order, and a subsequent diagnosis of the times (Honneth & Joas, 1991; Joas & Knobl 2009). This dominant interpretation sees Marx’s theory of capitalism as part of Habermas’s frame of reference “more in the background” (Honneth & Joas, 1991, p.1). This ‘back-grounding’ of Marx is problematic for an adequate interpretation of Habermas’s system-lifeworld concept of society, the ‘norm-free’ concept of the economy, and the intended aims of both.

The \textit{TCA} is in fact best understood as a translation of Marx’s critique of capitalism onto the conditions of late capitalist society, that is, as a Marxian theory of society.

\begin{footnotesize}
\begin{itemize}
\item[\textsuperscript{16}] The theory of modern culture is discussed in Chapter 5.
\item[\textsuperscript{17}] Thomas McCarthy is a notable exception, evidenced in his translator’s introduction to the \textit{TCA}.
\end{itemize}
\end{footnotesize}
This is evidenced quite clearly in Habermas’s (1991) response to his critics. Here, Habermas (1991, p.251) defends his two level concept of society with recourse to its distinctly Marxian potential for application: “it appears to me to be especially well-suited for outlining certain pathological phenomena of modern society, namely what Marx termed ‘real abstraction’”. In relation to the process of system decoupling from lifeworld, Habermas (1991, p.249) declared, “the model which I had in mind was Marx’s analysis of the gradual permeation of life by the capitalist mode of production”. In defending his use of systems theory, Habermas (1991, p.259) also inadvertently clarifies his intention “to continue at the best possible level what Marx initiated with his critique of political economy”. Further, he clarifies that he does not want to link the critical thrust of his analysis of systems theory to the inversion of ends and means because to do so “would be to provide a consistent translation of Marx” (Habermas, 1991, p.259; emphasis added). The gradual emergence of media-steered subsystems, to Habermas (1991, p.260), is already “an analogy to Marx’s real abstractions” before even beginning to explore their pathological effects. The colonization thesis is subsequently intended to illustrate the contemporary manifestation of “a barbaric state which Marx had characterized in his day” (Habermas, 1991, p.261)18. Habermas (1991, p.263) states he did not explore Marx’s writings directly in the TCA as nothing was further from his mind than “an exegesis

18 An important note (not explored in the literature) on the choice of terminology for Habermas’s reification phenomena of late capitalist society, provocatively labeled the ‘colonization’ of the lifeworld: I argue that it is very significant that the TCA should finish with a thesis of ‘internal colonization’ given that Marx’s (1976) Capital also closed with a chapter discussing the 19th century theory of what could be called ‘external colonization’. At first glance this may appear merely superficial, but on closer reading the significance of terminological reference is noteworthy. To Marx (1976, p.932), E. G. Wakefield’s theory of ‘systematic colonization’ for the New World is illustrative of how capitalist relations require a form of social engineering in order to create the conditions for their reproduction, as such conditions did not, as was assumed by political economy, arise spontaneously: “It is the great merit of E. G. Wakefield to have discovered, not something new about the colonies, but in the colonies, the truth about capitalist relations in the mother country … He discovered that capital is not a thing, but a social relation between persons which is mediated through things.” Because the wage labourer in the colonies, by contrast with the Old World, was not dependent on the capitalist, due largely to land availability, this dependence was ‘discovered’ to require creation by artificial means (Marx, 1976, p.937). Wakefield’s theory, therefore, “which England tried for a time to enforce by Act of Parliament” aimed specifically at “manufacturing wage-labourers” (Marx, 1976, p.932). “This,” according to Marx (1976, p.932), “is what he calls ‘systematic colonization’”. Marx’s account of systematic colonization sheds light on Habermas’s colonization thesis. This social engineering requirement of capitalist relations – a connection which is implicit in Habermas’s ideology-critique of systems theory – is with this cross-reference made explicit. The colonization of the lifeworld can, therefore, be seen as the result of a political project and, further, ideologically driven.
of Marx”. Instead, he was interested “solely in comparing the transition from concrete to abstract labour with the switch from communicative action to media-steered interaction” in such a manner that his “analysis of social pathologies would become understandable as a study of ‘real abstraction’” (Habermas, 1991, p.263).

We can deduce from all these unequivocal statements that Habermas’s intention was to translate Marx’s critique of capitalist society onto the situation of late capitalism, but to do so in a way that goes beyond the Marxian thesis, in line with Critical Theory. The theoretical framework of the TCA is, therefore, primarily a Marxian theory of society.

Marx is central to Habermas’s theory of the economy as a differentiated system to be interpreted and understood using the concepts of systems theory. To Habermas, the history of social theory since Marx is understood as “the unmixing of two paradigms that could no longer be integrated into a two-level concept of society connecting system and lifeworld” (TCA2, p.202). Habermas then sees connecting these paradigms in a satisfactory way as “the fundamental problem of social theory” (TCA2, p.151).

Marx’s Capital provides an historical account of the autonomization of the economic system that informs the TCA’s thesis of capitalist modernity. “It is not until the emergence of capitalism,” Habermas (1991, p.256) contends, “that an economic system arises which can be described (in an essentialist sense) as a subsystem with its own environments”. With Marx, Habermas (TCA2, p.345) sees the capitalist economic system as having a “propelling mechanism” in its orientation to exchange values, and this mechanism “has to be kept as free as possible from lifeworld restrictions as well as from demands for legitimation directed to the administrative system.” This gives the economy a quasi-autonomy, as well as putting it in a position of evolutionary primacy. To Habermas (TCA2, p.343) “Marx was right to assign an evolutionary primacy to the economy” as “the problems in this subsystem determine the path of development of the society as a whole”.

Habermas (1991, p.249), therefore, integrates the systems theoretical frame intending “to continue at the best possible level what Marx initiated with his critique of political economy”. Systems theory is of use because it theorizes the counterintuitive aspects of societal reproduction, which in capitalist societies emanate from processes of material reproduction overseen by media steering. To Habermas (1991, p.256), it is the historical process of the emergence of the capitalist economy – captured by Marx – that provides the precondition for the methodological merit in using a systems theory “that is no longer solely analytical in thrust; rather such a theory is now deployed to investigate ‘real abstractions’”.

Habermas’s economy, therefore, is not to be understood as a sphere of purely strategic action, but rather a system of functional interconnections that goes beyond the particular purposive-rational spheres in which it is active. The economic system is composed of a functionalist rationality emerging from an uncoordinated matrix of individual action consequences, rather than conscious orientations, producing a desocialized form of societal integration. Therefore, the distinctive feature of Habermas’s system “is its functionalist rationality, rather than the strategic attitudes that actors in it assume” (Jütten, 2013, p.590).

Habermas’s economic system has an internal logic that is separate from the normative orientations of economic action. In this regard, Habermas’s approach (TCA2, p.310) still allows for communicative action within the sphere of economic activity:

“within formally organized domains of action, interactions are still connected via the mechanism of mutual understanding. If all processes of genuinely reaching understanding were banished from the interior of organizations, formally regulated social relations could not be sustained, nor could organizational goals be realized”.

The central point for Habermas – following Marx closely – is that mechanisms of system integration have an impact “over and beyond” contexts of communicative action (Habermas, 1991, p.254). This sets up the stereoscopic two-level concept of society from which Habermas can renew Marx’s critique of capitalism on altered theoretical assumptions.
In Habermas’s thesis, it is the emergence of steering media that cause modern society to undergo differentiation from within, such that subsystems demarcate from the lifeworld, which now constitutes an environment. The system-lifeworld concept of society is, therefore, the foundation of a critical social theory attuned to the paradoxes of the capitalist path of modernization. In this framework, the capitalist economic system emerges from the amalgamated consequences of media-steered action, rather than from the conscious orientations of social actors. Because of this, the capitalist economy carries its own rationality, a rationality that is systemically functional in relation to the operations of the monetary system. While steering media do indeed have societal integrative effects, however, it is a form of integration that is ‘norm-free’. The problem of integration in modern society is then split between a functional system of material reproduction – operating according to the fundamental principles of a capitalist monetary economy – and a communicative lifeworld of symbolic reproduction – operating according to the fundamental principles of modern critical democratic communication. Problems reside in the fact that the former makes use of delinguistified media and the latter linguistic communication, with media in effect allowing a functionalist logic of systemic integration to completely bypass normativity. The system-lifeworld dichotomy then captures the pathologies of late capitalist societies in terms of the overextension of media-steered coordination. Under these circumstances, system integration not only supersedes the normative social integration produced by communicative action in society, it also comes to oppose it from without and threaten its normative disintegration. The mediatization of the lifeworld becomes its colonization when media steering is extended into those domains central to the symbolic reproduction of society, such that communicative reason is replaced by systemic rationality.¹⁹

In summary, then, Habermas’s theory of the economy is set in a communication theory of society that focuses on the specificities of linguistic and mediatized forms of communication. In this theory, the economy is entwined with monetary steering

¹⁹ The colonization thesis is explored further in Chapter 4.
emerges from the action consequences of mediatized communication. The resulting system of functional interconnections stands above normative institutional spheres as a norm-free form of sociality. While this system has integrative effects, it is a non-normative form of integration that is imposed on communicative contexts from without. When overextended, this integration not only bypasses normativity but also threatens to disintegrate the communicative core of sociality. Through this two-level conceptual framework, Habermas’s theory retains Marx’s stereoscopic perspective on capitalist society and renews the critique of capitalism for the altered theoretical and empirical circumstances of late capitalist modernity. This account in mind, we can now turn to explore Honneth’s rival position.

1.3 Honneth’s Normative Market Sphere

I structure the account of Honneth’s economic sphere according to two moves: first providing an outline of the economy in the context of the theory of society developed in FR (1.3.a), before highlighting the renewal of Parsons as the salient sociological feature of this theory (1.3.b). This latter aspect allows Honneth to move in the direction of market ethics, political-ideological complexes, and cultural values, which is lacking in Habermas’s account.

Before moving onto this account, however, it must be pointed out that there is a tension in Honneth’s theory of the economy as market sphere, which as yet remains unresolved. While this will be explored with greater analytical clarity below, as our analysis progresses, for now, the basic contours will be stated. The issue lies in, on the one hand the desire for a sufficiently sociological account of economic activity such that it may be conceptualized as normative-communicative rather than instrumental-strategic, yet, on the other, the desire to still leave space for a Marxian moment in some modified form such that Critical Theory’s critique of capitalism, via the theory of reification, may be maintained anew. The problem Honneth faces, however, is trying to do this within the confines of action theory.

In an essay in 2004, on the intellectual legacy of Critical Theory, we find Honneth (2004a) grappling with this problem. Here, he highlights issues with Critical Theory’s,
to him, one-sided conceptualization of the economic sphere. To Honneth (2004a, p.351), forecasting his sociological turn, the organization of economic activity is simply too bound up with various patterns of action “to reduce the attitudes of the actors involved to a single pattern of instrumental rationality”. Instead, Honneth seeks a moral account of the economy, which he today has come to find in normative functionalism. Forgoing the instrumental conceptualization of economic activity seems to leave Honneth in a significant bind regarding the critique of capitalism, however.

In the same essay, and indeed the same paragraph, Honneth (2004a, p.351) references empirical studies against his own intuition above in order to maintain (against himself) that “we cannot exclude the possibility of still interpreting capitalism as the institutional result of a cultural lifestyle or of a product of social imagination in which a certain type of restricted, “reifying” rationality is the dominant praxis”. This brief back-and-forth between the more normative-functionalist and the more instrumental-critical sides of Honneth’s theory of the economy remains unresolved in the essay, and indeed continues into his later work. Here, however, it seems that in the precarious attempt to mediate the demands of morally conceived economic action with a critique of capitalism that still sees the economy in terms of its tendency towards instrumentality, Honneth succumbs to developing the former at the expense of the latter. This is to say, that in reacting to the first generation’s general over-emphasis of instrumental rationality, and Habermas’s subsequent norm-free concept of the economy, Honneth overreacts in precisely the opposite direction, leaving no room for unintended consequences or systemic complexes of action that exceed explicit normative directionality in the immediate context.

This brief preliminary aside, we may now turn to give an account of Honneth’s theory of the normative market sphere.
1.3.a Honneth’s Economy in the Context of FR

Honneth’s theory of the economy is outlined in his turn towards the theory of society in FR. Honneth’s concept must be seen in the light of his broader project of rejuvenating social philosophy and returning Critical Theory to the theory of society. Whereas Habermas’s project is largely a critical reevaluation of the first generation, Honneth’s is a subsequent critical reevaluation of the second generation and its legacy. In terms of normative theorizing, Honneth seeks to develop a substantive theory of justice by way of the theory of society. Here, he is reacting strongly against the dominant procedural position in Critical Theory, from the mature Habermas on, that attempts to derive justice principles independent of the normative ideals of modern society. While this normative animus is undoubtedly the primary project in FR, there is also a descriptive social-theoretical project being attempted. The latter is the focus of our enquiry here.

Seeing Habermas as not escapeing the first generation’s instrumentalist vision of modern society, despite his efforts, and also remaining bound up with the dialectic of rationalization as the basis of Critical Theory, Honneth takes additional steps to completely foreground the affirmative or positive moment in Critical Theory, and background the negative. Honneth’s theory of society follows Hegel, with his close relationship with Hegel similar to Habermas’s with Marx. Honneth sees society as composed of institutional spheres of ethical life, that is, integrating recognition structures that orient social action in terms of ideas of ‘the good’ worth striving for. Honneth, therefore, understands the entirety of the basic institutional architecture of modern society normatively, as a moral order that must legitimate itself in terms of positive values; the economy is no exception. This theory of society is modeled on Honneth’s paradigm of recognition, a communication paradigm rivaling Habermas’s one based on language (Strydom, 2011b). I am here concerned with Honneth’s theory of society from a sociological perspective, and within this his concept of the economy, and so will limit the scope of the discussion accordingly.

The market economy is interpreted as one of the primary institutional complexes of modern society, which Honneth (FR, p.vi) conceives, following Hegel, as an action-
specific functional embodiment of the foremost modern value of freedom. Honneth sees freedom as only realizable societally through systems of action that normatively embody the ‘we’ relationships necessary to redeem its inherent claims. To Honneth, individual freedom is only possible with social freedom, that is, with the social preconditions and roles of mutual relation in place to ensure it may come somewhat close to realization at the societal level. In this theory of society, the market economy is a central institution in the nexus of freedom-oriented normative structures of modern society, in principle attempting to harness the potential for enhancing its realization in social practices.

In the Habermasian frame, Honneth’s concept of society is entirely within the lifeworld, i.e. society is a lifeworld, hence his exploration of ‘the social foundations of democratic life’. From here, Honneth can use the method of an historically informed normative reconstruction to examine the degree to which freedom, as it is understood in its respective functional institutionalizations in particular spheres, has been socially achieved. The particular institutional understanding of freedom embodied in each sphere then provides the normative standards for critique, with substantive critique drawn from instances where claims can be identified that have not yet been redeemed. Sociologically speaking, the particular advantage of this strategy for the critical theory of society is that it is especially forthright in acknowledging the fully institutionalized achievements of modernity thus far, before turning to register its shortcomings. Honneth’s theory of justice is addressed at the moral legitimacy of social orders as they exist, have come to exist, and continue to operate in the face of social actors intent on redeeming the promise of individual freedom. This position is especially suited to reconnect Critical Theory with the theory of society, incidentally for the first time since Habermas’s TCA.

1.3.b The Renewal of Parsons

To inform the sociological aspects of this inquiry, however, Honneth turns not to Habermas, but to the early-middle Parsons, finding in him a fellow traveller more than willing and able to defend modernity. In Parsons’s theory of society Honneth sees a suitable and ready-made sociological account of the basic institutions of
modern society and their associated role relations conducive to the goals of the Hegelian reconstructive approach he has adopted. The use of Parsons is both affirmative and purposeful: Parsons’s theory is an “especially suitable tool for updating Hegel’s intentions” (FR, p.4). To Honneth (FR, p.3), Parsons theory of society remains the “best” model available for his intended aims, i.e. to highlight that social reproduction depends on a set of shared values of ‘the good’. Social reproduction is understood in the Parsonian frame in terms of its preservation of important socially accepted values and ideals (FR, p.6). To Honneth, Parsons develops a theory of society that takes the question of moral legitimacy more seriously than it is elsewhere treated. “The unique characteristic of this model of society”, according to Honneth (FR, p.4), “is its claim that all social orders, without exception, must legitimate themselves in the light of ethical values and ideals that are worth striving for”. This claim of the necessity of moral legitimation extends even to the economy, which Parsons views as essentially normatively integrated. In the Parsonian theory of society, both material reproduction and cultural reproduction are necessarily normatively structured and there is no space for the norm-free or non-normative systems theorized by Habermas and Luhmann. Such conceptualizations leave little or no room for moral legitimacy in terms of ethical values and ideals with which Parsons, and Honneth, are chiefly concerned.

In elaborating his concept of the market economy, Honneth therefore follows Parsons, associating him with the extended tradition of moral economism associated with Hegel, Durkheim, and Polanyi. With this approach, Honneth (FR, p.177) intends to avoid developing a critique of capitalism that leaves the conceptual description of the economic sphere to the proponents of the contemporary economy. Honneth (2016) finds in normatively informed functionalism a sufficiently nuanced and mediated conceptualization of economic activity that constitutes a third alternative view to those of dominant mainstream neoclassical economics on the one hand, and the Marxian critique of capitalism on the other. In Honneth’s (FR, p.197) reading both of these positions “have always doubted that the market could be understood as fulfilling demands of legitimacy”. In these accounts, functional constraints such as “capital accumulation or profit maximization” (FR, p.198) muscle out normativity
entirely. Honneth does not seek to deny such functional constraints, however, but rather to counter the inevitability attached to them from much of contemporary social sciences. This inevitability inadvertently renders it impossible to subject the economy to normative demands. So, though Honneth’s conceptual shift towards moral economism comes with the loss of a critical theory of the economy, as in Marxist positions, it is bound up with normative intent. In envisaging the economy as being normatively structured, Honneth hopes we may begin to draw immanent demands from its unfulfilled transcendent promises, thus disclosing potentialities for alternative institutional arrangements. This effectively allows Honneth to foreground Critical Theory’s kernel of practical emancipatory intent, and background the negative instrumentalist vision of modernity portrayed by first generation theorists, a vision that Habermas is seen as not wholly escaping.

Moral economism offers the potential for Honneth to develop a non-Marxian critique of capitalism that, he thinks, he can still reconcile with the critical orientation of Critical Theory. Contra Marx, Honneth (FR, p.196) argues that the question of whether the preconditions of universal freedom of contract can be established within the model of the capitalist market economy cannot be decided in advance but must be tested through reforms aimed at redeeming that promise. This approach allows Honneth to distance himself from Habermas’s earlier Marxian critique of capitalism qua the colonization of the lifeworld by developing a concept of the economy at a distance from that of the norm-free system. To Honneth, Habermas’s account of a system of ‘norm-free’ strategic sociality comes uncomfortably close to the dominant neoclassical account of the proponents of contemporary capitalism. In fact, Honneth (FR, p.191) describes the position of normative functionalism explicitly in opposition to Habermas, summarizing it in terms of the negative requirement that “the institutional sphere of the market cannot be understood as a ‘norm-free system’.” Elsewhere he associates the tendency to refer to the contemporary economy as a norm-free system as exhibiting an (FR, p.198) “odd bit of triumphalism” regarding the anonymity of the market void of normative considerations. Instead, Honneth (FR, p.191) seeks to emphasize how the social acceptance of the economy goes beyond the instrumental considerations
of merely negative freedom, to include “the fulfillment of pre-market norms and values” associated with social freedom. In this specific regard, Honneth (FR, p.185) sees the contributions of Parsons as having been virtually forgotten, and so, worthy of revitalization\textsuperscript{20}.

Honneth’s move represents the second attempt to appropriate Parsons to Critical Theory, with Habermas’s critical appraisal being the first. Honneth’s use of Parsons, however, is for expressly different purposes than Habermas’s: whereas the latter uses the late Parsons’s systems media theory to develop a thesis of the decoupling of system from lifeworld, the former uses the early-middle Parsons’s action theory to find the normative substance integrating modern society as a whole as a fundamentally moral social order. In relation to the economy in particular, Parsons offers a theory for Honneth of how the values of the lifeworld are bridged with the principles of the economic system such that non-instrumental integration is achieved in the last instance. Via Parsons, therefore, Honneth has the opportunity to escape the system-lifeworld trappings associated with Habermas’s norm-free system on the question of societal integration\textsuperscript{21}. Parsons (FR, p.188) locates the solution to the problem of non-coercive integration in two institutional complexes in modern society: first, labor contracts that are entirely dependent on pre-contractual values extending to the societal value system; and second, occupational roles that are structured around satisfying performance based imperatives that are internalized through the successful socialization of actors through education. The important point, however, is that in this view the economy is both preceded and accompanied by value orientations that are rooted in the general values of society, thereby exhibiting the social-moral foundations that justify its legitimacy to participants. The market sphere is a part of the lifeworld and not a separate entity, despite still exhibiting some form of functional constraints on its communicative organization. The nature of these constraints remains unclear, however.

\textsuperscript{20} Jens Beckert (2006), whose economic sociology informs Honneth (2016), puts forward an interesting rebuttal to the new economic sociology in this regard.

\textsuperscript{21} I address Habermas’s account of societal integration in Chapter 4.
Recently, Honneth (2016) has continued to build on this concept of the market economy by integrating aspects of economic sociology from Jens Beckert, specifically, the role of market ethics in structuring the economy as a normative system of cooperation. Honneth draws off a recent essay by Beckert in which a typology of ethical attitudes in terms of their consequences for the functioning of the market system is outlined. Beckert holds that distinctions can be drawn between ethics that enable the market, ethics that accompany the market, and ethics that restrict the market. By following this typology and integrating it into his own theory of the market, Honneth opens up normative-political projects shaping the constitution of economic activity to exploration, and critique. With this approach, Honneth (2016, p.16) emphasizes that the particular socio-cultural form of the market in a given historical moment is ultimately “the institutional outcome of normative regulations that can always be traced back to the struggles of social actors over the shape of the economy”. This move brings the Parsonian focus on political-ideological complexes and cultural values back to the fore but in a critically meaningful way. Furthermore, from the perspective of the theory of evolution, Honneth’s approach is open to the class struggle at the level of history that is lacking and somewhat closed off from Habermas’s account. Potentially, this allows for a much more nuanced critique of capitalism than that conventionally associated with the theory of reification.

In summary, Honneth develops a theory of the economy drawing from a tradition of moral economism running from Hegel to Parsons. The descriptive advantage of this approach is in its fuller sociological account of economic action, while the critical advantage is in the subsequent connections that can be drawn between market ethics and class struggle affecting the institutional structure of the economy in a given historical epoch.

Honneth owes much of these normative insights to Parsons. Therefore, the real significance of Honneth’s account of the economy for the current thesis is in reminding us that there is still much value in Parsons beyond Habermas’s critical appraisal. I will explore this further in Chapter 4. The problem in Honneth’s
appropriation, however, is that he leans much too heavily and uncritically on Parsons. This leads Honneth’s account to deny the non-normative aspect altogether, and leave out of consideration how a capitalist monetary economy impinges on the struggles to shape the institutional configuration of the market. Honneth’s own flaws, which I will now turn to explore, help to emphasize the merits of what Habermas was attempting with the system-lifeworld concept.

1.4 Critical Reflections: Mediating Non-Normative and Normative Moments

This brief overview of theories of the economy has served to outline the relative merits of each perspective – non-normative and normative – on their own terms. From this we find that each account taken in isolation offers an incomplete theory of the overall dynamics of the capitalist economy and the concomitant economy-society relationship. While Habermas’s theory captures the norm-free dynamics of the capitalist monetary system, which go beyond the normative institutional context of economic activity and turn back upon it, he has little to say about the normative constitution of the market itself and how this entwines with political-ideological complexes and cultural values. While Honneth’s theory has its optics focused on the latter, it leaves little or no room for monetary dynamics and mechanisms of system integration that cut through the sphere of the market and have profound effects on the struggles over its institutional shape in a given historical moment. Both accounts of the economy are, therefore, flawed and incomplete, but the issues are complementary rather than cumulative or contradictory.

To align with the overall aim of the current thesis, the economy must be theorized in terms suitable for reframing and expanding the colonization thesis into the theory of relinguistification. While the latter crucially relies on media theory, the expanded account of colonization on which it depends seeks to relate system differentiation, cultural-structural rationalization, and class struggle. Therefore, an adequate mediation of non-normative and normative moments is essential. While Habermas provides the framework suitable for accounting for this mediation, his own application of the system-lifeworld concept of society is found lacking in both directions. While Honneth, following Parsons, offers a necessary normative
corrective to Habermas, later, in Chapter 3, we will see how Luhmann is required to fill-out the system-lifeworld concept in the non-normative dimension. For now, however, I turn to some contextualized critical reflections to make a case for the mediation of Habermas and Honneth’s theories and the synthesis of respective insights. Defending the system-lifeworld scheme, I primarily criticize the shortcomings in Honneth’s account while nonetheless pointing towards those gaps in Habermas’s frame that Honneth can be drawn upon to fill. These critical reflections are focused on the problem of accounting for contemporary neoliberal capitalism (1.4.a), the maintenance of a relationship with the Marxian critique of capitalism (1.4.b), the theory of crisis (1.4.c), and media theory (1.4.d).

1.4.a Contemporary Neoliberal Capitalism

From the outset a significant tension in Honneth’s account is apparent. In attempting to outline the market economy as a sphere of social freedom Honneth (FR, p.176), concedes that this very idea may today seem “absurd”. He (FR, p.176, emphasis added) begins his account of the economy with the major caveat that the current economic system in Western countries is “not a sphere of social freedom”. To Honneth (FR, p.176), the contemporary economy cannot be considered a “‘relational’ institution” because:

“It lacks all the necessary characteristics of such a sphere: It is not anchored in role obligations to which all could agree, and which interweave with each other in a way that would enable subjects to view each other’s freedom as the condition of their own freedom; it therefore lacks an antecedent relation of mutual recognition from which the corresponding role obligations could draw any validity or persuasive power.”

Therefore, Honneth’s subsequent conceptualization of the market economy, by his own admission, has little bearing on contemporary society. Why this is the case is owing to neoliberal economic reforms, which, in Honneth’s account, represent a major misdevelopment of the market, as well as adversely affecting almost all other institutional spheres. Yet, despite such a major restructuring of institutions conferred to this misdevelopment, Honneth’s attempt to account for the neoliberal turn of Western societies from the 1970s onwards is altogether unsatisfactory. Here, the explanatory framework of a reconstructive critique based solely on an
action-theoretic normatively informed functionalism seems to run up against its limits.

Within the framework of his normative functionalist account of the market economy Honneth (FR, p.177) sees neoliberalism as a social misdevelopment “that hollows out and undermines the normative potential of the market”. He (FR, p.252) acknowledges that this misdevelopment “poses a problem” for his normative reconstruction, principally owing to the absence of normative countermoves and the almost complete individualization of the economic sphere. Yet, when it comes to providing an explanation for just this state of affairs the normative concept of the economy, coupled with a Hegelian progressive telos, seems to lack the necessary critical dynamics to adequately diagnose the times.

Honneth (FR, p.245; p.252) describes the neoliberal turn as “a gradual autonomization of the imperatives of the financial and capital markets” along with “a corresponding shift in the cultural interpretation of the market”. He concedes (FR, p.176) that it is uncertain whether neoliberal reforms “represent a new wave of expansion for capitalist profit-seeking or the ‘re-feudalization of fundamental market institutions”’. Further, this misdevelopment “not only has consequences for the labour market,” according to Honneth (FR, p.245), “but also for the neighbouring social spheres.” When it comes to explaining such a radical shift Honneth (FR, p176) describes a normative project involving the “political dismantling” and (FR, p.177) “removal of” barriers to the capitalist market. Here, however, we encounter the limits of the account. Though Honneth seems to implicitly possess a concept of a capitalist market that is subject to its own imperatives, a market towards which various barriers must be erected to prevent its autonomization and dedifferentiation into other institutional spheres, no such concept is outlined in his theory of society. Further still, his normative functional account of the economy, in terms of an institutional sphere of social freedom, seems to afford no space whatsoever for such non-normative systemic sociality to which he alludes with these insights. The systemic aspect of the capitalist economy so central to Luhmann’s account of non-normative systems, and Habermas’s account of norm-free sociality, is absent
altogether from Honneth’s frame of reference. Neoliberalism, to both its proponents and its critics, includes a significant non-normative dimension in the centrality of monetary steering for societal coordination. Where Habermas was once charged with ceding too much ground to systems theory (McCarthy, 1991), today Honneth could face a similar charge with regard to normative functionalism.

Yet, ambiguities also abound when one tries to account for neoliberalism solely within Habermas’s theoretical framework. Here, the non-normative moment is accommodated in norm-free sociality but in doing so is pushed beyond the reach of political-ideological projects altogether; there is no connection between systems differentiation, cultural values, and class struggle. The result is an account of the neoliberal turn that can only see autonomous dynamics of an expansive monetary system colonizing the lifeworld from without, while politically specific normative institutional arrangements within are out of view. Therefore, the theory of the colonization of the lifeworld is an account of only one aspect of the neoliberal turn – the expansion of the monetary economic system. Neoliberalism must also be grasped as a political-ideological project, however; one which expands the process of the colonization of the lifeworld by championing media-steered sociality for the coordination of action in complex societies. Habermas’s own account, according to Jütten (2013, p.599) “does not accommodate the normative discourse of commodification that paves the way for colonization.” Economic imperatives, at root of the expansion of the monetary economy, dominate contemporary capitalist societies largely because “a neoliberal ideology actively furthers their cause” (Jütten, 2013, p.599).

However, Habermas does seem to have such a view in mind, despite its absence at the theoretical level. In the preface to the TCA, Habermas (TCA1, p.xliii) describes a significant contemporaneous-historical motive of the work in terms of a critique of the neoconservative desire “to hold at any price to the capitalist pattern of economic and social modernization”. As a part of this desire, political projects attempting to achieve new impetus are relocating problems, by (TCA1, p.xliii) “shoving problems back and forth between the media of money and power”. This
A connection between social actors and steering media – the former of which are seen in terms of class conflict over the institutional form of societal integration – is expanded further in his contemporaneous historical-political writing. In an essay exploring the crisis in the welfare state project, Habermas (1990) reveals much of his social thought regarding the historical situation substantiating the colonization thesis. Here, Habermas outlines three ideological positions in relation to the faltering project – neoconservatives, legitimists, and dissidents – and in a slight expansion of the TCA’s conceptual framework, associates each with what he (1990, p.65) describes as the three resources that modern societies have at their disposal for coordination: money, power, and solidarity. While Habermas sees all three positions as defensively orientated, the dissidents engender the possibility of developing an offensive by way of advancing the continuation of the welfare state project at a higher level of reflection; that is, a welfare state directed not only to restraining the capitalist economic system, but also controlling the state itself (1990, p.64). Habermas (1990, p.65) sees this continuation as only possible by way of a deep process of democratization such that the integrative social force of solidarity would be able to maintain itself in the face of the other two, systemic, steering media. This aligns with Habermas’s elsewhere outlined description of the project of radical democracy in defensive terms as keeping systemic imperatives at bay by way of “defensive re-steering” (Habermas, 1991, p.261).

Habermas’s thesis of capitalist systemic steering in opposition to democratic counter-steering, by all means a historical observation in the diagnosis of the times, rather than an analytical-theoretical given, chimes well with Honneth’s conclusion regarding the market economy today. Where Honneth finds himself left bereft of an explanation for the root cause of such regressive misdevelopment, Habermas is of explanatory value. Honneth’s (FR, p.252) description of the neoliberal turn as involving two moments – the autonomization of finance and a shift in the cultural interpretation of the market – resonates profoundly with Habermas’s (TCA2, p.327) conclusion that the communicative infrastructure of late capitalist modernity is threatened by two “interlocking, mutually reinforcing tendencies” – systemically induced reification and cultural impoverishment. With this parallel, we get a sense
here of how Habermas’s social theory complements Honneth’s normative reconstruction: both theses highlight systems differentiation entwined with cultural rationalization. Yet, with regards to interrelating both theoretical moments, Honneth’s account encourages us to look towards the class struggle in the institutional configuration of the economy as the most significant factor in the neoliberal turn. Here, the change in political-ideological complexes and cultural values at root of the form of social organization within which steering media are deployed may be charted. Honneth, therefore, reminds us to look at the level of history in order to locate the dynamics of evolution.

**1.4.b Marxism and the Critique of Capitalism**

As we have already seen above (1.3), the concept of capitalism is somewhat problematic for Honneth, having explicitly expressed concerns in this regard (Honneth, 2004a). This issue has worsened rather than been relieved by his sociological turn, an unfortunate shortcoming giving the salience of the concept at the historical conjuncture. In this regard, the complete absence of a concept of capitalism in *FR* is telling. Whereas the *TCA* explores the conflict between democracy and capitalism in terms of the dynamics of lifeworld and system, and their respective forms of integration, *FR* theorizes democracy only, or democratic society, shorn entirely of the capitalist economic system. While this makes *FR* especially attuned to learning processes in the modern lifeworld – and in this sense an impetus for reinvigorating reformist progressive politics – it is closed to deep-seated contradictions in the evolutionary trajectories of the social formation between the realms of material and symbolic reproduction. In Marxist thought, these trajectories are seen as the root of irresolvable conflict. From this perspective, Honneth avoids the central question in Critical Theory: whether capitalism induces pathology and renders misdevelopment profoundly difficult to avoid.

The sociological dimension of Critical Theory, as Honneth (2004a, p.345) himself acknowledges, is intended to develop an explanatory scientific theory of causality. In Honneth’s theory of the market economy, a sociological explanation of misdevelopments is absent, despite the fact that in this sphere in particular they (*FR*,
p.198) “play a more prominent role than positive developments”. Furthermore, misdevelopments emerge, according to Honneth (FR, p.197), where institutionalizations remain absent over time or are reversed “in spite of public pressure”. Yet, Critical Theory has historically occupied itself with the absence of public pressure, with ‘false-consciousness’. Causality should explore why distortion of interest occurs such that misdevelopments proceed unchecked. This is the essence of Critical Theory’s critique of capitalism in which where a theory of capitalism – in the first generation indebted to Marx – is posited as the explanatory dimension. However, Honneth’s issues with the concept of capitalism preclude the development of causal-explanatory critique.

Capitalism can be simply conceptualized in terms of the primacy of the economic sphere. Luhmann (1989) suggests this, as does Habermas (1976; TCA). Honneth does not, however, give time to consider the interrelations of the various institutional spheres in FR, but instead examines each in isolation.

Macro trans-subjective aspects of sociality, of which capitalism is one, are difficult to position in Honneth’s framework. This issue expands beyond FR into Honneth’s version of the theory of reification (Honneth, 2008) and his account of recognition as ideology (2007). In both cases he puts forward a type of institutionalist approach where the macro level is severed. His theory of reification, as a result, is advanced shorn of a theory of capitalism. The theory of reification, however, is a causal-explanatory theory of ideological distortion that relies on an analytically distinct concept of capitalism. Habermas recognizes this and sought to accommodate capitalism as a mediatized system of monetarily steered action with quasi-autonomous dynamics. This is what provides an explanatory dimension for the colonization thesis.

Honneth’s issues with the explanatory dimension of the theory of capitalism perhaps relate to his position vis-à-vis Marx. In FR it appears as though Honneth’s dealing with Marx is primarily in terms of Marx as a theorist of social freedom with corresponding concept of justice based on the absence of exploitation. There is little
indication of engagement with Marx’s social theory as a critical theory of society. This aspect makes FR seem a descriptive theory of society with critical intent, rather than a truly critical theory of society with practical intent. Yet, it would appear that FR is still somewhat reconcilable with a Marxist critical sociology.

A tension can be identified in Honneth’s text between, on the one hand, the elaboration of a moral account of economic activity, and on the other, the apparent desire to leave space for a Marxian moment in some modified form. In this regard, it is especially difficult to reconcile “the valuable insights” Honneth (FR, p.195) attributes to Marx’s thesis of the autonomization of capital valorization, with the lack of space then given in his framework for functional dynamics of the capitalist monetary system. Though Honneth intends to develop a post-Marxist critique of capitalism, he is careful to distance his approach from Marx only in terms of the critique of exploitation and alienation, and not in terms of the thesis of autonomization of capital valorization. However, a critique of capitalism vis-à-vis a critique of the autonomy of imperatives of capital valorization is difficult to consider from within Honneth’s account. The explanatory dimension of quasi-autonomous imperatives of a monetary economy is not present in Honneth’s framework. This leads us towards the most crucial shortcoming of Honneth’s theory of the economy from the perspective of contemporary social theory: the absence of media theory. Before turning to this, however, we also have to consider the loss of crisis theory.

1.4.c The Theory of Crisis

The absence of an analytically defined concept of capitalism for Honneth brings with it the loss of a key explanatory theory from the Marxist tradition, which, particularly at the present historical conjuncture, contemporary Critical Theory ignores at its peril. The continuing fallout of the 2008 global financial crisis lends renewed salience to Marxian crisis theory, as demonstrated by Streeck (2014). This type of Marxian political economy reveals social facts that may be tempered in critical social theory to inform a more sociologically sophisticated critique of capitalism. Similarly, Piketty’s (2014) longitudinal analysis of inequality in the history of capitalist society suggests that monetary economic analyses can unveil ‘laws’ of accumulation
dynamics which, if not inevitable, are certainly tendential and actual in the capitalistic path to modernization. In short, capitalism has an evolutionary logic of its own, which unfolds somewhat quasi-independently of democracy. This aspect simply must be maintained in the account of class struggles over the normative regulation of the economy. A critique of capitalism today must be able to accommodate monetary accumulation dynamics that, when prioritized and rendered autonomous (as with the model of neoliberal capitalism today) set significant functional constraints on the very possibility of normative regulation via democratic social organization.

Honneth’s concept of the market economy shorn of a concept of capitalism leaves no room for the central Marxian theory of crisis, however, whether to be considered endogenously economic or societal. Because of this, Honneth’s theory cannot integrate insights from the type of analysis of the contemporary situation provided by Streeck (2014), for example. As a result, causal-explanatory links between capitalist economic crises and historically rooted institutional misdevelopments cannot be established within the confines of Honneth’s own framework. Couple this with Honneth’s difficulty in accounting for the contemporary neoliberal economy as an institutional order that does not reflect his model of the market sphere and a more fundamental explanatory deficit is revealed.

Crisis remains central to Habermas’s concept of the economy, however. His (Habermas, 1976) early theory of Legitimation Crisis provides a reformulation of Marxian crisis theory in communication and learning theoretical form. Here, endogenously generated economic crises, of the kind theorized by Marx in the tendency of the rate of profit to fall, are shifted onto the late capitalist administrative state, and from here channeled into the socio-cultural lifeworld. Later, even as Marx begins to recede from the foreground of Habermas’s thought, the theory of crisis remains operative to a significant extent where the colonization of the lifeworld is theorized as a process given expansion through economic crises. This theory suggests that economic and political projects for solving endogenous economic crises are successful at the cost of incursions of systemic rationality into
the lifeworld. This thesis would seem to lend an explanatory dimension to Honneth’s misdevelopments and the fact that they have proceeded unchecked in the neoliberal era. Habermas’s colonization thesis falls short however, in failing to sufficiently connect colonization with the class struggle shaping the institutional configuration of the economic sphere. Because of this, political projects associated with the colonization of the lifeworld are not captured in Habermas’s thesis. Honneth’s account of class struggle is shorn of both a theory of the capitalist monetary system and a theory of endogenous crises, however. As a result, this crucial factor affecting contestation is left absent from the class struggles attempting to shape institutional normativity. If we want a full account of monetary system dynamics, crisis situations, and class struggles, it seems that some synthesis of both perspectives is necessary.

Because Habermas bears a much closer relationship with Marxian theory, the system-lifeworld concept holds space for bridging insights of Marxist political economy with the social-theoretical critique of capitalism conducted in the theory of reification. Habermas himself, however, fails to take this step itself in his rendering of the two-level theory. As I will argue in the following chapter, Habermas does not produce a clear account of the system itself but instead focuses on its effects on society more generally – system integration. For a sociologically elaborated accounted of the monetary system and its systemic dynamics we have to turn to Luhmann. Luhmann is the theorist providing the clearest sociological translation of Marx’s autonomization thesis in the concept of autopoietic binary coded systems. Habermas provides the necessary framework within which this theory can be tempered and strictly limited to the capitalist monetary system such that Luhmann may actually enrich the account of non-normativity in the system-lifeworld framework. This also has the effect of pushing Luhmann in a Marxian direction. I will explore this further in Chapter 3. For now, the crucial point is that Habermas’s system-lifeworld concept can integrate normative and non-normative insights in a scheme tailored to developing a critical account of capitalism and democracy from the perspective of societal evolution. A particularly crucial aspect of this scheme is the sociological theory of symbolic media.
1.4.d Media Theory

Honneth’s decision to retrieve his sociological framework from the normative paradigm of the early Parsons in entirety is particularly problematic from the perspective of contemporary social theory. In making this move, Honneth forgoes many subsequent developments and theoretical innovations in sociology after Parsons. From a social theoretical point of view, media theory – running from late Parsons into Luhmann and Habermas – is here the primary crucial loss, particularly in relation to the capitalist economy. With regard to the economy, the absence of media theory means that a theory of money – the central institution of the capitalist economic system – is absent. Yet, Honneth (FR, p.178) does acknowledge the role given money by economic historians and social theorists in the emergence of the capitalist economic system, but choses instead to focus on normative institutionalization in the history of the market economy, taking its monetary basis as a background given. Therefore, as well as downplaying the non-normative aspect of the capitalist market economy, Honneth also demotes the centrality of money in its emergence and systemic specificity. To acknowledge the central role of money would lead to the issue of differentiating a non-normative capitalist economic monetary system from the normative market economy, as he understands the latter.

With the rejection of media theory, one of the most significant innovations in modern social theory is lost, along with the social-theoretical advancement it brings: capturing the classical and macro sociological differentiation thesis at the level of micro social interaction processes. The absence of media theory in Honneth therefore also means the absence of a differentiation thesis. This is crucial for an adequate engagement with sociology, not least in relation to theorizing the economy. To Luhmann (2002, p.22) the sociological tradition more generally has described modern society as a differentiated society. Habermas (1991, p255-6) also interprets the main line of social theory as concerned systems differentiation within society. Honneth’s theory of society, however, dispenses with the systems theoretical frame of reference altogether and provides no basis to capture growing societal complexity. Honneth’s theory of the economy, as a result, is at a far remove
from the systems differentiation thesis of Marx, the late Parsons, onto Luhmann, and into Habermas’s thesis of the uncoupling of system and lifeworld.

Honneth’s own account of normative institutions being forged out of the struggle of actors to realize values could, in fact, be complemented by this extra level of analysis, rather than consumed within. Connecting the system and action paradigms in a critically meaningful way is precisely where the causal-explanatory strengths of the theory of reification lie. It is precisely here, in the Marxian approach to the critique of capitalism, that Habermas sought to reinvigorate the theory of real abstraction as the thesis of the colonization of the lifeworld. As we have seen (1.2.b), this is the very reason that Habermas elaborates the system-lifeworld concept of society.

1.5 Conclusion

In this chapter, I have explored both Habermas and Honneth’s theories of the economy as competing positions in contemporary Critical Theory. In discussing the merits of both accounts I have sought to highlight the insights pertaining to both non-normative and normative aspects, the former running through Habermas’s renewal of Marx and the latter through Honneth’s renewal of Parsons. The guiding assumption underlying the initial descriptive exploration of the theories, therefore, is that both aspects of the economy must be maintained for a fuller sociological account. This in mind, the problem that comes to the fore is Honneth’s denial of the non-normative moment and the resulting impact on various aspects of critique; his framework is not capable of mounting a Marxian stereoscopic critique of capitalism. Through thematized critical reflections, of both theoretical and substantive relevance, I have attempted to demonstrate that while Honneth’s counter-position does indeed inform Habermas’s theory in a normative direction, it comes up especially short with regard to a critical-explanatory account of the capitalist economy. These critical reflections are reason enough to retain the Habermasian system-lifeworld scheme while nonetheless taking heed of Honneth’s normative corrective. Having closed the critical reflections on the theory of media I now turn to
examine Habermas’s account of this theory, an account central to his system-life world scheme and subsequent theory of colonization.
Chapter 2. Habermas’s Media Theory: Communicative Conceptualization, Problems in Elaboration, and Potentials for Development

2.1 Introduction

In the previous chapter, I conceded that Habermas’s theory of the economy could take profit from Honneth’s normative insights. Honneth’s normative corrective is a necessary counterargument so that later, in Chapter 4 and Chapter 5, Parsons can be revisited with the goal of bringing political-ideological complexes and cultural values to light. The normative dimension, therefore, is a necessary extension of Habermas’s theory of the economy to open the lifeworld itself to a deeper analysis. However, my defense of the system-lifeworld concept is based on the idea that first, with expansion, it is in fact capable of encompassing a stronger normative and cultural dimension, and second, that it can do so while relating this dimension to the non-normative aspect of the capitalist economy. This second point is crucial. The non-normative dimension, as we have seen, remains the touching stone for the Marxian critique of capitalism and is also pivotal to the thesis of the colonization of the lifeworld. The two-level theory of society provides a renewed basis for Marxian critique. In Habermas’s rendering, however, the non-normative dimension is also somewhat unclear.

In this chapter, I turn to focus on how Habermas arrives at his account of the norm-free system through his critical appraisal of Parsons’s media theory. In doing so, I uncover problems in the elaboration of the concept of system that must be overcome to reconsider the colonization thesis today. Critical reflections reveal that Habermas’s communicative reworking of the Parsonian media points towards a fully communicative understanding of the system-lifeworld distinction – on the basis of delinguistified and linguistic forms of communication – but Habermas himself fails to follow through on this. Extrapolating the core of Habermas’s system concept is the second major move towards refining the system-lifeworld scheme and transforming the colonization thesis in turn. The critical discussion in this chapter justifies a turn
towards Luhmann for the non-normative aspects of the capitalist economy in the following chapter. Furthermore, media theory will become central again later when I reframe colonization as relinguistification; as Habermas identifies, the paradigm of media theory is particularly advantageous for reconstructing the theory of reification on postclassical theoretical foundations. Habermas’s own media theory only takes the first step towards a communicative transformation of the theory of reification, however. The subsequent step is made in this dissertation.

It has been seen that media theory is entirely absent from Honneth’s account of the economy and so represents the main difference between his normative approach and the non-normative one adopted by Habermas. Habermas’s media theory is ultimately what takes his account of the economy beyond Honneth’s institutional perspective. Through this theory, Habermas builds a two-level framework for the critical interpretation of functionalist dynamics exceeding normative contexts and therefore going beyond Honneth’s market sphere. Media theory is a postclassical innovation in social theory stemming from the late Parsons. By interpreting this through his own paradigm of communicative action, Habermas builds an account of non-normative systems into an otherwise action-theoretical theory of society. The critical insights derivable from this perspective upset Honneth’s neoclassical normative model of sociality, a model contrastingly stemming from the early Parsons. In short, the paradigm of media theory introduces communicative dynamics into action theory that exceed normative-institutional contexts.

The theory of generalized symbolic media was developed by Parsons to account for action co-ordination in complex functionally differentiated societies. Through this theoretical innovation, the classical sociological problem of differentiation is transformed in contemporary social theory. By shifting the focus towards the dynamics of social coordination in modern societies, media theory offers a deeper sociologization of processes of differentiation. According to Chernillo (2002, p.433): “Social coordinations conceptualized as media give sociological content to the highly abstract idea of the differentiation of modern societies.” Through Habermas and Luhmann’s subsequent developments, the theory shifts towards communication and
the substantive concern is focused on the rise of different dynamics of social co-
ordination in modern society. In this regard the macro systemic perspective so
prominent in the late Parsons is connected to its play at the micro-level of inter-
subjectivity. Through media theory, therefore, structural differentiation is
essentially made live in communication dynamics.

Within the paradigm of media theory, developments stem in two directions owing to
tensions between money and language in Parsons original composition, according to
Chernilo (2002). Firstly, with Habermas, language takes the place as the
paradigmatic medium and money is demoted from this primal position; money is
theorized as a steering medium, as opposed to a communication medium. I explore
this below. Secondly, with Luhmann, media are seen as a causal component of the
functional differentiation of modern societies. Media precede differentiation rather
than result from it. Historically speaking, therefore, the money medium is theorized
by both Habermas and Luhmann as preceding the functional differentiation of the
economy, as opposed to Parsons’s view of media emerging from differentiation. The
thesis of media theory, therefore, has come to turn the thesis of differentiation on
its head. It is not functionally differentiated social systems that beget generalized
symbolic media for the co-ordination of social action, but rather, the emergence of
media that begets social systems.

Seen this way, the introduction of media theory to the action theoretical framework
brings the problem of differentiation to bear on normative institutional spheres.
From this perspective, media theory is at root of the distinction between system and
lifeworld and, along with that, the point of separation between Honneth’s market
sphere and Habermas’s economic system.

In this chapter I conduct a critical analysis of Habermas’s media theory. This theory
is being analyzed in detail here given its centrality to Habermas’s concept of system
in the system-lifeworld scheme. By implication, media theory is also central to the
colonization thesis. As will be seen, there are significant issues in Habermas’s
elaboration of media theory that must be clarified for the current thesis to move
towards a communicative transformation of the theory of reification in the theory of relinguistification.

I begin with a detailed account of Habermas’s critical appraisal of Parsons’s media theory (2.2; 2.2.a). By considering Parsons’s media through the paradigm of communicative action, Habermas takes a radical step towards the communicative transformation of media theory (2.2.b). This move allows Habermas to consider the essential substance of Parsons’s media such that they can be evaluated according to their precise communicative dynamics. The result is a subdivision of the Parsonian scheme into steering and communicative media forms (2.2.c). From here, I put forward critical reflections on Habermas’s theory (2.3), crystallized around the resulting concept of system (2.3.a) and the decision to include power as a systemic medium (2.3.b). With regard to the former, I argue that because Habermas’s system is developed through Parsons but aligns with Luhmann, the end result is confused in its elaboration. This critique anticipates the turn to Luhmann in the following chapter, along with a more detailed exploration of Parsons in Chapter 4. With regard to the concept of power, I argue that the inclusion of this as a medium on a par with money confused the clear line of distinction between system and lifeworld along communicative foundations, that is, the distinction between delinguistified and linguistic forms of communication. This critique anticipates reframing the colonization thesis on linguistic-communicative terms in the final chapter.

2.2 Habermas’s Media Theory

2.2.a The Critique of Parsons

Although Parsons continued to extend his media theory across various levels of his social systems theory, Habermas’s analysis is limited to what he terms the ‘first round’ of generalization in Parsons’s media theorizing. Habermas, therefore, focuses only on the media at the social system level. It is these media that are primary for action coordination at the level of social interactions. Though Habermas’s analytical work is conducted through the Parsonian frame, it is ultimately aimed at a reconstruction of Marx. Habermas’s interest is in demarcating essential forms of coordination at the social level such that the theoretical
framework of Marx’s critique of capitalism can be reconstructed at a higher level of abstraction. This framework is based on the idea of juxtaposing, in a critically meaningful way, an autonomized economic system to a socio-cultural lifeworld from which it has decoupled. Beyond Parsons, therefore, Habermas wishes to focus on the entry of the system-environment distinction into society itself. Following Marx, Habermas seeks to theorize this differentiation via the monetarily steered capitalist economy. Rather than explore this by way of the change from use-values to exchange-values, however, Habermas looks to the change from communicative action to media-steered coordination.

Analytically speaking, Parsons’s media theory is reflective of the historical-empirical separation of system and lifeworld to Habermas, and in this way symptomatic of an associated form of cognitive reductionism. Parsons’s (TCA2, p.256) media framework provides a theoretical account of how systems theory is forced to reduce structures of linguistically generated intersubjectivity to mechanisms of system integration that operate over the heads of social actors. In Parsons’s media theory, Habermas sees the objectifying perspective of social systems being brought to bear on society as a whole, such that the distinction between social integration and system integration is effectively eliminated. Habermas (TCA2, p.257) accounts how the Parsonian model took a lead from neoclassical economic theory and sought to expand the theory of society in the direction of several functionally specified subsystems beyond the economic. The result was the four-function AGIL scheme.22 Following the model of the economic system’s input-output relations with its environments through the medium of money, Parsons then sought to expand his own theory such that this medium of interchange could be generalized in an account of media of other subsystems. Throughout the 1960s, in a series of essays, Parsons outlined power (1963a), influence (1963b), and value-commitments (1968b) as media exhibiting structural analogies to money. Each Parsonian media is correlated with one societal subsystem: money with the economic system, power with the political system, influence with the societal community, and value commitment with

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22 Parsons’s AGIL scheme is discussed in Chapter 4.
the fiduciary system. The Parsonian media theory at the level of the social system is represented in Figure 2.1 below, where each medium is placed within its respective subsystem in the AGIL paradigm.

![Figure 2.1 Parsons's Media Theory at the Level of the Social System](image)

Habermas’s (TCA2, p.258) argument suggests that with each extension of the media concept “the structural analogies to the money medium became increasingly unclear and the conceptual specifications increasingly abstract and imprecise”. He sees this as evidence of the overgeneralization of a model that cannot be used as a foundation for the theory of society. Habermas turns to analyze Parsons’s media theory, then, oriented by the same question from which Parsons began: whether the principles of the money medium can be generalized beyond that particular case. To Habermas, the temporal sequence in which Parsons generalized the concept of media at the level of the social system, along with the increasing imprecision and incompleteness of the theory itself, is reflective of a deeper substantive problem. Rather than proceeding according to the historical appearance of media and the degree to which they became institutionally established, these aspects reflect a more fundamental error of overgeneralization. Habermas (TCA2, p.259) suggests that this error is rooted in the fact that “the concept of a medium can only be used in certain domains of action, because the structure of action permits a media-steered formation of subsystems only for certain functions”. Habermas (TCA2, p.259) uses this hypothesis to reinforce the argument against Parsons that the problem is not so much the incompleteness of his media theory, but instead “the claim that there is any such system of steering media at all.”

Habermas accepts the general hypothesis that exchanges between system and environment, and exchanges between functionally specified subsystems, must occur through some form of medium. To Habermas (TCA2, p.259), however,
communication in language is the prototype for such a medium, and special languages, such as money, should be assumed to derive their structures from this. In Habermas’s communication theoretical framework, mutual understanding in language is the most important mechanism for coordinating action, with the aspect of steering that is characteristic of generalized media secondary. The problem with media theory being derived from the model of money, as in Parsons, is that the coordinative aspect of steering is given primacy over the internal structures of communication in language. The question of the structure of language setting limits to the extension of media is, then, not considered from within this perspective. This leads to the error of overgeneralization insofar as the model of money, as a steering medium, is extended into domains where exchanges are dependent on linguistic communication oriented to mutual understanding. This theoretical issue of media overgeneralization mirrors the empirical issue of media overextension at root of the colonization of the lifeworld. The result is an uneasy connection between media theory and the reification of social life under conditions of late capitalism.\(^{23}\)

To Habermas, the basic medium of ordinary language communicative action remains central to the symbolic reproduction of the lifeworld. He (TCA2, p.261) uses this key point to suggest that only the domains of material reproduction can be functionally differentiated out of the lifeworld via steering media. To Habermas, this explains the increasing imprecision in the Parsonian scheme.

2.2.b The Paradigm of Communicative Action

Starting from the basic model of communicative action, Habermas (TCA2, p.262) describes how two actors coordinate their actions first through establishing mutual understanding before then agreeing upon how to bring about something in the world.\(^{24}\) In this sense, communicative action through language serves both to inform

\(^{23}\)This is explored further in Chapter 6, where I chart the cultural contours of the neoliberal turn through social theory in Habermas and Luhmann’s routes out of Parsons. This historical account of the change from postwar to neoliberal social orders extends the colonization thesis, bolstering the reconstruction of colonization as relinguistification.

\(^{24}\)Here Habermas follows Parsons in advocating a model of double contingency in communicative action. Strydom (1999; 2001) has elaborated a model of triple contingency, informed by the Habermasian frame, to give a constitutive role to the always-present virtual public in any instance of communicative action in modern societies.
and coordinate social action. The process of communicative action necessarily involves the raising of validity claims by ego, which are criticizable in principle, that in turn can be tested before being accepted or rejected by alter. In this way, the process of reaching understanding involves reason giving that is open to the force of the better argument in defining the situation and determining a particular course of action. This process therefore hinges on the interpretive accomplishments of actors intent on arriving at a common definition of the situation in a way which goes beyond an egocentric orientation to their own success and towards a mutual understanding and communicative agreement regarding the achievement of their goals (TCA2, p.262). As a part of this process of communicative action, the shared lifeworld context in which the actors are situated loses its quasi-naturalness and is subjected to thematization and critique. With this, according to Habermas (TCA2, p.262), “the need for reaching understanding, the expenditure of interpretive energy, and the risk of disagreement are all increased”. This is where generalized media come to fulfill an important role in certain defined contexts. Through media, the demands and dangers of reaching understanding through communicative action can be reduced. According to Habermas (TCA2, p.262-3):

“media serve not only to reduce the expenditure of interpretive energy but also to overcome the risk of action sequences falling apart. Media such as money or power can largely spare us the costs of dissensus because they uncouple the coordination of action from consensus formation in language and neutralize it against the alternatives of achieved versus failed agreement.”

In this regard, Habermas argues that steering media should not be understood as a functional specification of language, but instead as a substitute for special functions of language. While media simulate some of the features of language, other features cannot be reproduced, most importantly (TCA2, p.263) “the internal structure of mutual understanding which terminates in the recognition of criticizable validity claims and is embedded in a lifeworld context”. From this perspective, Habermas makes the claim that the transfer of action coordination from ordinary language to steering media results in the uncoupling of interaction from lifeworld contexts. This has functional advantages insofar as steering media avoid the risk associated with processes of consensus formation and coordinate social action more efficiently in
specified contexts. This aspect of steering media – the relief granted action coordination from the interpretation process in communicative action of having to linguistically explicate and scrutinize criticizable validity claims – is described by Habermas (*TCA2*, p.263), referencing Luhmann, as a “technicizing of the lifeworld”. Because of this, actors are open to an increase in freedom of purposive-rational action through media steering insofar as they no longer need be held responsible for orienting their actions to criticizable validity claims. This allows media-steered social action to be interconnected with increasing complexity into functional amalgamations that social actors no longer have to be accountable for. It is from this formulation, then, that Habermas arrives at the concept of the norm-free system as a functional system of action consequences, as distinct from the non-normative semantic communication system of Luhmann. The concept of system is explored in further detail below.

### 2.2.c The Reframing of Parsons’s Media

Following a brief and purposeful recounting of the key structural features Parsons attributes to the money medium for purposes of theory generalization, Habermas begins by critically testing the extension of the theory towards the medium of power. The Habermasian account of power is ambiguous in many important respects (as I will argue below), but all in all argues for its inclusion as a steering medium on a par with money, despite several salient differences. A few key distinctions are outlined to begin with. First with regard to *codification*, Habermas observes that power is not codified in any way as distinctly as money in “syntactically well organized prices” (*TCA2*, p.269). Furthermore, the *systemic effects* of power are not so clearly marked as the empirical inflationary and deflationary dynamics of the money medium studied by economics. These differences aside, however, Habermas argues that money and power do not differ to any great extent according to their susceptibility of being measured, circulated, and deposited (*TCA2*, p.269). However, when it comes to *calculation* the argument becomes more tenuous. Nonetheless, Habermas suggests that while power cannot

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25 As was mentioned above, though Habermas’s critical reconstruction of media theory is conducted through Parsons, it is both informed by and in reference to the culmination of this theory in Luhmann.
be calculated with the level of precise measurement found in money, it can still be
calculated to some extent.

Ultimately, then, Habermas justifies power as a medium on the basis that it has, in
fact, empirically motivating power that can replace rational motivation through
reasons like money does. This is a key aspect of steering media to Habermas; they
must be tied to empirically motivating power. Also, power allows actors to adopt an
objectivating attitude towards their own success, again similarly to money, and so is
suitably tailored to purposive-rational action. Complications arise, however, insofar
as power remains dependent on processes of consensus formation in language at
base of its legitimization. Modeling media theory on language rather than money,
therefore, causes ambiguity with regard to the concept of power in particular.

The most crucial difference between money and power, from Habermas’s
communication theoretical perspective, concerns the ways in which the media are
institutionally anchored in the lifeworld. Whereas money is institutionalized via
“institutions of bourgeois civil law such as property and contract”, power is
institutionalized via “the public-legal organization of offices” (TCA2, p.270). Power,
therefore, is not a circulating medium like money, but is instead tied to the
framework of hierarchical organization, which in modern society is dependent on
conditions of legal domination and rational administration. Habermas (TCA2, p.270)
suggests: “power can be exercised at a societal level only as organized power”.

Furthermore, beyond empirical backing and legal anchoring, as in money, power
needs an additional base of confidence in legitimation; “There is no structural
analogy to this in the case of money” (TCA2, p.270). Habermas argues that Parsons
misses this crucial asymmetry based on the fact that confidence in the power system
is secured on a higher level than that in the monetary system (TCA2, p.271). The
legitimation of power depends on the recognition of normative validity claims,
beyond mere compliance with a legal framework. The normative anchoring of
power as a medium, therefore, is much more demanding than that of money. This is
so owing to the fact that in the standard situation of a power relation the receiver of
orders is at an inherent structural disadvantage to the person giving them (TCA2, p.271). The latter relies on the possibility of forcing the orders in the face of potential noncompliance. This is not the case in the exchange relation, where both parties are, in principle, on an equal footing with regard to their interests. Habermas (TCA2, p.271) suggests that this structural disadvantage, inherent in the standard situation of a power relation, is compensated by reference to collectively desired goals:

“As the person in power uses his definitional power to establish which goals are going to count as collective ones, the structural disadvantage can be offset only if those subject to him can themselves examine the goals and either endorse or repudiate them. They have to be in a position to contest [the claim] that the goals set are collectively desired or are, as we say, in the general interest.”

This reference to legitimizable collective goals therefore establishes in the power relation the balance that is built into the exchange relation to begin with. Furthermore, the reference to legitimizable collective goals opens power up to a connection with consensus formation in language according to the model of communicative action. This makes power less suitable as a steering medium capable of fully technicizing the lifeworld than money, owing to the fact that it remains connected to consensus formation in language. Nonetheless, Habermas finds reason enough to maintain power as a steering medium on a par with money. This is not the case, however, as he turns to examine the subsequent Parsonian media.

The critique of Parsons’s media theory is sharpened when Habermas turns to examine the media of influence and value-commitments. These media are linked directly to those areas of life that Habermas presents as essential for the symbolic reproduction of the lifeworld. Influence is associated with Parsons’s societal community, which in Habermas’s frame is responsible for social integration, while value-commitment is associated with Parsons’s fiduciary and pattern-maintenance system, which in Habermas’s frame is responsible for socialization and cultural reproduction. Habermas’s main critique against the Parsonian scheme is that these areas of social life cannot be subjected to steering divorced of communicative action in the way that formally defined contexts of material reproduction can. Habermas argues that in the areas of life responsible for functions of cultural reproduction,
social integration, and socialization, steering media simply cannot replace mutual understanding for the coordination of action without producing pathological outcomes. The symbolic aspect of society, understood as a lifeworld, “cannot be technicized” (TCA2, p.267). Nonetheless, Habermas accepts that capacities for communicative action can be organizationally mediated and expanded by communication technologies, which is how he begins to interpret the subsequent Parsonian media – as “generalized forms of communication” (TCA2, p.273). Such generalized forms constitute communication media, as distinct from steering media. Habermas develops this argument by examining the structural properties of steering media in reference to influence and value-commitments.

As we have seen, Habermas is aware that the steering medium criterion of calculation with any degree of precision is already being stretched in the case of power. When it comes to influence and value-commitments, then, the primary argument Habermas raises against the plausibility of their placing on a par with money and power is that they simply cannot be calculated like that latter (TCA2, p.273). Though influence and value-commitments can be interpreted as media, Habermas (TCA2, p.275) suggests that there is something forced about this interpretation. The reason for this is that in comparison to the media of money and power, influence and value-commitments have no institutional normative anchoring analogous to property and offices. Habermas suggests that the concepts that Parsons invoked for this purpose – prestige ordering and moral leadership – scarcely differentiated from central aspects of the media themselves. Additionally, influence and value-commitments are not capable of being measured, alienated, and stored in any way analogous to money or power. Most importantly, however, these media have no ties to empirically motivating power. This is because the situations within which these media are deployed concern communicative relationships and not contexts of purposive-rational action. Habermas (TCA2, p.276) argues that the processes of giving advice or making a moral appeal, associated with influence and value-commitments, are merely “special cases of consensus formation in language, in which, to be sure, one party is outfitted with a preponderance of competence”. Such communicative relationships do not contain aspects of inducement beyond the
reason giving resources of reaching understanding. This means that influence and value-commitments remain fundamentally tied to the lifeworld through their associated processes of consensus formation in language.

In conclusion, Habermas (TCA2, p.276) argues that while influence and value-commitments are to be considered generalized forms of communication which do in fact reduce the risks in achieving mutual understanding, they do so in a fundamentally different way than steering media. By remaining tied to processes of consensus formation in language, influence and value-commitments cannot uncouple interaction from the lifeworld context of (TCA2, p.276) “shared cultural knowledge, valid norms, and responsible motivations”. This explains Parsons’s issue in trying to account for the institutional anchorage of these media in the lifeworld; they do not need any special reconnection given that they are already embedded. The central difference from steering media, however, is that influence and value-commitments cannot replace ordinary language for the coordination of action, but instead provide a mere relief (TCA2, p.277) “through abstraction from lifeworld complexity”. Habermas (TCA2, p.277) states: “In a sentence: media of this kind cannot technicize the lifeworld.”

Habermas’s communicative reworking of Parsons’s media theory is displayed in Figure 2.2 below, where I rework the Parsonian theory presented in the AGiL scheme above to reflect the two-fold demarcation of media types and their association with system and lifeworld, as is implied by Habermas’s reworking. Habermas’s analytical moves split the Parsonian media between two essentially different forms – steering media and communicative media. This essential demarcation of media types ultimately serves as the basis for the two-level system-lifeworld concept of society. As a result of their technicizing and coordinative qualities, steering media lead to the differentiation of societal subsystems in which the lifeworld is no longer required for coordinating action. Such subsystems may then render themselves independent of the lifeworld altogether, with the latter moved out to become a system environment. From the participant perspective of members of society, the negative side of this is in increasing complexity where action decisions are embroiled in
expanded fields of contingency beyond the immediate orientations of the actors themselves. In this sense, Habermas suggests that the transfer of action over to steering media appears, from the perspective of social actors, as (TCA2, p.281) “a technicizing of the lifeworld.” Communicative media do not reproduce this particular quality of steering media, however. By remaining guided by generalized rational motivation, as opposed to empirical, communicative media maintain the mechanism of reaching understanding bound up in the lifeworld context. These media make use of communication technologies to free speech acts (TCA2, p.281) “from spatiotemporal contextual restrictions” such that there are available across multiple contexts. In doing so, however, communicative media provide relief to the coordinating function of ordinary language through abstraction from lifeworld complexity (TCA2, p.277), rather than wholesale replacement.

<table>
<thead>
<tr>
<th>System</th>
<th>A Economy</th>
<th>Administration G</th>
</tr>
</thead>
<tbody>
<tr>
<td>Steering Media</td>
<td>Money</td>
<td>Administrative Power</td>
</tr>
<tr>
<td>Communicative Media</td>
<td>Value-Commitments</td>
<td>Influence</td>
</tr>
<tr>
<td>Lifeworld</td>
<td>L Private Sphere</td>
<td>Public Sphere /</td>
</tr>
</tbody>
</table>

*Figure 2.2 Habermas’s Communicative Reworking of Parsons’s Media Theory*

Table 2.1 below is reproduced from Chernillo (2002, p.441), and gives an expanded account of Habermas’s media theory identifying the salient characteristics and features of each. Chernillo delineates the major characteristics of differentiation between the two media types in the areas of: the associated dynamic of action coordination, the actor’s orientation, the type of motivation, the mediads relation with ordinary language, and the social reproduction in which they are involved.

For present purposes, the most important points of demarcation between steering media and communication media concern their relation to language and their relation to the motivation of social action. In this regard, while steering media replace communication through language in the coordination of social action, with a

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26 This aspect of sociality is precisely what Honneth’s theory misses.
symbolic generalization of positive and negative sanctions, communication media merely *condense* it. Similarly, while steering media motivate action *empirically*, through inducement or deterrence based on sanctions, communicative media motivate *rationally*, through agreement based on reasons. From these key distinctions it becomes clear how steering media facilitate orientations towards success, while communication media are conducive with orientations towards understanding. This, in turn, makes steering media especially suited to domains of material reproduction and communication media suited to symbolic reproduction.

<table>
<thead>
<tr>
<th>Media</th>
<th>Dynamic of coordination of actions</th>
<th>Actor’s orientation</th>
<th>Type of motivation</th>
<th>Relation with ordinary language</th>
<th>Social reproduction in which is involved</th>
</tr>
</thead>
</table>

*Table 2.1 Chernillo’s (2002) Account of Habermas’s Media Theory*

### 2.3 Critical Reflections

Having provided an account of Habermas’s media theory and how it develops the Parsonian theory in a communicative direction, it is now time to turn towards some critical reflections on problems within this account. Habermas’s analysis of Parsons takes profit from Luhmann while also being directed at the latters radicalization of the social systems paradigm. The reconstruction is apparently undertaken for the purpose of reinvigorating Marx; within the Parsonian paradigm Habermas sees the potential to reintroduce the Marxian stereoscopic perspective under post-classical theoretical assumptions. While Habermas’s reworking of Parsonian media contains a number of interesting insights, the problem is that he does not seem to have struck a suitable balance of theories to best achieve his own theoretical aims.
The substantive issues expand in two directions. On the one hand, via Parsons, Habermas loses the Marxian account of systemic contradictions driven by capital accumulation preserved in Lockwood’s (1956) alter conceptualization of system and social integration. This in turn affects the substance of the Marxian dialectic between the forces and relations of production. With functionalism, Habermas accepts money as a neutral steering medium and loses the concept of capital as a social relation of domination (Ganßmann, 1988). As a result, no connections can be drawn between the monetary economy and the stratification of social classes with contradictory interests. On the other hand, via Marx, Habermas loses the Parsonian aspect of the mediation of the utilitarian moment through institutional orders such that political-ideological complexes and cultural values are seen as equally constitutive in the structure of the economy. Habermas separates steering media from communicative media in such a way that values and norms are left absent from the account of the capitalistic steering of modernization. As a result, the dynamics of the colonization of the lifeworld are limited to the irresistible expansion of quasi-autonomous systems altogether divorced from social actors in class struggle.

The analytical issues stemming from Habermas’s insufficient mediation of theories are related to the substantive yet more fundamental, however. For this reason, these issues will be the focus of the critical reflections herein. Analytically, it must be conceded that Habermas’s critics are not entirely misdirected in finding issue with his systems theory. When we examine Habermas’s formulation of his concept of system (2.3.a), we find there are valid reasons why this theory invites the criticisms it has consistently received. First, the system concept was muddled in its elaboration, falling somewhere between Parsons and Luhmann but not quite representing either. Second, this issue was made worse by the decision – following Parsons – to include power as a steering-medium on a par with money (2.3.b). This decision blurred Habermas’s own innovative and clear distinction between linguistic and delinguistified communication with a somewhat unclear overlay of communicative and steering forms of media. I will elaborate each point in turn and in doing so make

\[27\] On this, see Holmwood (2009).
a case for a reconstruction of the system concept on firmer footing to be conducted in the following chapter.

2.3.a The Concept of System

Habermas’s system concept emerges from the engagement with Parson’s media theory and is elaborated as part of the critical appraisal of Parsons’s theory of society. Habermas’s critique of Parsons suggests that the movement, over the course of a lifetime, from the paradigm of action theory, through structural functionalism, into a full systems theory of society was achieved at the expense of conflating the action and system paradigms. The result was a theory of society blind to the paradoxes of rationalization, with which Weber had been so concerned. This critique then serves as grounds to reframe Parsons’s systems theory in line with the design of decoupled system and lifeworld forms of integration, the latter of which is derived from the reframed media theory. The problem, however, is that while Habermas’s concept of system is built through a critique of Parsons’s media theory, the substantive basis of this critique is ultimately directed at the culmination of media theory in Luhmann’s theory of society. This problem is worsened by the fact that while Habermas follows the contours of Parsons’s systems theory, which is based on an *analytical* system concept, he actually intends to develop an *essentialist* system concept, as is presented by Luhmann. As a result, it is unclear in the *TCA* whether Habermas’s system is to be understood as Parsonian-analytical or Luhmannian-empirical. The problem with Habermas’s account of system, therefore, is that he in fact draws from two different concepts without adequately differentiating between. This leads to confusion regarding the exact theoretical moorings of the concept of system used to describe the decoupled mediatized norm-free aspect of sociality in modern capitalist society exemplified in the monetary economy.

Both sociological concepts of system are compared in *Table 2.2* below, which delineates Parsons and Luhmann’s concepts in terms of the system type denoted
and its central defining features\textsuperscript{28}. The difference between these system concepts is pivotal to the current thesis and both concepts will be significantly clarified as the overall argument progresses: Luhmann’s in the next chapter and Parsons’s in Chapter 4. For now, the below comparison is enough to highlight the salient features of each and Habermas’s failure to clearly align with either. While it should be noted that certain defining features of Luhmann’s system were not yet elaborated for Habermas to adopt them, the central point remains valid: while Habermas wishes to take the system concept in the direction of Luhmann, following the system-environment distinction entering society itself, he fails to clearly align with an essentialist-objectivistic concept of system.

<table>
<thead>
<tr>
<th>System Concept</th>
<th>System Type</th>
<th>Defining features</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parsons’s Analytical; Classical</td>
<td>Action system based on normative action</td>
<td>Whole-parts relation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Open, adaptive system</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Input-output relations with environment</td>
</tr>
<tr>
<td>Luhmann’s Essentialist-Objectivistic; Postclassical</td>
<td>Communication system based on encoded information</td>
<td>System-environment distinction</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Closed, autopoietic system</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Resonance relations with environment</td>
</tr>
</tbody>
</table>

\textit{Table 2.2 A Comparison of Sociological System Concepts}

In responding to his critics, we find Habermas (1991) is quite unambiguous as to which concept he had intended to present and align with. Here, Habermas contends that general systems theory, connected to cybernetics, has proven suited to application in the social sciences by virtue of the characteristic constitutive for

\textsuperscript{28} Parsons (1977, p.177) defines the concept of system, as an analytical concept, as follows: “SYSTEM” is the concept that refers both to a complex of interdependencies between parts, components, and processes that involve discernible regularities of relationship, and to a similar type of interdependency between such a complex and its surrounding environment. System, in this sense, is therefore the concept around which all sophisticated theory in the conceptually generalizing disciplines is and must be organized. This is because any regularity of relationship can be more adequately understood if the whole complex of multiple interdependencies of which it forms part is taken into account.”

Luhmann (1982) makes clear his desire to move away from any whole-part concept based on the analysis of the internal relations of a logically consistent system and towards a system-environment concept for the analysis of empirically differentiated subsystems.
system formation as differentiation between internal and external perspectives. In general systems theory, the system is to accomplish the maintenance of the system-environment distinction itself. General systems theory postulates the evolution of subsystems in the course of differentiation processes in such a way that the whole system comes to constitute an environment, as well as subsystems comprising environments for one another. Habermas’s (1991, p.255) thesis of the uncoupling of system and lifeworld then implies “that the dynamics – typical for the system character of society as a whole – of demarcation vis-à-vis a more complex environment infiltrates into society itself.” Whereas for Parsons the system model is analytical, it is with Luhmann’s “essentialist use of this model” (Habermas, 1991, p.255) that system-environment boundaries can be discerned within society itself as demarcated subsystems. Habermas (1991, p.255-56) contends that the “main strand of social theory – from Marx via Spencer and Durkheim to Simmel, Weber and Lukacs – has to be understood as the answer to this entry of system-environment boundaries into society itself”.

It is clear that Habermas sees the potential to reinvigorate the Marxian thesis of the rise of capitalism, itself conceived in terms of the autonomization of the imperatives of capital accumulation and the resultant ascendency of endogenous functional systemic dynamics to organizational primacy, via the Luhmannian account of social systems. The problem, however, is that the exposition in the TCA follows Parsons’s media theory, which itself connects back to the AGIL scheme. This four-function paradigm outlines the internal relations of subsystems in a single societal system, like a modern nation-state, which must maintain itself in the face of an external environment. This scheme is posited at the societal level of analysis – the system of society as a whole – such that subsystems are interpenetrated and coordinate societal equilibrium through interchange. Furthermore, Parsons’s system is an analytical concept wherein normativity is prioritized: the focus of the Parsonian model is on the relations of subsystems such that the normative integration of society is maintained in the last instance. Luhmann’s model, by contrast, is based on a radical differentiation of entirely non-normative systems, which are operationally closed and only engage in resonance relations with their environment. This concept
of system is then the basis of a polycentric account of society as a system of functionally differentiated systems with no central integrative core, such as Parsons’s societal community.

By attempting to integrate the insights of Luhmann’s theory through Parsons’s model Habermas creates issues in two directions. In pushing Parsons towards Luhmann, it seems that Habermas’s move to decouple system and lifeworld is in effect splitting the AGIL scheme in half and eliminating normativity altogether from two of its subsystems. This makes it seem as though Habermas is rolling back on the Parsonian critique of utilitarianism and committing to an instrumental description of societal integration as a whole; that Habermas is failing to escape “the Marxian dilemma” (Alexander, 1991).

In following Parsons over Luhmann, it seems that Habermas is losing the radical communicative implications derivable from the latters scheme. As opposed to Parsons’s account of symbolic media focused on the interchanges between action systems, Luhmann’s account of communication media describes the internal semantic essence of societal subsystems in communicative terms. By following the former, Habermas withdraws from taking the step towards a full communicative transformation of media theory. Furthermore, had he followed Luhmann, Habermas would have had the opportunity to introduce a stronger Marxian moment to his account of steering media, as I will demonstrate in the next chapter. This step would also have had theoretical implications for the colonization thesis, resulting in a full communicative account of the theory of reification based on the translation between delinguistified media and ordinary language. I will explore this in Chapter 6.

When we examine Habermas’s intentions, however, we find that they contradict this general impression given by his theoretical formulation.

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29 On this, explored further below, see Ganßmann (1988).
Regarding the Parsonian insights on the normative integration of society, Habermas’s response to criticism again significantly clarifies his intentions. He (Habermas, 1991, p.256) describes how the advent of the capitalist economic system and the state apparatus represent action domains that are primarily systemically integrated insofar as they are only integrated “indirectly through the agency of consensus mechanisms, namely to the extent that the legal institutionalization of steering media must be coupled to normative contexts of the lifeworld”. This being said, Habermas concedes that the expression ‘norm-free sociality’ led to misinterpretation. In this regard he does not deny the obvious fact of economic and political spheres relying on communicative action that is embedded in a normative framework. Habermas (1991, p.257) argues that his thesis:

“amounts merely to the assertion that the integration of these action systems is in the final instance not based on the potential for social integration of communicative actions and the lifeworldly background thereof – and these systems make use of both. It is not binding (bonding) forces, but rather steering media that hold the economic and administrative action systems together.”

From this statement it is clear that though Habermas wishes to maintain the normativity pronounced in the Parsonian theory of society, when it comes to the concept of system he in fact has in mind an entirely mediatized system concept, as in Luhmann, that is to be understood in an essentialist sense. Habermas’s system, therefore, refers to something beyond the normative institutional form of the economy, but the exact essence of this entity remains unclear. From this perspective Habermas’s system-lifeworld concept would benefit from insights from Luhmann’s non-normative account of the economic system, in addition to the normative orientation of Honneth, discussed in the previous chapter.

Despite his media theory splitting the Parsonian paradigm in half, Habermas’s concept of system, therefore, is to be understood as denoting an entity entirely separate from the system of institutions that composes the societal component of the lifeworld and broadly corresponds with Parsons four-subsystem AGIL scheme.  

Habermas is instead describing a system of supplementary communication,

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30 The relation between Habermas’s societal component of the lifeworld and Parsons’s AGIL scheme is explored in Chapter 4.
following Luhmann’s paradigm, operating above societal institutions, in Parsons’s paradigm, and feeding back into those institutions with steering demands taking the form of a functionalist system rationality. Habermas’s focus, however, is not on the internal essence of this system itself, as in Luhmann, but instead on its effects on societal integration when the latter is steered by systemic mechanisms; Habermas’s focus, therefore, is on system integration rather than the system itself. By following Parsons, Habermas can explore Luhmann’s functionally differentiated systems from the societal perspective, as systems-in-society, so to speak. This is essentially the basis of the concept of system integration. A close reading of the TCA with regard to the economy specifically reinforces this position: Habermas briefly describes the economic system in non-normative terms, befitting Luhmann’s concept but without the analytical clarity and clear communicative foundation, only to quickly change focus to examine the system’s relations with society as a whole.

To Habermas, the capitalist economic system is the functional intermeshing and stabilization of unintended consequences of action coordinated on the basis of monetarily steered exchange (TCA2, p.150). These functional interconnections are neither intended nor perceived within the horizon of everyday practice (TCA2, p.150) but instead emerge from economic social action that is steered by monetary exchange in modern capitalist society. This concept of the economy is in essence that of a monetary system, as in Luhmann’s account, a system that emerges as a consequence of money-steered social action. To Habermas (TCA2, p.171), the capitalist economic system owes its emergence to the steering medium of money. Money is “a special exchange mechanism that transforms use values into exchange values” thereby turning market exchanges into commerce in commodities (TCA2, p.171). Not only is this medium “specifically tailored to the economic function of society as a whole”, but as such it is also “the foundation of a subsystem that grows away from its normative contexts” (TCA2, p.171).

Habermas’s economic system is thus presented as structurally decoupled from the institutional spheres of society, i.e. from Parsons’s AGIL scheme entirely. Habermas’s system concept is aimed at capturing the particular form of the capitalist
economic system, as a subsystem “differentiated out via the money medium” (TCA2, p.165). To Habermas, the capitalist economy cannot be understood as an institutional order because “it is the medium of exchange that is institutionalized, while the subsystem that is differentiated out via this medium is, as a whole, a block of more or less norm-free sociality” (TCA2, p.171). Habermas’s economy is, therefore, a system of functional interconnections of action above institutional spheres that emerges as a consequence of the institutionalization of the money form. This is what gives the economic system the character of a sphere of norm-free, non-institutional sociality. Following the model of monetary steered action, Habermas can thus describe the economic system in strong terms as an “ethically neutralized system of action” (TCA2, p.178).

Habermas’s formulation is somewhat confusing, however, insofar as despite reworking Parsonian media on the model of language he fails to conceptualize the economic system in communicative terms. In the TCA, Habermas’s norm-free system remains an action system, as in Parsons, rather than a communication system, as in Luhmann. The latter provides a much more radical communicative foundation for the conceptualization of the economic system, with equally radical implications for the theory of reification. The mature Habermas seems to align more closely with Luhmann’s communication media theory in BFN, but there does not explore the economy to any extent. By following Luhmann in the TCA, the colonization thesis could have been developed beyond its form as a differentiation thesis into a theory of the distortion of communication. The latter could have represented a mature reformulation of Habermas’s earlier theory of systematically distorted communication. This is what the reconstruction of colonization as relinguistification in Chapter 6 is aimed towards. For now, the critical excursus will remain focused on Habermas’s own account.

For Habermas’s intentions in the TCA, the concept of a norm-free action system, as opposed to Luhmann’s non-normative communication system, is enough to achieve the demarcation of system and lifeworld that he seeks in the spirit of Marx. Habermas conceptualizes the capitalist economy as a norm-free system not to
commit to a systems-theoretical description of economic activity as a whole, but rather to delineate an aspect of non-normativity as a prerequisite for the theory of reification. While Habermas’s frame can still accept the normative insights offered by Honneth, its stance is that this does not represent the whole picture of the capitalist economy. The substantive implication of Habermas’s analytical work is that there is an element of non-normativity in the capitalist economy that feeds back into the lifeworld with distorting effects. Habermas here seems to closely follow Lukács. Lukács (1971, p.102) speaks of the ‘law’ governing the whole of capitalist society as “the ‘unconscious’ product of the activity of the different commodity owners acting independently of one another, i.e. a law of mutually interacting ‘coincidences’ rather than one of truly rational organization”. This ‘law’ asserts itself “despite the will of individuals” (Lukács, 1971, p.102). Habermas follows this interpretation with the elaboration of a norm-free system emerging from the consequences of media steered interactions having a functional integrative effect beyond the immediate situation. The resulting concept of a norm-free economic system is then deployed in a broader analysis of late capitalist society focused on the form of system integration – *capitalistic system integration* – that this produces.

Following Marx, Habermas (TCA2, p.165) suggests that in capitalist modernity the money medium has structure-forming effects for society as a whole owing to the fact that the economy is separated off from the political order of the society. Political organization is superseded by functional differentiation resulting in economically constituted class domination. According to Habermas’s (TCA2, p.165) historical thesis, with the institutionalization of the capitalist economy in its legal forms in the early modern period an internally differentiated media steered subsystem emerged within society for the first time. This subsystem in turn necessitated a reorganization of the state, and society. Habermas (TCA2, p.171) insists that the institutionalization of wage labor and of a state based on taxation is “just as constitutive for the new mode of production as the emergence of the capitalist enterprise”. In this way, Habermas sees how the capitalist economic system effectively reconstituted its societal environments such that capitalist society could take shape.
What characterizes capitalist society, to Habermas (TCA2, p.171), is that the economic system manages its internal and external relations entirely through monetary channels. This effectively lends the economic system structure-forming effects for society as a whole via its capacity to reshape institutional forms in line with media steering. The resulting social structure is then one suited to the mechanism of steering media for the coordination of action in functionally specified contexts. This has consequences for the state insofar as it takes the form of a complementary environment of the economy, one that facilitates monetary interchange between subsystems. Because of this, the state becomes dependent upon the economy, and reorganizes such that its codified regulatory function vis-à-vis administration, takes the form of monetary steering. This results in “an assimilation of power to the structure of a steering medium: power becomes assimilated to money.” (TCA2, p.171). Power, then, assumes the characteristics of a steering medium analogous to money only under the conditions of the capitalist path to modernization. Habermas’s diagnosis of late capitalism can then pit administrative power as a steering medium central to system integration, and equally capable of inducing reification pathologies, because of its role in structuring the lifeworld around continuing the operations of the capitalist economy.

This leads our discussion to confront the second major problem with Habermas’s concept of system in the system-lifeworld scheme: the inclusion of the medium of power.

2.3.b The Inclusion of Power as Systemic Medium

The ascension of power to the status of a steering medium, along with the associated description of the administrative system, is the ultimate source of much critique directed at Habermas’s system-lifeworld concept of society. The critical focus hinges on Habermas’s decision to conceptualize power as a functional steering medium on a par with money. This move allowed Habermas to bestow systems theoretical analysis of the workings of state administration a certain degree of descriptive legitimacy, albeit with critical intentions. Given the ambiguous
formulation and justification of power as a medium on a par with money it is unsurprising that Habermas received McCarthy’s (1991) criticism of ceding too much ground to systems theory. According to this critique, Habermas essentially conflated the concepts of a political system and a bureaucratic-administrative system. This critique effectively led, in Chernillo’s (2002, p.443) reading, to the later Habermas (BFN, p.348-59) expanding on the original formulation in a two-fold differentiation of administrative power and communicative power as media constitutive of the political system as a whole. While the former is concerned with aspects of technical problem-solving and governed by legal regulations, befitting the model of a steering medium, the latter is concerned with normative aspects of state rule in substantive political matters and so remains directly linked to communicative action in the lifeworld. According to this two-fold schematization, the political system is composed of a bureaucratic-administrative system on one side and a substantive political system on the other. This leaves the political system open to the lifeworld for the articulation of relevant issues and standards of evaluation that apply to society as a whole that, according to Habermas (BFN, p.352), can only be carried in ordinary language “circulating throughout society and lying beneath the threshold of special codes”. This leads the mature Habermas to contend unequivocally that it is “impossible to conceive politics and law as autopoietically closed systems” (BFN, p.352).\footnote{Note: Noteworthy from this statement for our move towards Luhmann in the next chapter, is that the economy is not ruled out.}

This mature media theory of the state and public administrative apparatus will be explored in the communicative transformation of the colonization thesis in Chapter 6, wherein two circuits of communication will be proposed: one flowing from ordinary language into systemic codes, as Habermas’s discourse theory of law and democracy describes; and the other flowing from systemic codes back into ordinary language, as the colonization thesis logically suggests but does not theoretically describe. The latter forms the basis of the theory of relinguistification. For now, the discussion will remain focused on Habermas’s media theory as it is outlined in the TCA and within this, the concept of administrative power.
Criticisms of Habermas’s concept of power in the TCA are especially fitting given that Habermas’s own critique of Parsons is based on the increasing imprecision and incompleteness of the media model as it was extended beyond money. In Habermas’s reconstruction, I suggest, the same critique still holds. The problem is that the inclusion of power as a steering medium on a par with money blurred the clear distinction between non-normative and normative aspects of sociality that Habermas had made through the critical analysis of Parsons’s media.

From Habermas’s communication-theoretical starting point, the delinguistified form of steering media is posited as their distinguishing feature. Despite initially being the key distinction, and emphasized at various points in the text (TCA2, p.154, 155, 178, 184, 454), this delinguistified characteristic of steering media remains undeveloped and under-theorized in the work. The case for its emphasis is yet further reinforced by subsequent developments in the mature Habermas’s media theory, in BFN, regarding ordinary language that will come to the fore in Chapter 6. In the TCA, the delinguistified form of the money medium must be taken as the source of its system-building effects insofar as this aspect essentially makes possible the technicization of the lifeworld: delinguistification allows money to relieve ordinary language communication of the burden of achieving communicative consensus while at the same time embroiling strategic action in functional contingencies increasingly independent of the lifeworld. From this perspective, I suggest that while power may be considered a steering medium in Habermas’s sense of this category, it may not be considered a medium capable of autonomous system-building effects in the way that money is in the capitalist economy.

Habermas sees money as a medium that bypasses the linguistic basis of communicative action and its inherent normativity that connects with societal institutions. Money is a physical medium with empirical backing in the actuality of society; it is the quintessential systemic medium. The single defining and theoretically salient feature of the money medium, which ultimately lends it these systemic effects, is its delinguistified form. In the case of power, we can agree with
Habermas that there are empirical motivations associated with the medium itself, insofar as it is tied to capacities for the use of physical force. However, when the linguistic basis of reinterpreting Parsons’s media theory is strictly maintained, a reinterpretation initiated by Habermas, we find that administrative power simply does not hold up to the category of a delinguistified medium to any degree akin to money. By Habermas’s own formulation power remains ultimately bound to communicatively established legitimation processes. While power may be interpreted as a *steering* medium on a par with money, it lacks all the empirical characteristics implied in the category of a delinguistified form that we associate with money – a physical medium that is abstractly and quantitatively calculable with numerical precision, alienated, and capable of being stored. These characteristics make the money medium a *systemic* medium capable of autonomous system-building effects. It is for this reason, implicitly, that the mature Habermas of *BFN* still sees the economy as an autopoietically closed system in Luhmann’s sense.

On this basis, Habermas’s concept of system in the system-lifeworld concept of society ought to be limited to the economic system specifically: system ought to be understood as the capitalist economic system.

As we have seen, Habermas’s concept of the economy is developed for the purposes of an analysis of capitalist society that maintains the Marxist stereoscopic perspective. In Habermas’s analysis, it is the historical institutionalization of capitalism specifically, via the differentiation of an economy steered by the money medium, which provides the objective conditions for the systems theoretical approach (*TCA2*, p.153). Because of this, Habermas suggests that the capitalist economy be perceived as an internally differentiated societal subsystem composed of norm-free sociality. Habermas maintains this aspect of non-normativity emerging from the economy so that the negative effects impacted upon the lifeworld by the capitalist path to modernization can be critically accounted for. These negative effects are explored in the colonization thesis in terms of system integration superseding and eroding social integration. The problem in Habermas’s thesis, however, is that the essence of the economic system, that which gives it system-
building effects, gets lost somewhere along the way. Habermas’s communicative reworking of Parsons’s media theory, from which the concept of system emerges, holds the key, however. This critical appraisal is developed through the paradigm of language such that the steering capacities of systemic media are initially located in the specificities of delinguistified and therefore norm-free communication. As the thesis develops, however, this radical insight gets progressively overshadowed.

When the aspect of delinguistification is brought to the fore the case is clear that money remains the only true medium that ought to be considered constitutive of the system, as it is to be understood in the system-lifeworld paradigm. The inclusion of power affected this clear delineation insofar as power both operates through linguistic forms, for example in the legal codification of formal rules, and remains dependent on the open linguistic legitimation of the state administrative apparatus through routine elections in the democratic constitutional state. Owing to its delinguistified form, money does not require legitimation and is only connected back to the lifeworld indirectly in the form of its legal institutionalization. In the current thesis, this is what sets the capitalist monetary economy – pointed towards with Habermas’s system concept – apart from the market sphere of Honneth’s account: it essentially constitutes a separate aspect of sociality altogether.

This clarification of Habermas’s system can only be fully achieved with reference to Luhmann’s theory of the economy as a system of numerically codified communication in prices, however; Habermas’s own formulation does not provide any level of descriptive or analytical clarity with regard to the economic system itself. As we have seen, Habermas’s economic system is neither a clear social action system, as in Parsons, nor a communication system, as in Luhmann, but rather a functionalist system of societal integration emerging as a consequence of the norm-free aggregation of action consequences. It is unclear exactly how we are to conceptualize and interpret this entity. From the perspective of the system-building effects of delinguistified media emphasized above, we may state that system – in the sense of system-internal essence – and system integration – in the sense of societal integration in the direction of systemic imperatives – are somewhat conflated in the
Habermasian formulation. This is further affected by the decision to include power as a systemic medium on a par with money.

As well as blurring the delinguistified-linguistic system-lifeworld distinction, furthermore, the turn towards power changes the focus of the thesis being developed; Habermas shifts from the theoretical problem of describing subsystems themselves, to the problem of critically accounting for the systemic integration that emerges from the operations of such subsystems. In Habermas’s theory, while the money medium is the ultimate root of the decoupled system and its inherent essence – from which the whole objectivistic perspective of social systems theory emerges – the power medium is the source of system integration understood in terms of a functionalistic organizational rationality – to which systems theory is put to use. This is consistent with Habermas’s attempt to translate Lukács’s concern with the systematization of society in line with the functional requirements of the capitalist economic system. Lukács (1971, p.102-3) describes the irrational form of capitalist organization in terms of a “‘systematisation’ of the whole which diverges qualitatively and in principle from the laws regulating the parts”. Through this we can get closer to the distinction between system and system integration in Habermas and the associated system concepts inferred.

Habermas seems to follow Lukács’s classical whole-part concept of system for the societal component of the lifeworld in its entirety – the system of institutions corresponding to Parsons’s AGIL scheme – but aligns Luhmann’s system-environment concept with the delinguistified economic system without. The former concept of a social action system may be analytically conceived, as in Parsons, while the latter concept of an economic communication system must be empirically and essentially conceived, as in Luhmann. The monetary system then impacts on the entire system of institutions by the imposition of a systemic functionalist rationality that is at odds with the communicative rationality upon which institutions are built. In this regard, Habermas (1991, p.254) can describe how mechanisms of system integration have an impact “over and beyond” contexts of communicative action. Yet, lifeworld primacy is maintained with regard to such mechanisms insofar as the
lifeworld is seen as uncoupled solely from media-steered subsystems but not from the mechanisms of system integration as a whole (Habermas, 1991, p.257).

This account reveals how Habermas muddled the conceptualization of the mediatized system by the addition of the concept of power. Habermas pursued the latter, however, such that he could shift the focus of his thesis towards the problem of the system-in-society in the concept of system integration. Had Habermas instead followed through on the linguistic-delinguistified line of demarcation between media, his concept of system in the system-lifeworld concept of society could have been elaborated with much greater clarity.

The delinguistified characteristic of steering media lays the groundwork for a full communicative reworking of the Parsonian media; a reworking that Habermas’s account anticipates but fails to sufficiently follow through on. This line of reasoning will be pursued in the theory of relinguistification. Redefining the system-lifeworld cleavage along strictly communicative lines allows us to open Habermas’s framework to insights derivable from Luhmann’s theory of the economy, in the next chapter. These insights in turn allow us to put a clearer pronunciation on the capitalistic aspect of the economy in keeping with Marx. This reworking later facilitates a communicative transformation of the theory of reification beyond the differentiation thesis developed in Habermas’s account of colonization into a substantive thesis of the distortion of communication. Relinguistification captures the effects of colonization in terms of the translation of delinguistified codes into ordinary language. Relinguistification manifests as semantic deformations in communicative practices associated with cultural reproduction, social integration, and socialization – those areas central to the symbolic reproduction of the lifeworld.

2.4 Conclusion

In this chapter, I have sought to explore Habermas’s media theory as the window that opens onto the account of social systems. In discussing how Habermas developed this theory through a communicative reframing and critical appraisal of Parsons, I uncovered how Habermas laid the basis for a full communicative
transformation of media theory. In the end, however, Habermas’s particular rendering failed to fully follow through on the insights derivable from this communicative turn. In this regard, while Habermas emphasized a difference between communicative and steering media, he failed to theoretically sustain the delinguistified characteristic of the latter. To do so would have opened the door to pushing the colonization thesis to its logical conclusion and establish a theory of reification as relinguistification. I will return to this in the final chapter. An extension of this issue is that Habermas’s concept of system was muddled in its elaboration, falling between a Parsonian and a Luhmannian account such that, in the end, it is quite unclear how we are to interpret this entity. As a consequence, the system-lifeworld concept of society is not altogether satisfactory in Habermas’s original formulation and requires the reconstruction suggested here. From this perspective the main achievement of this chapter was to extrapolate the core of Habermas’s system concept such that it can be refined. In the next chapter, I take forward the critical reflections on the system-lifeworld concept amassed in the two major moves so far, which extend in both normative and non-normative directions, and attempt to refine the scheme in a two-level theory of the economy.
Chapter 3. System-Lifeworld Refined: A Two-Level Theory of the Contemporary Economy as Monetary System and Market Sphere

3.1 Introduction

In the previous chapters, I made two major moves towards refining the system-lifeworld scheme. In Chapter 1, I defended this paradigm against Honneth on the basis of its critical-explanatory capacities. In the exploration of alternative accounts, however, I nonetheless conceded that Habermas’s theory of the economy needed a normative corrective. In Chapter 2, I identified problems in Habermas’s elaboration of his system concept, while uncovering the core of the system-lifeworld distinction in doing so. This was revealed through a critical account of Habermas’s media theory in which the distinction between delinguistified and linguistic forms of communication came to the fore. In this chapter, I bring these insights to bear on the system-lifeworld scheme such that it is refined in a two-level theory of the contemporary economy. This chapter, therefore, brings to a conclusion the excursus on theorizing the economy that forms the broad theme of the first half of this dissertation. Clarifying the economy and refining the system-lifeworld scheme is the last major move before we can turn to explore the colonization thesis itself in the following chapter, expand it in a cultural direction in Chapter 5, and communicatively transform it in Chapter 6.

In this chapter, I elaborate a two-level theory of the contemporary economy that refines Habermas’s system-lifeworld scheme while going beyond it in important respects. This refinement attempts to strike a suitable balance between the non-normative and normative moments of Habermas and Honneth respectively, such that the autonomous evolutionary dynamics of the capitalist economy and the class struggles over its institutional form are both kept in sight. By differentiating the non-normative aspect more explicitly via Luhmann, but maintaining normative primacy through the Habermasian system-lifeworld scheme, the resulting theory points
towards the importance of political-ideological complexes and cultural values in the constitution of historically specific forms of the capitalist economy.

This refined theory of the economy paves the way to shift the focus of the colonization thesis beyond the problem of the economic system in the strict sense and onto the constitution of society more generally, which forms the broad theme of the second half of this dissertation. In the end, the core motif animating the dissertation – the implications of the economy and society relationship in a given historical epoch for collective learning and social evolution – will be approached from a vantage point in which we see the aspects of system differentiation, cultural-structural rationalization, and class struggle all interlocking in colonization processes.

This chapter has a larger structure and more lengthy exposition than the two previous, containing three analytically distinct but substantively connected moves: I first introduce Luhmann into the unfolding discussion on the economy and defend a careful appropriation of his economic system; I then defend the system-lifeworld scheme as I move towards synthesis; and I close with an outline of a two-level theory of the contemporary economy. Along the way in this exposition, I also expand the discussion outside the analytical dimension strictly speaking, considering at various points aspects of the contemporary situation that are relevant to theoretical application.

I begin this chapter by presenting Luhmann’s theory of the economic system (3.2). Taking forward the insights from the previous chapter, pertaining to the communicative forms of media and the concept of system itself, I identify the merit of this account in its capturing of monetary dynamics; Luhmann’s theory describes a system of delinguistified monetary communication divorced from social action contexts. I then consider the specificities of the capitalist economy and identify profit as the salient feature (3.3). Identifying Luhmann as the only theorist to effectively work this in at the conceptual level justifies his use as a corrective to specific issues in Habermas theory with regard to the money medium and the concept of system. Taking us beyond Habermas, Luhmann offers a theory of the
delinguistified monetary economic system as one self-propelled by the mechanism of profit codified within the money medium itself.

To clarify my intention to only appropriate aspects of the Luhmannian account while ultimately remaining within Habermas’s framework, however, I then move to explicitly defend the system-lifeworld scheme (3.4). I do this on the basis of its ability to meaningfully mediate the non-normative monetary theory of Luhmann and the normative institutional theory of Honneth in a single stereoscopic account of the capitalist economy concerned with critique. The two-level perspective is justified further by brief reference to Alain Touraine and Wolfgang Streeck, in tandem with consideration of aspects of the contemporary situation (3.4.a). This defense of the system-lifeworld scheme also involves illustrating how the expansion in non-normative and normative directions suggested here takes us beyond Habermas’s own formulation (3.4.b).

Finally, I advance a two-level theory of the contemporary economy, as monetary economic system and normative market sphere, which expands Habermas’s account of the capitalist economic system and refines the system-lifeworld scheme (3.5). This theory is constructed as a framework for exploring connections between both non-normative and normative aspects with clarity and precision beyond Habermas’s formulation such that a full critical theory of the contemporary capitalist economy is presented.

3.2 Luhmann’s Non-Normative Economic System

In the previous chapter, I revealed that the problems with Habermas’s concept of system ultimately stem from a lack of clarity in its elaboration: torn between Parsonian and Luhmannian accounts, it is unclear how this entity is to be understood. Additionally, Habermas’s focus tends towards the exploration of system integration rather than the elaboration of the system itself. For this reason, I suggested, the clear delinguistified-linguistic distinction between forms of communication was lost along the way in the exposition. As a result of all of these interrelated issues, the concept of system in the TCA remains altogether unclear.
This is to the detriment of the overall clarity of the system-lifeworld concept of society.

I see in Luhmann’s theory of the economy a corrective to the problematic account of system in Habermas’s formulation. By bringing Luhmann’s system into Habermas’s frame, the system-lifeworld concept of society can be clarified and the inferred concept of system limited strictly to the capitalist *monetary* economy. This move is consistent with the mature Habermas’s allusion to a Luhmannian autopoietic system for the economy in particular in *BFN*. This move also significantly refines the system-lifeworld scheme. In taking this step, the non-normative aspect of the capitalist economy is clearly accounted for in communication theoretical terms, as *delinguistified monetary communication*. This has the additional benefit of substantiating the salient differences between Luhmann and Parsons’s account of systems, so that later, in Chapter 6, both system concepts can be drawn upon in reformulating the colonization thesis. This will allow colonization to be reformulated on communication theoretical terms as the feedback between a delinguistified monetary system and a linguistic lifeworld – colonization as relinguistification.

In this section, I provide an account of Luhmann’s economic system and in doing so introduce a third interlocutor into the debate concerning the theory of the capitalist economy. This account is oriented by the need for a corrective to those issues in Habermas’s formulation of the economic system in the *TCA*.

Luhmann’s project in social theory must be understood in the context of the critical reaction against the Parsonian frame, which gained increasing momentum in sociological theory from the late 1950s, through the 1960s.\(^{32}\) Outside of negating the Parsonian project altogether; three routes of quasi-appropriation can be identified in contemporary macro social theorizing. The first is to broadly maintain the Parsonian frame with minor adjustments in light of politically grounded criticisms such that its conservative moorings are loosened and its normative

\(^{32}\) I discuss this in the next chapter.
orientation can be shifted to the left. This is the path chosen by Jeffrey Alexander and the wider movement of neofunctionalism (Alexander & Colomy, 1985), a path that, from a sociological point of view, Honneth comes considerably close to. The second is to critically appropriate aspects of the Parsonian frame, maintaining its insights on normativity and social order while communicatively qualifying them in the light of the symbolic interactionist countermovement of, most prominently, Erving Goffman. This is the path chosen by Habermas, a path that attempts to lay the groundwork for a new synthesis of sociological theory from micro to macro in the concept of communicative action (Eder, 2007). The third is to radicalize the late Parsons social systems theory, itself already moving in a communicative direction via the theory of symbolic media of interchange, towards an altogether actor-less theory of social systems. This is the path chosen by Luhmann, a path that makes a type of epistemological break from classical and neoclassical social theory by dispelling normativity from the theory of social order altogether. These three routes of quasi-appropriation taken after Parsons — normative functionalist, normative communicative, and non-normative functionalist — are diagrammatically presented in Figure 3.1 below.

![Figure 3.1 Three Routes of Quasi- Appropriation After Parsons](image)

Luhmann’s social systems theory takes a lead from Parsons’s late systems theory while ultimately transgressing its boundaries in several significant and important respects. The primary and fundamental difference is that whereas Parsons’s social systems are to be understood as *analytical-theoretical* postulates, Luhmann’s are posited as *empirical* entities. Furthermore, going beyond Parsons, Luhmann draws from cybernetics for an interpretation of the relationship between system and
environment, along with an autopoietic, or self-reproductive, understanding of systems themselves. Whereas Parsons understands the relationship between system and environment in terms of input-output interchanges, Luhmann understands it in terms of systemically perceivable resonance, with the system radically differentiated from its environment. Accordingly, while Parsons’s systems are open and engage in interchange with their environments, Luhmann’s are operationally closed, open only to disturbances by environmental interference which take the system-internal form of communicative reactions. Both system concepts have already been presented and compared in Table 2.2 above.

Luhmann then understands modern society, along these lines, in terms of functional system differentiation, with systems concentrating on one specific and primary function. This aspect of the theory, though inspired by Parsons, radicalizes the Parsonian postulate with an entirely non-normative understanding of modern society. Luhmann’s functional systems structure communication through binary coding, with environmental resonance channeled into the system and treated in accordance with the system-specific code. To Luhmann, modern society is much too complex to fit the Parsonian model of a macro social system normatively organized; instead, organization must be understood following a sociologically specialized model of cybernetic systems theory focused on a radical non-normative interpretation of function-system differentiation. Luhmann (1989, p.35) describes this theory as a suitably “far-reaching, elegant, and economical instrument” for explaining modern society in all of its complexity. All in all, Luhmann moves much farther away from Parsons than Habermas does, both regarding the theory of media and, as a consequence, the concept of system. Though problematic from the perspective of the normative aspects of the economy emphasized by Honneth, this radicalism nonetheless makes Luhmann’s theory particularly valuable for refining the non-normative aspect in the system-lifeworld scheme.

Luhmann’s social systems are described in terms of their capacity for processing meaningful information. As opposed to the type of action predominant in a social sphere, as in Parsons, Luhmann’s systems are distinguished by the semantic content
of communication. This means that, contra ambiguities in Habermas’s formulation, Luhmann’s media are formulated well beyond Parsons and strictly in terms of communication theory. Luhmann’s systems, then, are semantic systems rather than action systems.

To Luhmann, system differentiation makes possible a reduction of complexity from an otherwise indeterminable environment. Systems create boundaries through a difference technique, screening off the environment in a way that allows selective interconnections to form between both entities (Luhmann, 1989, p.18). Systems, therefore, allow observations of the world to occur through the making of meaningful distinctions. These distinctions take the form of binary codes, codes that are suitable for effectively processing data and continuing communication. Luhmann (1989, p.37) describes binary codes as “duplication rules” that form within communication “when information acquires value and is exposed to a corresponding counter-value”. Continuing communication is crucial; a Luhmannian system only exists as long as information processing continues through repeated communication, communication continuing the systemically codified distinctions. Autopoiesis, then, is understood in terms of systemic self-reference in communication. This self-reference is perpetuated through symbolically generalized media, radically developing the late Parsons’s theory in a communicative direction.

Luhmann’s theory of the economy presents it as the exemplar of the model of a functionally specified autopoietic system organized according to binary coding, and so, deserving first consideration among society’s many function systems (1989, p.51). Through the prism of his general systems theory, Luhmann champions the economy on the basis of its capacities for processing information.

Luhmann’s (1989, p.62) economic system is synonymous with a “money economy”. His (Luhmann, 1989, p.51) theory focuses on the modern economic system as one “differentiated through the monetary mechanism”. Historically, Luhmann sees the modern economy’s coding through money as facilitating the complete functional differentiation of the system, a differentiation that was restricted by the coding
through property in feudal society. Whereas the feudal economy was based on the pre-monetary code having/not having, the modern one is based on payment/non-payment enacted through monetary exchange. Luhmann’s (1989, p.51) economic system, therefore, is a “monetarily integrated system” composed entirely of transactions enacted through the payment of money. According to Luhmann (1989, p.51): “Wherever money is involved, directly or indirectly, the economy is involved regardless of who makes the payment and whose needs are affected.” Contra Habermas, this is so even in the case of taxation and public expenditure. The differentiation through money entwined with the restriction on system operations as limited to what can be bought and sold is, to Luhmann (1989, p.51), what unifies the system and ensures its “autonomous closure as a self-governing, operative function-system of society”.

This limitation to monetary operations is what gives the economy its immense internal complexity, a complexity ambiguously revered by Luhmann. Furthermore, however, the limitation to monetary coding means that the economic system is effectively blind to any negative externalities produced which fail to find expression in price form. Luhmann’s economic system suffers from an informational deficit insofar as the system environment is beyond its internal perception in strictly monetary coding. Contra Parsons, and Habermas, Luhmann (1989, p.52) describes money as “a uniquely economic medium” that cannot be introduced as input from or transmitted as output to an environment; “It’s exclusive task is to mediate system-internal operations.” This means that Luhmann’s theory of money also shapes his theory of the economic system. As a consequence of this radicalization of media theory, Luhmann’s (1989, p.52) economic system is understood as a “rigorously closed, circular, and self-referentially constituted system”. The operations of the monetary economic system are understood strictly insofar as they effect payments, presuppose the capacity to make payments, and manage this capacity accordingly. Luhmann’s economic system, therefore, is a purely monetary system of delinguistified communication.
Monetary transactions constitute the essence of the economic system’s internal operations in Luhmann’s theory. This description of the essence of the economic system itself is precisely what is absent in Habermas’s account, and what diverges significantly from Parsons’s action system. Luhmann’s economic system is a complex of monetary communication separated from the social action of agents on which its transactions are carried. This system regulates its own internal operations according to the code payment/non-payment, on which it is essentially set in motion, and is capable of evolutionary learning to keep these operations going in reaction to changes in both system and environmental states. This evolutionary aspect here provides the basis for an independent evolutionary logic within capitalism. In this regard, Luhmann suggests that the economy generates system programs that affect actors in the form of prescribed criteria for correct behavior. While needs cannot be programmed directly by the system, behavior deemed correct in system-specific terms, as behavior conducive to the regulation and self-reproduction of payments, is rewarded.

Actors require motivation to make payments, however, and Luhmann’s theory suggests that the economic system accomplishes this through the mechanism of prices. Prices, to Luhmann (1989, p.53), allow “a rapid determination of whether payments are right or not” by requiring a mere quantitative comparison. This gives the economic system its remarkable capacity for processing information. Prices are seen as regulated by the operations of the economic system itself, without any need for external regulation (Luhmann, 1989, p.53). Prices, to Luhmann (1989, p.53) “are determined by what people will be willing to pay in the market and this is determined by the money supply available”. This way, the economic system itself self-regulates, to ensure its autopoietic reproduction, by way of the price mechanism attached to the money form. The system environment can only place restrictions on the economy so long as they are expressed in prices and reflected in price changes such that they impact the making of payments.

Of the three sociological theories explored in this dissertation so far, Luhmann’s presents the account most suited to capturing capitalistic dynamics. This is because
Luhmann’s theory attempts to perceive the economy from a sociological perspective focused exclusively on monetarily codified communication that is systemically regulated and reproduced. In this way, and for our purposes here, the Marxian insight regarding the non-normative dynamics of the capitalist system – itself indebted to classical political economy – finds its firmest sociological foundation in communication theory through Luhmann. The initial problem, however, is that it does so in an ultimately affirmative frame of reference.

Through the theory of the economy in particular, Luhmann’s general social systems theory is found garnering functional differentiation not just as theoretical premise but also as normative postulate; Luhmann presents the functional differentiation of the economy as both necessary and appropriate, lest its inherent autonomous effectiveness be reduced. In this regard, the Luhmannian theory of the economy is found arguing for both the separation of economy and politics and the avoidance of overburdening the economy with moral-ethical claims, of the kind postulated by the environmental movement. From this perspective, Luhmann’s theory of a self-regulating system of monetary interaction is a sociologically sophisticated elaboration of the classical ‘invisible hand’ approach to economism. Through the focus on the informational processing capacities of monetary pricing, Luhmann’s economic system is a type of sociological sister to Milton Friedman’s neoclassical economics.

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33 Luhmann (1989, p.54) states: “Politics and the economy are functionally differentiated systems. Therefore, if politics intervenes in the process of price formation (which, as is known, happens to a great extent) it transforms economic problems into political ones. But the difference between the two systems remains.”

34 Luhmann insists that the ecological problem can only be addressed by the economy on its own terms, i.e. by being brought into the system through pricing. He argues against political regulation playing any role owing to the problem of processing as much information as the autonomous economic system of monetary pricing. Luhmann states that it is “difficult to imagine that prices could be so manipulated by an external, politico-legal dissemination of data that the subsystems would decide about production and consumption as if they were guided by ecologico-economic marginal utilities” (1989, p.59). Placing the ecological problem on the economy outside of the systems own monetary terms is described in dystopian terms as removing the structure of a differentiated function-system and resulting in “the destruction of the money economy with unforeseen consequences for modern society” (1989, p.62).
Nonetheless, Luhmann’s theory of the economy has potential beyond his particular application of it. Elaborated after the *TCA*, this theory offers valuable insights that may be deployed to alleviate problems in Habermas’s conceptualization of system. The *critical* potentials of Luhmann’s theory are only realizable, however, through Habermas’s system-lifeworld scheme. Through this framework, Luhmann’s quasi-objective and normatively neutralized conceptual repertoire can be seen as a reified perspective that takes what is in fact an *aspect* of the capitalist economy and overgeneralizes it as the *whole* of economic activity. Habermas’s ideology-critique of systems theory in a certain sense presupposes this critique. In this dissertation, however, I seek to make Luhmann’s theory of the economy to Habermas what classical political economy was to Marx. In Chapter 6, I will decode the Luhmannian perspective along the lines of the theory of relinguistification as a semantic deformation that owes its emergence to the capitalist monetary system itself. For now, however, I accommodate insights from Luhmann through the Habermasian scheme such that the latter’s theory of society is maintained. This step is the necessary initial move so that later Luhmann’s autonomous economic system can be revealed as reified. I now turn to reflections on capitalism such that the merit of Luhmann’s theory can be found in capturing of the mechanism of profit as a central feature of the monetary system.

**3.3 Intermediate Reflections: Capitalism, Money & Profit**

The sociology of money has been a significantly neglected field in the discipline (Ingham, 1998), with media theory more generally lacking with regard to this central medium in particular (Ganßmann, 1988). The theory of money seems to fall down between economics and sociology with neither discipline taking it up as a concentrated object of study (Ingham, 1996). The absence of a theory of money is what separates Honneth’s theory from the other two accounts of the economy in this thesis and it is no coincidence that this goes along with an absence of capitalism from his conceptual scheme. While Habermas attempts to maintain capitalism in his system-lifeworld concept of society, it is not altogether clear how the *mechanism of profit* is to be understood in his largely functionalist understanding of money. Though Habermas (*TCA2*, p.171) suggests, following Marx, that money is “a special
exchange mechanism that transforms use values into exchange values”, his theory does not accommodate this insight. Instead, he takes from Parsons a theory of money as symbolic medium of interchange that fails to sufficiently highlight the specificities of the money medium.

While we have already seen that in Habermas’s formulation the delinguistified aspect of money was underplayed, which clearly separates it from the other media, so too, however, was the orientation to exchange values, centrally connected to profit. From this perspective, in following Parsons for a theory of money Habermas did much to displace Marx from the theory of the economy itself. It is here where Luhmann may be of service. Through the focus on monetary communication coupled with the central concept of autopoiesis, Luhmann’s theory of the economic system opens the optics to capitalism and the capitalistic organization of the economy beyond the others explored here. While Luhmann’s own account is quasi-affirmative, the insights derivable from this perspective are reconcilable with a Marxian critical theory of the economy if relativized within Habermas’s social-theoretical frame.

While Critical Theory never accepted the objective claims of the Marxian theory of value, it did, up to and including Habermas, admit the central premise of this theory as production for the sake of profit being the organizational principle of the capitalistic economic system.\[35\] We have already seen how Habermas’s theory of money, at its core, concerns the delinguistified essence of communication on which the medium is based. In Habermas’s theory, following Luhmann’s insight on technicization, money allows communication between actors without the necessity of building a common definition of the situation through the exchange of criticizable validity claims. From Habermas’s perspective, however, money is theorized as a neutral medium of exchange in a way that disconnects money and accumulation and therefore limits

\[35\] On this point specifically, see Adorno’s essay Late Capitalism where he states (2003, p.117): “People are still what they were in Marx’s analysis in the middle of the nineteenth century: appendages of the machine, not just literally workers who have to adapt themselves to the nature of the machines they use, but far beyond that, figuratively, workers who are compelled right down to their most intimate impulses to subordinate themselves to the mechanisms of society and to adopt specific social roles without reservation. Production takes place today, as then, for the sake of profit.”
the critique of capitalism. As an extension of this, the concept of capitalism itself, or the capitalist form of the monetary economy, is not elaborated in the *TCA* with any degree of substantive clarity.\(^{36}\) While capitalism is without doubt a complex concept in social theory, a critical account of the capitalist form of economic organization indebted to Marx at the very least depends on the centrality of profit.

Marx’s (1976) theory of capitalism is built around conceptualizing the capitalist economy as a differentiated monetary system driven by exchange-values. In this theory, profit is the central mechanism propelling the capitalist economic system and imbuing it with an autonomous evolutionary logic. Schematizing circuits of exchange in the accumulation process such that the role of profit can be identified as a central mechanism of systemic closure in the capitalist economy, Marx’s autonomization thesis centers on money in its role as *capital*.\(^{37}\) Capital is essentially money to Marx, but money put to use for the express purpose of generating a profit. Capital is money oriented to accumulation, that is, money oriented to *self-reproduction* through a process of investment and exchange eventuating in the generation of profit. It is through this definition of capital that Marx’s understanding of the systemic aspect of capitalism is accessible.

Capital accumulation is the fundamental principle of organization of the capitalist economic system and acts as a functional constraint on the free market design. To Marx, in its prioritization of exchange-values over use-values in commodity exchange, the capitalist economy makes use of money as a social technology in an innovative way. This leads to production for profit, theorized by Marx in terms of the exchange circuit money-commodity-money + profit, M-C-M'. The prioritization of exchange-values, however, eventuates in the primacy of the profit imperative in material reproduction altogether, and with it the self-reproduction of a system of accumulation. The thesis of the autonomization of capital accumulation suggests

\(^{36}\) Habermas alludes to an internal systemic logic of capitalism (*TCA2*, p.345) and a capitalist mode of modernization (*TCA2*, p.383-5) but, aside from observations on system integration, does not explain precisely what ‘capitalism’ itself denotes.

\(^{37}\) I am here indebted to Brunkhorst’s (2014, p.51-3) Luhmannian reading of Marx’s theory of the economy.
that the circuit M-M’ becomes a type of absolute algorithmic rule of the capitalist economic system that is carried via the money medium itself through banking and finance. The whole capitalist monetary system structures economic exchange such that it presupposes the inexorable continuation of capital accumulation as the generation of profit for continuous growth. To Marx, this is the systemic aspect of the capitalist economy: the necessary presupposition of the continuation of accumulation as the self-reproduction of capital itself.

Through Luhmann, we can arrive at a reinvigorated Marxian account of the capitalist economic system. Beyond Parsons and Habermas, Luhmann captures the aspect of accumulation along with the structuring effect of the profit imperative through the concept of autopoiesis central to system closure and continuity. Luhmann emphasizes the role of profit from a temporal perspective, tying this with an emphasis on continuity that aligns with Marx’s insights regarding the autonomization of capital accumulation to the point of an inexorable law of economic reproduction. According to Luhmann (1989, p.55): “The economy can be called ‘capitalistic’ only to the extent that it connects payments with the reproduction of the capacity to make further payments, above all from the point of view of the profitability of investments.” He suggests (Luhmann, 1989, p.55) that capital is necessary in the modern economy to bridge the time-lapse “between any payment and the reproduction of the capacity to make further payments”. This gives the capitalist economy its characteristic extraordinary tempo: the capitalist economy effectively runs-ahead of both itself and society, forcing itself above the latter to a position of primacy.

To Luhmann, the economy as a system requires only that the capacity and incapacity for making further payments can be transmitted and passed along. This economic cycle proceeds on the presupposition of continuation and (Luhmann, 1989, p.56) “that no system operation can escape its inexorable law”. The metaphor of the cycle, Luhmann (1989, p.56) suggests, “represents the unity of the system, and this means the autonomy of the system’s autopoiesis.” In this way, Luhmann’s autopoiesis essentially sociologically reworks Marx’s autonomization in a
communicative framework. The profit imperative, absent from Parsons and Habermas’s account of the money medium, is accounted for in Luhmann’s theory through the facilitation of further payments. Recall that the economic system’s own programming, aimed at systemic autopoiesis, encourages this orientation through the correction of behavior deviating from the law of accumulation. Furthermore, the system possesses capacities for learning and adaptation to ensure continuation. From this perspective, therefore, Luhmann’s economic system clarifies the autonomous evolutionary moment of capitalism beyond Habermas’s account.

For these reasons, I see Luhmann’s theory of the economic system as making up for confusion in Habermas’s elaboration. What Habermas’s theory is pointing towards—a delinguistified and codified system of self-propelled mediatized communication—is substantially the same as Luhmann’s theory of the economy while lacking the latter’s descriptive clarity. Habermas’s system-lifeworld concept can be rendered much more precise when clarified vis-à-vis delinguistified and linguistic forms of communication with the system concept limited strictly to the capitalist monetary economic system. This is consistent with the mature Habermas’s position in BFN. This can be achieved by inviting further insights from Luhmann with regard to the theory of the economic system in particular. When housed within the Habermasian frame, Luhmann’s focus on monetary coding through prices as the basis of systemic communication and the subsequent emphasis on systemic autopoiesis provides a clear translation of the Marxian thesis of autonomous accumulation imperatives.

Luhmann’s economic system is autonomous with endogenously generated accumulation dynamics built in. The concept of autopoiesis—of systemic self-reproduction, duplication, and expansion—translates the Marxian thesis of the autonomization of the imperatives of capital accumulation into general social theory such that it may be perceived in a communicative paradigm. If we house this approach within the Habermasian theory of society, however, the clash of system and lifeworld imperatives can thus be conceived as a clash of separate languages. Defining the monetary system in line with Luhmann, therefore, provides the necessary basis for reframing the colonization thesis in Chapter 6 in terms of the
reinforcing feedback relations between delinguistified and linguistic forms of communication.

I appropriate Luhmann with caution, however. The capitalist economy is, after all, much more than just a monetary system. As we learned from Honneth, it is also a normative institutional sphere legitimated in terms of ethical values participants deem worth striving for. Also from Marx we know, against Luhmann, that capital remains at root a social relation that is merely reified in the capitalist monetary economy. Through some ambiguous formulations, Luhmann’s theory at least nods towards some such features being present at the societal level while nonetheless denying their relevance to the economic system in his strictly monetary sense. In this regard, a fully capitalistic economy, as one driven entirely by pure profit, exists only as a possibility to Luhmann, with unprofitable payments also existing alongside profitable ones. The latter may be societally accommodated, he suggests, for political reasons once responsibility is assumed. In a somewhat cryptic formulation, Luhmann (1989, p.56) suggests that it is with regard to the preservation and reproduction of the capacity to make payments that the economic system is forced to look in two different directions at once, described not coincidentally as “the left” and “the right”; the one relating to “the supplying of the economic conditions for the fulfillment of public duties and the provision of work” and the other relating to “the issue of profitability”. Also cryptic in this regard is Luhmann’s description of the market as an internal environment of the economic system, an environment that affects the system itself. Despite these apparent gaps in his theory, Luhmann is not interested in aspects that would muddy his quasi-objective framework in a normative direction, however. Neither political-ideological complexes nor their connection with class struggle in shaping the constitution of the economic system can be explored in the Luhmannian frame. Here, the non-normative framework is consistent with the technocratic neoliberal de-politicization of economics, particularly in the spheres banking and finance.38

38 This approach of mainstream economics is under attack today, interestingly, from the perspective of the social dynamics in the production of money itself. See Pettifor (2017) on the contemporary money system.
The crucial point with regard to Luhmann in the current thesis, therefore, is that the autonomous facet of the monetary system is disclosed as just one aspect of the economy and situated within a broader framework focused on the communicative mediation of non-normative and normative moments. With this approach, Honneth’s theory of the normative market sphere, informed by Parsons, may still be drawn upon to account for the institutional structure of the economy upon which the monetary system is ultimately carried. This allows an exploration of historical variations in the structure of the economy from the perspective of altered relations of monetary system and market sphere. The central strength of Habermas’s two-level scheme, from this point of view, is in providing a framework within which non-normative and normative forms of sociality are delineated and their interconnections open to critical examination. Furthermore, this is part of a communication theory of society based on the paradigm of language that is more fruitful sociologically than Honneth’s recognition paradigm. Through Habermas’s system-lifeworld paradigm, therefore, all sociological theories of the economy examined in this thesis can be made speak to each other with their respective insights. I turn now to defend Habermas’s system-lifeworld scheme on this basis.

3.4 Towards Synthesis: In Defense of the System-Lifeworld Scheme

Let us first briefly take stock of what the analysis of theories of the economy has revealed. I have now delineated three sociological theories of the economy. Luhmann outlines an entirely non-normative account; following the paradigm of social systems theory, Luhmann adopts an observer perspective that has its optics on the essence of the economy itself as a monetarily objectivated system devoid of agential steering. Habermas attempts a mediated account of norm-free dynamics stepping over normative demands in a theory broadly aligning with the intentions of the Marxian critique of capitalism, albeit while losing some of its substance. Outlining a two-level concept of society with room for both social systems theory and action theory to converge, Habermas attempts to bring observer and participant perspectives together in a critical theory of capitalism. Habermas’s focus is on the normative implications of the economy and society relationship. Because of this, he
looks towards the integration type predominant in a society containing a capitalist monetary economy. In the colonization thesis, Habermas understands this as top-down and one-sided in favor of the norm-free systematization of society following the dictates of a non-normative monetary system, rather than the normative domestication of the economy. Honneth outlines an entirely normative account of the market in an approach following that of moral economism. Grounded in action theory, Honneth’s concept of the market sphere is constructed to highlight the normative demands placed on the institution from the perspective of participants. This approach is focused on the cultural values imbued in economic activity, opening the door also to an analysis of the constitutive role of political-ideological complexes in shaping the economy in a given historical epoch. These three theories are summarily compared in Table 3.1 below.

<table>
<thead>
<tr>
<th>Theoretical Paradigm</th>
<th>Luhmann’s Classical Theory</th>
<th>Habermas's Marxian Theory</th>
<th>Honneth’s Moral Theory</th>
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<td></td>
<td>Systems Theory</td>
<td>Systems &amp; Action Theory</td>
<td>Action Theory</td>
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<tr>
<td>Perspectival Primacy</td>
<td>Observer</td>
<td>Mediated-Critical</td>
<td>Participant</td>
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<tr>
<td>Substantive Focus</td>
<td>Non-normative systemic essence; Economy</td>
<td>Norm-free societal integration; Economy and society interchanges</td>
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<tr>
<td>Societal Concept</td>
<td>System of systems</td>
<td>System-lifeworld</td>
<td>Lifeworld</td>
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Table 3.1 A Summary Comparison of Theories of Economy

I argue that these theories of the economy each bring a partial account of the object domain, all three of which must be mediated to advance a critical theory of the contemporary capitalist economy. While Habermas attempted mediation he failed to sufficiently clarify the non-normative essence of the economic system, on the one hand, and the normative dynamics of the market sphere, on the other. Nonetheless, the system-lifeworld concept of society that he developed is already tailored for expansion in both directions.
Habermas’s account also falls short on fully following through on his communication theoretical reworking of the problem of social order such that even the capitalist economy could be seen as communicatively structured. A further requirement for going beyond the limitations of Habermas’s own application of his conceptual framework, therefore, is that the overall structure of the economy be seen as constituted by communicative action. This opens the theory to account for how the institutional structure of the economy at a given historical moment is forged out of class struggles.

I suggest that the contemporary capitalist economy be conceptualized referencing all three sociological theories as a two-level differentiated entity. This theory of the economy maintains Habermas’s system-lifeworld concept of society while qualifying it significantly, such that the communicative organization of the economy as a whole is maintained as primary. The contemporary capitalist economy is composed of both a normatively structured market sphere and a non-normative economic monetary system. The constitution of the relationship between system and sphere is ultimately normatively regulated, however, and legitimated by political-ideological complexes and cultural values. This normative regulation, therefore, is shaped by the competing market ethics brought to bear in class struggles.

In making this argument, I align with Habermas over Honneth in integrating a non-normative moment in the theory of the economy. Habermas’s critical interpretation of Parsons’s media theory intends to separate and juxtapose the non-normative and normative coordination of social action. The resulting insight into the non-normative bypassing of direct normative control via steering media must not be dismissed altogether, but rather maintained in a more clearly elaborated and strictly relativized form than Habermas himself postulated. To this end, I have welcomed further insights from Luhmann’s systems theory regarding the monetary economy specifically. Luhmann provides a clear account of the capitalist economic system being understood as a strictly monetarily codified and differentiated system of mediatized communication. This clearly defined non-normative moment maintains space in Critical Theory for Marx’s insight into the autonomization of capital
accumulation and the systemic functional dynamics of the capitalist monetary economy associated with the profit imperative. Fitting Luhmann within Habermas’s frame, therefore, allows for a concept of capitalism suitable to maintaining the theory of reification insofar as it maintains the non-normative systemic dynamics that evade direct agential control. Such dynamics come to feedback on social action as a structure of expectation to which behavior must to some extent adapt. This aspect captures the ‘second-nature’ of the capitalist economy. This move therefore allows the Marxian moment, regarding the autonomous aspect of the capitalist economy, to be clarified and maintained within the Habermasian frame, without rolling-back on Habermas’s tempering of the critique of capitalism.

However, I align with Honneth, himself following the early Parsons, over Habermas on the concept of the market economy. Honneth’s affirmative reception of Parsons aims to reassert the centrality of normativity in social life. The resulting perspective on normativity in the economic sphere needs prioritization if the extent of colonization in a given historical epoch is to be seen as the result of a political-ideological project of commodification, rather than the inexorable and irresistible expansion of an autonomous subsystem. Honneth’s (2016) turn to market ethics, via Beckert, raises an important substantive question for the thesis of decoupling of system and lifeworld: what political-ideological complexes and cultural values result in the monetary system being dis-embedded and rendered autonomous? From this perspective colonization is much more nuanced than the straightforward and one-sided systemic encroachment into the lifeworld. Instead, colonization processes interconnects with cultural values emerging from the lifeworld itself. From this perspective colonization is much more nuanced than the straightforward and one-sided systemic encroachment into the lifeworld. Instead, colonization processes interconnects with cultural values emerging from the lifeworld itself.39 The TCAs implicit impression of a lifeworld only under threat from without is then undone such that pathologies intrinsic to the lifeworld are included in the frame. In addition, system and lifeworld are successfully bridged in a critically productive way. Honneth’s emphatic normative moment maintains space in Critical Theory, ironically, for Habermas’s own insight into the selective appropriation of culturally available potentials in the capitalist path to modernization.

39 It is to this I turn in Chapter 5, wherein I examine the role played by modern culture and political-ideology in processes of colonization.
Following this approach, the theoretical framework I develop here is capable of presenting a much more nuanced and sociologically informed analysis of the dynamics of colonization. Normative-political projects of de-commodification seek to embed the monetary system within the market sphere and subject it to normative constraints such that the market may at least approximate what Honneth describes as its promise of enhancing freedom. This is what Polanyi (2001) had in mind with the postulate of countermoves against liberalization. The postwar Keynesian economy in Western societies was such a project. Following Wolfgang Streeck’s (2014, p.58-63) delineation of two types of economic justice – social and market – the postwar welfare state was normatively legitimated by the primacy of principles of social justice. By contrast, normative-political projects of commodification seek to dis-embed the monetary system from the market sphere, normatively deregulating the internal dynamics of capital such that the profit imperative and accumulation process are set free. This is what Polanyi describes as movements towards the liberalization of the market. When such autonomization is encouraged, relations of recognition, of which Honneth describes, are undermined. As Weber (1978, p.636-37) observed, echoing the basic premise of the Marxist theory of reification: “Where the market is allowed to follow its own tendencies, its participants do not look towards the persons of each other but only towards the commodity; there are no obligations of brotherliness or reverence.” This market autonomy is still, however, normatively legitimated in communicative action in discourses that endorse the coordination capacities of steering media. The neoliberal Hayekian economy in Western societies is such a project. Again, following Streeck, this is normatively legitimated on the primacy of principles of market justice.

40 The postwar and neoliberal social orders will be explored in Chapter 6.
41 Streeck (2014, p.58) suggests: “It [social justice] follows collective ideas of fairness, correctness and reciprocity, concedes demands for a minimum livelihood irrespective of economic performance or productivity, and recognizes civil and human rights to such things as health, social security, participation in the life of the community, employment protection and trade union organization.”
42 Streeck (2014, p.58) defines market justice as follows: “distribution of the output of production according to the market evaluation of individual performance, expressed in relative prices; the yardstick for remuneration according to market justice is marginal productivity, the market value of the last unit of output under competitive conditions.”
This type of critical analysis can only be built on a theory of the economy that clarifies non-normative and normative moments, and encompasses their mediation in a framework conducive to the critical explanation of historically specific institutional states of affairs. I develop such a theory here by synthesizing aspects of all three sociological theories of the economy discussed above in a critical theory of contemporary capitalism. Habermas’s two-level design is suited to achieving a mediated complementarity of theoretical positions while also providing the basis for a Marxian critique of capitalism. The system-lifeworld scheme provides the macro frame to connect Luhmann’s wholly non-normative monetary system with Honneth’s wholly normative market sphere. In this way, a sociologically informed explanatory critique can be developed: Honneth’s normative account opens the theoretical optics of the colonization thesis towards the Parsonian concern with political-ideological complexes and cultural values, while Luhmann’s non-normative position maintains the degree of functional systemic dynamics so central to the Marxian theory of the capitalist system.

![Figure 3.2 Habermas’s System-Lifeworld Concept as Macro-Frame](image)

*Figure 3.2* Habermas’s System-Lifeworld Concept as Macro-Frame

*Figure 3.2* above illustrates how Habermas’s system-lifeworld scheme is a macroframe in which to house the insights of Luhmann and Honneth. Habermas’s two-level design provides a mediated perspective from which the theories Luhmann and Honneth can be encompassed in a single critically productive framework. From within Habermas’s frame we can connect the perspectives of systems theory and action theory in a way which illustrates how, through methodological abstraction (*TCA2*, p.377) “each isolates and overgeneralizes” one of the two aspects.
While Habermas’s own version of the system-lifeworld concept already points towards this type of analysis, it is not sufficiently complete as it is elaborated in the *TCA* to do so. For this, we need the much clearer elaboration of the two-level framework in relation to the economy in particular that is proposed here. In the next section, I will turn to this task and advance a theory of the contemporary economy as monetary system and market sphere. Before doing so, however, I would first like to further the case for this move by defending the proposed development of a two-level theory of the economy as well as pointing towards how it advances Habermas’s own formulation.

**3.4.a Furthering the Case**

Habermas’s system-lifeworld concept of society has been an especially controversial formulation. Taking stock of both contemporaneous (McCarthy, 1991) and contemporary (Honneth, *FR*) criticisms, Habermas’s systems theory is by and large the greatest source of discord with his critique of capitalism from within the tradition of Critical Theory. Today, it is a generally held assumption that Habermas’s system-lifeworld concept of society ceded too much ground to systems theory. Notwithstanding significant issues in Habermas’s original formulation, I have been arguing that the system-lifeworld concept of society is entirely defensible when one considers its theoretical aims vis-à-vis the critique of capitalism. Referencing theorists beyond Habermas furthers the case for a two-level concept of the economy today.

It has already been pointed out how Luhmann, as radical as his systems theory is, still maintains a distinction between the monetary economic system and the market, the latter of which is rather cryptically perceived as an internal system environment. Going beyond the theorists already discussed, however, further interlocutors are found making the same observations. As early as 1969 Alain Touraine (1974, p.150) argued that the economy was increasingly coming to be perceived as an economic system, separated from its social moorings, in the movement towards post-industrial organization. His (Touraine, 2001, p.18) contemporary analysis of neoliberalism
furthers this hypothesis empirically in postulating “a growing divorce between the economic system (and especially the financial economy) and the social whole to which it should belong”. More recent writings continue this postulate, going from suggesting the separation of system and actor (Touraine, 2007, p.63-7), to the total separation of “a globalized economic world and a society which is itself largely destroyed by this separation” (Touraine, 2014, p.78). Along with this separation, Touraine (2014, p.96) suggests a growing autonomy of the economic system in relation to actors and institutions. This separation and autonomy is so pronounced that the contemporary moment befits the description of a “post-social situation”, which “shatters all the links previously existing between economic history and social history” (Touraine, 2014, p.97). This leads Touraine to argue that social actors can no longer be defined in terms of their social role, but instead must be seen as moral and individual actors defending certain cultural orientations as sources of legitimacy. This has implications for the analysis of class conflict insofar as we may no longer speak of economically role-defined social classes with contradictory societal interests, but instead must look towards social actors more generally as carriers of contradictory cultural orientations.

Wolfgang Streeck (2016) is today intent on redeveloping the concept of capitalism in social theory such that it may be understood in sociological rather standard economic-theoretical terms. Streeck (2016, p.201) reminds us that in classical economics and classical sociology capitalism denotes both an economy and a society, and that, empirically, (Streeck, 2016, p.203) the borderline between these two entities is one subject to continuous contestation. Streeck (2016, p.203) argues that the major problem for contemporary critical social theory is that no “general theory of modern capitalism is in sight today”. Yet, his tentative suggestions towards aspects of capitalism that such a theory ought to accommodate fits with the defense of a reconstructed system-lifeworld concept being developed here. Streeck relates his delineation of contending justice principles in relation to the economy, those of social and market justice mentioned above, to different cognitive concepts of the economy that reference different social objects. With this bipartite sketch, Streeck suggests that social justice is vested in what he refers to as a society’s moral
economy, while market justice is vested in a society’s economic economy. Streeck elaborates (2016, p.213): “While the moral economy of democratic capitalism reflects what people think is right and fair, the economic economy, or market economy, allocates resources on the basis of marginal productivity, and in this sense of maximized efficiency.” So, what is described as the moral economy denotes a social object within which social actors make claims towards the normative principles of justice inherent in the institution of the market sphere, consistent with Honneth, while the economic economy denotes an object where such claims are superseded by rational calculation befitting systemic imperatives, consistent with Luhmann’s monetarily codified system. In short, Streeck’s two-fold differentiation of aspects of the economy largely coincides with the distinction being drawn here between a monetary economic system and a normative market sphere.

Streeck takes the current analysis a step further, however, insofar as his argument ultimately favors maintaining the primacy of communicative action in determining the overall structure of the economy. Because Streeck’s schema is grounded in action theory, the optics are focused on the claims made by social actors with regard to the structure of the economy, rather than the irresistible dynamics of an autonomous system. In this way, Streeck’s position both reinforces the system-lifeworld concept while at the same time emphasizing the importance of mediating Habermas’s theory with that advanced by Honneth. Following Streeck, the mediation of monetary system and normative sphere should not be understood in line with Habermas’s colonization thesis as the one-sided expansion of irresistible systems. Instead, the focus must be placed on social actors and their claims, and how these claims relate to systemic dynamics. The focus, therefore, should fall on class struggle as it occurs in communication. The move from colonization to relinguistification, in Chapter 6, achieves this shift in focus.

3.4.b Expanding the System-Lifeworld Scheme Beyond Habermas

Habermas’s system-lifeworld scheme advances a framework within which the non-normative systemic dynamics of a monetary economy can be analyzed from the
perspective of its relation to normative spheres upon which it is ultimately carried. The two-level concept of society separates and captures both systemic and lifeworldly aspects of the economy, which in late capitalist modernity have been significantly decoupled. As we have seen, both Touraine and Streeck also advocate this general thesis of the separation of system and society. The critical value of the two-level scheme, however, is in providing a frame within which the claims emanating from both perspectives can be critically evaluated by way of a communicative theory of society. By accommodating both perspectives within the paradigm of communicative action, Habermas’s system-lifeworld framework is suitably posed to trace the normative implications of mediation ‘from above’ and ‘from below’. Theoretically speaking, the former aligns with the dehumanized perspective on social life exemplified and brought to its logical conclusion in Luhmann’s systems theory, while the latter aligns with the participant perspective of social actors engaging in meaningful activity for the fulfillment of anthropologically deep-seated needs, as in Honneth. Empirically, however, the same positions are reflected in public discourses in Streeck’s delineation of market justice claims oriented towards the economic economy and social justice claims oriented towards the moral economy.

The analysis within which Habermas puts the system-lifeworld concept to work suggests that when the system-lifeworld relationship is empirically mediated one-sidedly in favor of systemic dynamics – system integration – it results in an expansion of systems and their associated rationality. This overextension of systemic steering beyond its legitimate sphere of applicability then produces pathological side effects in the realms central to the symbolic reproduction of the lifeworld, the realms of socialization, social integration, and cultural reproduction. This is the basic postulate of the colonization thesis. The weakness in this thesis as Habermas presents it, however, is that it is formulated in differentiation-theoretical terms and divorced of the formative role played by social actors and their associated cultural claims (Joas, 1990). For this reason, systemic expansion is postulated with an inevitability that mitigates any analysis of class struggle in the determination of a particular evolutionary path. This is especially problematic given the ambiguity
apparent in the juxtaposition of Habermas’s theoretical-analytical and historical-political writings. Comparing both, I suggest, reveals that Habermas’s social thought more generally presupposes the theoretical refinement developed here.

Theoretically, Habermas (TCA2, p.375) perceives the expansion of systemic complexity as proceeding like a “quasi-natural force”. At the same time, however, he also maintains the primacy of communicative action in the constitution of society and insists that (TCA2, p.154): “the lifeworld remains the subsystem that defines the patterns of the social system as a whole”. When it comes to the colonization thesis, however, despite tentative allusions to class-specific aspects of the capitalistic path to modernization, the TCA does not theoretically develop either the role of political-ideological complexes and cultural values or that of class struggle to any degree. This is already troublesome within the confines of Habermas’s theoretical work, but becomes especially problematic in the light of contemporaneous historical-political writings (Habermas, 1990) in which specific political-ideological complexes are associated with specific steering-media. It is clear that Habermas has in mind a theory whereby social actors carry competing cultural orientations in some form of class struggle conducted via communicative action. These actors in turn advocate or contest the use of steering-media for the solution of societal crises. However, this is not elaborated within the confines of the TCA and becomes a matter of substantial limitation with regard to the formulation of the colonization thesis. As a result, the colonization of the lifeworld is elaborated as a critically refracted functionalist differentiation thesis focusing on the irresistible expansion of non-normative social systems.

This problem of a disconnection between Habermas’s theoretical-analytical and historical-political writings must be overcome here such that the central role of social actors carrying political-ideological complexes and cultural values is brought to the fore. This being said, however, the quasi-autonomy of the functional

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43 The problem of ideology in Habermas is discussed in Chapter 5.
44 This has been recounted in Chapter 1 wherein I noted that Habermas’s remarks in the preface of the TCA also point in this direction.
45 This is explored further in the next chapter.
imperatives of the economic monetary system must also be maintained, following Marx, but in some more strictly normatively limited form than Habermas achieved.

This level of balanced mediation between non-normative and normative moments, between Parsonian and Marxian insights on capitalism, is precisely what is attempted here with a two-level theory of the economy. This theory maintains the critical insights derivable from the Habermasian frame while attempting to overcome its weaknesses. Through the reconstructive work undertaken here, it ought to be apparent that following the contours of the system-lifeworld concept of society does not necessitate over-accentuating systemic autonomy and turning away from a focus on social actors altogether. Taking a lead from Habermas’s historical-political writings, we ought to see the dynamics of system-lifeworld interchanges quite differently, as intimately bound up with social actors, cultural orientations and class struggles. This aspect of analysis takes profit from Honneth’s approach to the economy. Nonetheless, going beyond Honneth, the non-normative moment – overemphasized in the TCA to be sure – must still be maintained given its centrality to the capitalist form of monetarily steered economic coordination. Luhmann defines this aspect in a much more limited sense.

From this brief clarification, then, we can be clear about the purposes of developing the two-level theory of the economy advanced here: to render Habermas’s system-lifeworld distinction yet more precise, as well as to describe the interrelation of both societal aspects with greater analytical clarity. To this end, the system concept requires the further clarification provided by additional borrowing from Luhmann, along with more strict limitation of this concept to the economic monetary system specifically. The relationship between this non-normative system and the normative market sphere, upon which it ultimately depends, must then be understood overall following Honneth in terms of a normative economic structure shaped out of the contestation of justice claims advanced by social actors. This way, the overall shape of the economy in a given historical epoch may be seen as the outcome of a continual class struggle over the legitimation of particular principles of justice.
The change from postwar to neoliberal models of the economy is a salient empirical example explicable within this refined framework, accounted in greater detail in Chapter 6. While the post-war embedded economy saw something of a balanced mediation of the principles of market and social justice in a capital-labor compromise structure, the contemporary neoliberal economy sees a one-sided domination of market justice in a repressive hegemonic structure that is tipped overwhelmingly in favor of technocratic orientations at the expense of other, broadly speaking, radical-pluralist cultures (O’Mahony, 2014). Under these conditions, the effects of colonization in the form of relinguistification systematically restrict communication such that class struggle is effectively disarmed, learning blocked, and evolution tied to the solution of system problems.

I will now turn to outline a two-level theory of the economy synthesizing what has been reviewed thus far.

3.5 A Two-Level Theory of the Contemporary Economy: Monetary System and Market Sphere

I argue that the contemporary capitalist economy is a two-tiered entity composed of distinct social objects: a non-normative monetary economic system and a normative market sphere. The relationship between these objects, as the relationship that determines the overall structure of the economy mediating its two levels, must, however, be seen as one constituted by communicative action in the final instance. This approach assumes, with Brunkhorst (2018), that the boundary between system and lifeworld is a normative order. Only this way may the overall structure of the economy be seen as historically variable according to class struggle. This framework maintains a non-normative dimension while qualifying its structural significance in a normative direction. With this approach, I intend to shift the colonization thesis from a focus on the irresistible dynamics of an autonomous economic system to the political-ideological complexes and cultural values affecting the structure of the economy and the economy-society relationship.
Table 3.2 below outlines all of the distinguishing features between the two aspects of the capitalist economy suggested by the two-level theory of monetary system and market sphere, itself based on a clarification of Habermas’s system-lifeworld concept of society.

<table>
<thead>
<tr>
<th>Concept of Economy</th>
<th>Monetary Economic System</th>
<th>Normative Market Sphere</th>
</tr>
</thead>
<tbody>
<tr>
<td>Associated Theories</td>
<td>Luhmann, Habermas</td>
<td>Honneth, Parsons</td>
</tr>
<tr>
<td>Applicable System Concept</td>
<td>Essentialist-objectivistic</td>
<td>Analytical</td>
</tr>
<tr>
<td>Aspect of Economy (Streeck)</td>
<td>Economic Economy</td>
<td>Moral Economy</td>
</tr>
<tr>
<td>Associated Justice Concept (Streeck)</td>
<td>Market Justice</td>
<td>Social Justice</td>
</tr>
<tr>
<td>Associated Capitalistic Economic Function (Marx)</td>
<td>Capital accumulation self-expansion in banking, finance and credit (M-M(^*))</td>
<td>Capitalist production &amp; consumption (M-C-M(^*))</td>
</tr>
<tr>
<td>Essence of Entity</td>
<td>Non-normative; Media-steered system of coordination</td>
<td>Normative; Normatively organized system of cooperation</td>
</tr>
<tr>
<td>Constitutive Communication</td>
<td>Delinguistified; Monetary</td>
<td>Linguistic</td>
</tr>
<tr>
<td>Associated Integration Type</td>
<td>System Integration</td>
<td>Social Integration</td>
</tr>
<tr>
<td>Associated Regulation Type</td>
<td>Systemically regulated; Algorithmically directed</td>
<td>Normatively regulated; Ethically directed</td>
</tr>
<tr>
<td>Codification</td>
<td>Quantitative; Prices, interest rates (as price of money)</td>
<td>Qualitative; Laws, legal regulation, norms, market ethics.</td>
</tr>
</tbody>
</table>

Table 3.2 A Two-Level Theory of the Contemporary Economy

The concept of the monetary economic system is defined following Habermas (1976; 1987; 1991; 1996; 2015) but strictly limited in reference to the economy by way of Luhmann (1982; 1989). The applicable system concept in this case follows Luhmann’s essentialist-objectivistic systems theory. This aspect of economism is what is referenced by Streeck’s concept of an economic economy, around which appeals of market justice are crystalized. This systemic aspect finds its purest and most externalized fetish-like form, following Marx\(^{46}\), in interest-bearing capital,

captured in the circuit M-M'. Here, money creates more money with a self-expansion of value such that it appears as a property inherent in money itself. To Marx, this is the highest level in the objectification of production relations.

The monetary economic system is in essence a non-normative media-steered system of coordination decoupled from the institutional spheres of society. This system is coordinated on the basis of delinguistified monetary communication. This produces a functionalist systemic integration, carried by the money medium itself, which cuts through socially integrated communicative domains. The monetary system is regulated systemically, or ‘from above’, according to the quantitative rationality of its own coding in prices and interest-rates. Following a numerical rather than linguistic cognitive model, this rationality is dehumanized and objectifying, and it may be perceived as algorithmically directed according to the Marxian formula M-M' as an absolute requirement of the monetary system; *the capitalist economy, at root, depends on profit-driven growth*. This represents a fundamental limitation in the design of the capitalist social formation, addressed in different ways across its epochal variations, from liberal to postwar to neoliberal models.

The monetary system is always mediated in a form of normative organization, however; a purely quantified system of calculation cannot empirically exist. Following Habermas when it comes to the normative interpretation of this entity, rather than Luhmann, this system must be interpreted critically in terms of its potential negative effects for the organization of the economy as a whole, as a system of cooperation capable of delivering on its inherent promise, vis-à-vis Honneth, of social freedom. This means that the critical focus within the economy should be placed on the mediation of the demands of this system and those of the normative market sphere. With regards to the economy-society relationship, Habermas’s concept of system integration can, from this perspective, be understood as exploring the systematization of society more generally in line with the needs of
this capitalist monetary system. The colonization thesis, then, diagnoses the pathological effects when this process overextends unchecked and impinges upon symbolic reproduction.

The market sphere may be defined with reference to Honneth (FR; 2016) and, by extension, the mediated sociological theory of the economy outlined by Parsons (Parsons & Smelser, 2005). The applicable system concept to be applied to this aspect is analytical, capturing the economic subsystem as one institution of four in the societal component of the lifeworld, interpenetrated with normative inputs from other spheres. From this perspective, the capitalist market economy is described in moral terms as a system of cooperation that is, and must be thought of as, ethically embedded. The market sphere is the space of normative legitimation of the monetary system, as well as the entity upon which money interactions rely. This aspect of economism is what is referenced by Streeck’s concept of a moral economy, around which appeals of social justice are crystalized.

The normative aspect finds discernable expression in capitalist relations of production, in the spheres of labor and consumption analyzed by Honneth, where the conflicting interests of capital and labor must find mediation in concrete social relations. Therefore, the market sphere is in essence a normatively structured sphere of communicative interaction between social actors, constituted by relations of production, consumption and exchange, that must in some sense resemble a system of cooperation in order to continue to garner legitimacy from the perspective of participants. Moral economism emphasizes market effectiveness as based on the presence of social-ethical ideas that go beyond the orientation towards functional efficiency (Honneth, 2016). The market sphere is thus necessarily organized on the

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47 Habermas’s concept of system integration will be clarified by combining Parsons’s AGIL scheme and theory of the hierarchy of control, explored in the next chapter, with Habermas’s interpretation of Parsons’s media theory, in Chapter 6. This approach allows the theory of relinguistic functioned a greater exploration of how the capitalist economic system is integrated at the societal level and internalized at the individual level.

48 The complementarity between Parsons AGIL social system and both Habermas and Honneth’s conceptualizations of the primary institutional spheres of modern society is outlined in the next chapter.
basis of linguistic communication constitutive of communicative action. This produces a social integration through which collective actors can mobilize demands for the economy as a whole, following Honneth, to deliver on its promise of social freedom.

The market sphere is regulated normatively, or ‘from below’, according to the substantive rationality of collective actors borne out in struggles over the institutional form the economy is to take. The institutional form of the market sphere is codified in laws, legal regulations, norms, and market ethics. Honneth’s normative functionalist approach to the economy offers the bridge between system and lifeworld necessary to emphasize the role of political-ideological complexes in embedding, regulating and steering capitalist production towards societal goals or, conversely, dis-embedding and autonomizing the functional imperatives of the monetary economic system and pursuing profit maximization. Seeing the market sphere as the normatively constituted environment of the non-normative monetary system – the latter of which is carried within – offers a more nuanced approach to the system-lifeworld concept, one that doesn’t forego Parsons’s moral view of economic activity. On the other hand, maintaining the aspect of non-normativity allows the Marxian insight regarding the capitalist system to have its say without, however, lending it the deterministic primacy found in orthodox Marxism.

The capitalist monetary economic system is here perceived as a quasi-objective entity, following Luhmann, but the degree of objectivity that it achieves in social organization is normatively coordinated, following Honneth, in the normative market sphere. While commodification increases systemic objectivity, de-commodification decreases it. With this formulation, admittedly somewhat clear and somewhat cryptic, we may make a subtle but very significant shift in the theory of reification; the focus moves from the primacy of the economy to the primacy of economism, with the latter perceived as a cultural orientation. By perceiving an objective entity as limited by normative organization we avoid an economistically foreshortened
interpretation of society and take heed of fundamental lessons from Parsons.\footnote{Such lessons from Parsons are discussed in the following chapter.} Honneth’s concept of the market sphere, following Parsons, is then seen on his terms as going beyond a capitalistically foreshortened theory of economic activity. At the same time, by maintaining space for a non-normative aspect we also facilitate the Marxian insights on endogenous functional dynamics manifesting as accumulation imperatives. These imperatives constantly disrupt the normative orientations of the market sphere ‘from above’, as apparently autonomous mechanisms of system integration. From this perspective, the status of system dynamics in the much-lauded Habermasian term \textit{quasi}-autonomous is given the level of theoretical clarity it deserves.

With regard to the colonization thesis, synthesizing the accounts of Honneth and Habermas in this refined system-lifeworld scheme is intended to put the role of political-ideological projects center stage in colonization processes. Political-ideological projects are here understood as structuring the relationship between market sphere and monetary system in a given historical epoch, such that the relative autonomy of the system is dialectically entwined with whatever cultural values are at root of its legitimation. The postwar and neoliberal social orders, with the primacy of social and market justice respectively, are the result of alternative political-ideological projects. In the former, a Keynesian de-commodification project focused on enriching the normative promise of the market sphere by restricting the autonomy of the capitalist monetary system; in the latter, a Hayekian commodification counter-project focuses on freeing capital accumulation by prioritizing profit and one-sidedly interprets normative regulation as a barrier to this goal. Both social orders are therefore the product of alternative value-commitments; the former, use-values, and the latter, exchange-values. The change in normative-political projects, at root of the movement from postwar to neoliberal models, will be explored in Chapter 6 where the cultural orientations emerging from the postwar model – technocracy and new social movements – are charted through Habermas and Luhmann’s theoretical routes out of Parsons.
Maintaining Habermas’s insight into the capacity for norm-free functional constraints to exceed their normative moorings is essential if we are to capture potential paradoxes of rationalization, moreover. This aspect provides the missing explanatory dimension for Honneth’s misdevelopments. Such paradoxes have the potential to turn processes of rationalization, themselves normatively legitimated as ideals worth striving for, right around, so that they essentially undermine the normative potential of the market to deliver on social freedom. Honneth’s (2004b) study of the paradoxes of self-realization in the neoliberal social order presents a fine analysis of this type of dialectical inversion of ethical ideals under the imperatives of the contemporary capitalist economy. This is explicable by way of the two-level scheme here as a case of relinguistification. Neoliberalism can be understood as rendering systemic dynamics autonomous through deregulation. Under these conditions, the now dis-embedded monetary system stands above normative regulation in the market sphere and looks down upon it through a schema of accumulation imperatives. Monetary steered coordination is then prioritized in the name of efficiency, leading to the overextension of the capitalist system and its systemic rationality, and with this the colonization of the lifeworld. This colonization takes the form of relinguistification when systemic rationality is translated into communicative action with the effect of distorting its semantic content. Under these conditions, calls for greater individualization that, as Honneth points out, were once oriented by increasing qualitative freedom, have been reinterpreted ‘from above’ and semantically encoded in line with capitalistic steering. The result, highlighted in Honneth’s (2004b, p.463) analysis, is that claims for individualization have been “transmuted into a support of the system’s legitimacy.” Expanding Habermas’s two-level scheme, therefore, provides a much-needed macro-theoretical framework through which such contemporary social pathologies can be seen as instances of the colonization of the lifeworld and causally explained through the theory of relinguistification. I will return to this in the conclusion.

In summary, with the refined two-level scheme we differentiate between a monetary economic system, which is the root of capitalist accumulation imperatives,
and a market sphere, which, as the space of economic action, is an internal environment of this system. The market sphere makes use of the medium of money to coordinate economic action, while nonetheless embedding its usage in a system of cooperation. The money medium is the basis of the monetary system, which, though differentiated through delinguistified and quantitative coding, remains parasitic on the market sphere, carried by it, within it, and also dependent on it.

What emerges from this framework is clarity regarding the centrality of the degree of commodification and monetization – as in neoliberalism – to the systematization of the market sphere. Under such processes the imperatives of the monetary system are given priority over those of the market sphere such that monetary coordination may supersede communicative cooperation, colonize it, and fracture or fully invert the normative promise of social freedom.⁵⁰

3.6 Conclusion

In this chapter, I have outlined a two-level theory of the contemporary economy that refines Habermas’s framework significantly. This theory takes into account the critical reflections amassed in the first two chapters and, through synthesis, brings much greater clarity to the system-lifeworld scheme. This accomplishes the last major move before turning to examine the colonization thesis itself.

As part of this critical reconstruction, Luhmann entered the debate to extend our understanding of the non-normative dimension, and was brought through the two-level framework such that Honneth’s normative corrective could still be maintained. This refinement and extension of Habermas’s critical theory of the economy is crucial for the reconstruction of the colonization thesis in the final chapter. For now, however, the two-level theory of the contemporary economy outlined here concludes the excursus on theorizing the economy that forms the broad theme of the first half of this dissertation.

⁵⁰ Marx’s (1976) thesis of the autonomization of the imperatives of capital accumulation captures this general process from the perspective of its historical institutionalization.
This culmination of the theoretical work undertaken so far now points us in the direction of the broad theme of the second half of this study, which is the constitution of society more generally outside of the economy, strictly speaking. Here, Talcott Parsons will be invited into the discussion. It will be seen that Parsons not only offers potentials to deepen our understanding of the colonization thesis at the societal level, as I will demonstrate in the following chapter, but also harbors potentials to extend the analysis of colonization processes to the cultural level too, as I will show in Chapter 5.
Chapter 4. The Colonization Thesis, Parsons’s AGIL Scheme, and Social Evolution: Capitalism and Democracy as Evolutionary Logics

4.1 Introduction

In the previous chapter, I refined the system-lifeworld scheme in a two-level theory of the contemporary economy. This theory combined Luhmann’s insights on the monetary economic system with Honneth’s insights on the normative market sphere through Habermas’s encompassing frame of reference. This move clarifies the theoretical problem of the economy in Habermas’s system-lifeworld scheme such that the non-normative system is clearly delineated while nonetheless being situated in an overall normative institutional structure. This clarification is intended to further direct our analysis beyond the economy to the broader societal context. With this change of focus, Habermas’s limited diagnosis of colonization processes, as emanating from the autonomous dynamics of the economic system without any concern for its socio-cultural context, may be overcome. Against Habermas’s rendering, I am arguing for an expanded approach wherein the aspects of system differentiation, cultural-structural rationalization, and class struggle are all brought to bear in a critical-explanatory diagnosis of colonization from the perspective of social evolution. The second half of this dissertation is concerned with expanding the frame such that these aspects are suitably accommodated.

The excursus on the economy, forming the broad theme of the first half of this dissertation, has been largely shaped by an attempt to find balance between the non-normative and normative moments of Habermas and Honneth. As concerns the colonization thesis, this mediation is intended to both temper the inevitability attached and deepen the scope for societal critique simultaneously. In this chapter, I expand to the societal level of analysis, beyond the economy in the narrow sense, to consider the broader problem of the economy-society relationship. This problem forms the substantive core of the colonization thesis itself. Whereas Luhmann clarified the non-normative aspects of Marx’s theory of capitalism that were unclear
in Habermas in the previous chapter, and therefore reframed the concept of system in the system-lifeworld scheme, Parsons is called upon here to clarify normative aspects at the societal institutional level extending beyond the economic sphere, and therefore reframe the societal component of the lifeworld. Turning to Parsons’s here also paves the way to invite further insights at the cultural level in the following chapter. Both societal and cultural aspects then play out in the transformation of the colonization thesis in Chapter 6.

Given that Parsons’s dealing with the problem of the economy is not through a theory of the economy itself but rather a theory of the economy-in-society, the excursus on Parsons in this chapter is appropriate to transition the dissertation from the first broad theme, of theorizing the economy, to the second, of the constitution of society more generally. With the core normative motif of this dissertation concerning the implications of the economy-society relationship in a given historical epoch for collective learning and social evolution, Parsons offers much to the analysis.

The principal value of Parsons here stems from his AGIL social system model. This model offers descriptive, analytical and substantive insights, all of which expand the colonization thesis and deepen its diagnosis. While the basic four-fold structure of this model is carried by Habermas and Honneth, as I will show below, the detail is lost. For the former, this means the loss of normativity from the economic sphere and the colonization thesis as a result, along with a one-sided and partial perspective of Parsons’s interchanges. Parsons’s AGIL scheme is a suitable platform to normatively enlighten Habermas’s diagnosis, owing to Habermas’s critical appropriation of Parsons’s media theory serving as the basis for the colonization thesis itself. For present purposes, this close connection of Habermas and Parsons leaves the door open to reinterpret the colonization thesis by drawing further insights from Parsons’s theory.

Because of the sheer scope and depth of Parsons’s vast oeuvre, I cannot claim to make full and adequate use of his theory of society here. I have only drawn upon
salient features that I identify as enriching the colonization thesis in one way or another. In this chapter, the AGIL system paradigm and the theory of the hierarchy of control are the primary such features. The former offers a system model beyond Luhmann’s, a normatively integrated societal system, which alleviates problems in the account of social order emerging from the colonization thesis. In this chapter, Parsons’s moral order is used to direct our analysis of colonization processes beyond the economy, in the narrow sense. In Chapter 6, Parsons’s AGIL scheme is critically refracted, with the help of cybernetic and media theories, to deepen the colonization thesis in an account competing circuits of societal communication in the neoliberal social order. Therein, Parsons is turned on his head to decode technocratic rationality as based on the logic of system integration with the hierarchy of control inverted. This serves as a basis for the theory of relinguistification.

I see the cybernetic hierarchy as a social-theoretical account of normatively directed social evolution that, although couched in a systems theoretical framework, nonetheless enlightens our interpretation of the colonization thesis in an evolutionary direction. By taking Habermas’s thesis through Parsons’s cybernetic theory, we can sketch in more detail the evolutionary logics of capitalism and democracy at the root of this empirical diagnosis. This anticipates the turn to the cultural level of analysis, in the following chapter, to explore how autonomous problems in the rationalization of modern culture link up with political-ideologies and from here interlock with colonization processes. Such ideologies give shape to specific institutional forms of capitalism and democracy in historical epochs.

I begin with an account of the colonization thesis on Habermas's own terms, such that we can be clear about its theoretical and substantive content (4.2). For clarity of exposition, I elaborate the thesis through three analytically distinct theoretical movements: the decoupling of system and lifeworld (4.2.a), the differentiation of system and social integration (4.2.b), and, finally, the colonization of the lifeworld (4.2.c). I then highlight how the colonization thesis is ultimately intended as a social-theoretical excursus on the contradicting evolutionary logics of capitalism and
democracy (4.2.d). I close the discussion with an account of the problem of one-sidedness in Habermas’s diagnosis (4.2.e). This problem, I argue, is the root cause for the absence of political-ideological complexes, cultural values, and class struggle from the analysis of colonization processes.

From here, I turn to Parsons in search of a corrective, arguing in favor of a qualified appropriation of the AGIL scheme to account for the societal component of the lifeworld (4.3). I begin with an account of Habermas’s main criticisms against the use of Parsons’s theory (4.3.a), before turning to defend the AGIL scheme in terms of its descriptive value as an architectonic of modern society (4.3.b), and its analytical value as a normative account of social order (4.3.c). I close the discussion by refracting the paradigm in a historical direction, as a theory of the postwar social order, to extract substantive insights relevant to the critique of reification (4.3.d).

Finally, I turn to reinterpret Habermas’s colonization thesis by drawing further insights from Parsons such that its evolutionary content can be better explicated (4.4). I introduce Parsons’s theory of the hierarchy of control and defend its merits at the societal level of analysis (4.4.a). From here, I interpret Habermas’s colonization thesis and Parsons’s cybernetic hierarchy as theorizations of the evolutionary logics of capitalism and democracy (4.4.b). I close with a brief statement on the need to balance what is of merit in both theorists for the critique of capitalism (4.4.c). This points towards the analysis of modern culture and political-ideology in the next chapter, as well as giving us points to take forward in the transformation of the colonization thesis in the final chapter.

4.2 The Colonization Thesis

I here provide an account of Habermas’s colonization thesis on its own terms, leaving aside for now the critical reconstructive work on the system-lifeworld scheme undertaken so far. The latter will be furthered in the excursus on Parsons in the next section and fully brought to bear in Chapter 6, in the reconstruction of colonization as relinguistification. This reconstruction contains a historical thesis, accounting for the neoliberal turn through social theory, which feeds into a
theoretical thesis advancing a communicative transformation of the theory of
reification in the theory of relinguistification.

The colonization thesis, in a sentence (TCA2, p.186), suggests the following: “The
rationalization of the lifeworld makes possible the emergence and growth of
subsystems whose independent imperatives turn back destructively upon the
lifeworld itself.” In this account, I show how Habermas elaborates the colonization
thesis through three analytically distinct theoretical movements stemming from the
critical appropriation of Parsons’s media theory, which I elaborated in Chapter 2.
These are: the decoupling of system and lifeworld (4.3.a), the differentiation of
system and social integration (4.3.b), and finally, the colonization of the lifeworld
(4.3.c). I then highlight how the colonization thesis is ultimately intended as a social-
theoretical excursus on the contradicting evolutionary logics of capitalism and
democracy (4.3.d). I close the discussion with an account of the problem of one-
sidedness in Habermas’s diagnosis (4.2.e). This problem, I argue, is the root cause
for the absence of political-ideological complexes, cultural values, and class struggle
from the analysis of colonization processes. This insight directs the discussion
towards Parsons in search of a corrective.

4.2.a The Decoupling of System and Lifeworld
In Chapter 2, I clarified how Habermas delineates steering and communicative media
on the basis of the formers’ ability to bypass the validity basis of communicative
action altogether. From this distinction, Habermas makes the further move of
connecting the ability of steering media to mediatize the lifeworld with their system
building effects; these media amalgamate action consequences into complexes
exceeding the orientations of social actors. On this basis, Habermas suggests that
his system decouples from the lifeworld and, in a sense, floats above the normative
institutional spheres and the intuitive knowledge of social life available to
participants within. The distinction between system and lifeworld is then based on
their respective mediatized and linguistic forms of communication. The decoupling
of system and lifeworld, as Habermas elaborates it, is diagrammatically represented
in Figure 4.1 below.
Having made this initial theoretical move, Habermas then lays the groundwork to depart from the Marxist unqualified critique of the objectification of social relations in differentiated and mediatized systems. In this regard, the effects of the mediatization of the lifeworld are interpreted neutrally to begin with, and the systems themselves appraised on the basis of the increased organizational capacities afforded modern societies over previous social formations. In the latter respect, the differentiation of steering media makes possible a level of integration that represents an evolutionary advancement over traditional class societies, albeit while reconstituting such societies as economic class societies.

4.2.b The Differentiation of System and Social Integration

Habermas then moves from the broad thesis of the decoupling of system and lifeworld to the more focused social-theoretical concern of the differentiation of system and social integration by extension. This takes Habermas’s account beyond that of Parsons; whereas in Parsons the whole AGIL scheme is integrated systemically, as one system, in Habermas only one half pertains to system integration, that of formally organized domains responsible for material reproduction, while the other is socially integrated on the basis of communicative action.\(^5\) Even this split, however, is interpreted neutrally to begin with, albeit in a way that anticipates the critique to follow. Habermas (TCA2, p.185) suggests:

“We cannot directly infer from the mere fact that system and social integration have been largely uncoupled to linear dependency in one

\(^5\) Habermas’s understanding of system integration will be clarified by way of our refinement of the system concept when I turn to reconstruct the colonization thesis as the theory of relinguistification in Chapter 6.
direction or the other. Both are conceivable, the institutions that anchor steering mechanisms such as power and money in the lifeworld could serve as a channel either for the influence of the lifeworld on formally organized domains of action or, conversely, for the influence of the system on communicatively structured contexts of action. In the one case, they function as an institutional framework that subjects system maintenance to the normative restrictions of the lifeworld, in the other, as a base that subordinates the lifeworld to the systemic constraints of material reproduction and thereby "mediatizes" it."

With this move, Habermas clearly leaves open the possibility of different circuits of exchange between system and lifeworld such that different forms of societal integration can be conceived. Though system and social integration are indeed antagonistic, owing to the logics of their different communicative forms in modern society, this need not imply the dominance of the system with associated pathological consequences for the lifeworld; the converse is also perceivable. This initial interpretation, therefore, would seem to allow the evolutionary circuit described in Parson’s theory of the hierarchy of control to remain valid under particular socio-cultural and historical conditions. This second theoretical move is diagrammatically represented in Figure 4.2 below.

### Figure 4.2 System and Social Integration

#### System

<table>
<thead>
<tr>
<th>System Integration</th>
<th>Economic Subsystem</th>
<th>Administrative Subsystem</th>
</tr>
</thead>
</table>

#### Channels of Influence

<table>
<thead>
<tr>
<th>Social Integration</th>
<th>Private Sphere</th>
<th>Public Sphere</th>
</tr>
</thead>
</table>

#### Lifeworld

4.2.c The Colonization of the Lifeworld

The critical moment then enters this thesis through Habermas’s retention of the Marxian insights regarding the capitalistic organization of the economic system. Though not explicated to any considerable degree in the TCA – and for this reason I turned to Luhmann in the previous chapter – it is ultimately the developmental

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52 The mature Habermas’s (BFN) theory of law and sociological account of political-will formation, along with the innovation of the medium of communicative power, can be interpreted as describing the alternative circuit of lifeworld-to-system influence. I return to this below and in Chapter 6.
dynamics of the capitalist economy that cause one-sidedness in the channels of societal integration. Habermas (TCA2, p.384) describes how a capitalist path of modernization develops “as soon as the economic system develops its own intrinsic dynamic of growth and, with its endogenously produced problems, takes the lead, that is, the evolutionary primacy for society as a whole”. The administrative system, as we have seen, then takes the form of a complementary media-steered subsystem. This has negative implications for social integration and, with it, the prospects of system integration being subjected to normative restrictions.

Following the autonomous dynamics of the capitalist economy, the mediatization of the lifeworld becomes its colonization when systemic crises of material reproduction can be avoided only at the cost of infringing upon the symbolic reproduction of the lifeworld itself (TCA2, p.305). Colonization, therefore, is rooted in the solving of systemic crises by way of incursions into the lifeworld. These incursions are overseen by the administrative state, moreover, in an attempt to defuse and pacify the fundamental conflict of the social formation (more below). This aspect of the thesis clearly connects with the earlier analysis of crisis dynamics in Legitimation Crisis.53

Colonization takes the form of the expansion of system integration into the lifeworld. This has the effect of suppressing social integration in areas where communicative action cannot be replaced without pathological consequences (TCA2, p.196). Colonization results, therefore, from the overextension of steering media beyond the context of material reproduction and into communicative domains, the latter of which are central to the symbolic reproduction of the lifeworld. In Habermas’s communicative reworking of Parsons, only domains of action fulfilling economic and administrative functions can be converted to steering media while the domains responsible for socialization, social integration, and cultural reproduction remain fundamentally dependent on the mechanism of mutual understanding intrinsic to communicative action. The inner logic of the latter domains is the

53 For this reason, presumably, the dynamics of system crises are not explicated with any degree of detail in the TCA.
production of a meaningful societal context, as opposed to the formers solution of functional problems in the societal appropriation of nature. When steering media enter into communicative domains and replace ordinary language communication in the coordination of social action, they essentially eradicate the moral-practical elements of the private and public spheres (TCA2, p.325) and, in doing so; erode the meaning-producing capacities of the lifeworld. Colonization, therefore, yet further diminishes the possibility of moral learning, of the system being restricted by the lifeworld, by replacing its necessary communicative elements with strategic orientations and inducing social pathologies, the latter of which take the form of systemically induced reification pathologies. From the perspective of evolutionary theory, colonization can thus be seen to represent something of a fundamental learning blockage for the capitalist social formation.

With regard to the Marxian critique of capitalism, Habermas’s colonization thesis is elaborated at a greater level of abstraction than the thesis of reification as real abstraction. To Habermas, the Marxian approach is wrong to ignore the interchange relations between the administrative subsystem and the lifeworld (TCA2, p.350). Habermas’s colonization thesis, therefore, is also critical of the Marxist tradition itself. Against this, Habermas (TCA2, p.302) suggests that in advanced industrial societies the welfare state containment of class conflict brings about an altered dynamic of reification which “while still conditioned by capitalist relations, works itself out in ways that are less and less class-specific.” Reification pathologies can stem from the processes of bureaucratization in this channel just as much as those of commodification in the economic channel. Both processes of commodification and bureaucratization produce the same form of colonization of the communicative organization of social life, the former through reification and the latter through juridification. Habermas’s thesis, therefore, elaborates a double channel approach, interpreting two of Parsons’s interchanges from the system perspective. This combines both Marx and Weber to elaborate the following thesis (TCA2, p.325):

“To the degree that the economic system subjects the life-forms of private households and the life conduct of consumers and employees to its imperatives, consumerism and possessive individualism, motives of performance, and competition gain the force to shape behavior. The
communicative practice of everyday life is one-sidedly rationalized into a utilitarian life-style; this media-induced shift to purposive-rational action orientations calls forth the reaction of a hedonism freed from the pressures of rationality. As the private sphere is undermined and eroded by the economic system, so too is the public sphere by the administrative system. The bureaucratic disempowering and desiccation of spontaneous processes of opinion- and will-formation expands the scope for engineering mass loyalty and makes it easier to uncouple political decision-making from concrete, identity-forming contexts of life. Insofar as such tendencies establish themselves, we get Weber's (stylized) picture of a legal domination that redefines practical questions as technical ones and dismisses demands for substantive justice with a legalistic reference to legitimation through procedure."

This thesis of the colonization of the lifeworld is diagrammatically represented in Figure 4.3 below, where both channels – the economic and the administrative – are readily apparent.

4.2.d Capitalism and Democracy

Through the colonization thesis, Habermas transposes the contradiction between capitalism and democracy into general social theory in the form of competing principles of societal integration carried by alternative communicative logics. This expands upon the suggestion in *Legitimation Crisis* (Habermas, 1975, p.7-8; 26-7), following Marx, of the capitalist social formation being defined by a fundamental principle of organization in the capitalist organization of the economy that in turn causes groups to confront each other with claims that are incompatible. In the TCA, Habermas (TCA2, p.345) describes:

"Between capitalism and democracy there is an *indissoluble* tension; in them two opposed principles of societal integration compete for primacy. If we look at the self-understanding expressed in the basic principles of democratic
constitutions, modern societies assert the primacy of a lifeworld in relation to the subsystems separated out of its institutional orders. The normative meaning of democracy can be rendered in social-theoretical terms by the formula that the fulfillment of the functional necessities of *systemically* integrated domains of action shall find its limits in the integrity of the lifeworld, that is to say, in the requirements of domains of action dependent on *social* integration. On the other hand, the internal dynamics of the capitalist economic system can be preserved only insofar as the accumulation process is uncoupled from orientations to use value. The propelling mechanism of the economic system has to be kept as free as possible from lifeworld restrictions as well as from the demands for legitimation directed to the administrative system. The internal systemic logic of capitalism can be rendered in social-theoretical terms by the formula that the functional necessities of systemically integrated domains of action shall be met, if need be, even at the cost of *technicizing* the lifeworld.

From this perspective, therefore, the system and social integration dichotomy is ultimately elaborated for the exploration of two evolutionary logics competing for primacy in modern society: one non-normative and capitalistic, the other normative and democratic. The colonization thesis is then concerned with the domination of the capitalistic logic both over the democratic and at its expense. We can thus conclude the account with the assertion that the contribution of the colonization thesis lies in its revealing of two competing evolutionary logics in capitalism and democracy, the former of which, under certain conditions, may come to both overstep and undermine the latter.

This in mind, the shortcomings of the thesis emerge from the way in which the diagnosis is advanced.

**4.2.e One-Sidedness in Diagnosis**

The principal problem with the colonization thesis, for present purposes, is that the social dynamic of the competing logics of capitalism and democracy – that which could connect them with political-ideological complexes, cultural values, and class struggle – is withdrawn behind a quasi-functionalist thesis of the autonomous expansion of the capitalist system. This problem ultimately stems not from the system-lifeworld theory of society itself, but rather the straightforward and one-sided application of this scheme. This can be seen in two issues:
First, the colonization thesis problematizes only one aspect of sociality, the non-normative system, and then explores social pathologies in the lifeworld from the perspective of colonization from without. This has the effect of immunizing the lifeworld itself from any part in colonization processes, precluding a deeper critical analysis of the social and cultural levels. Because of this, we are given the romanticized impression of the lifeworld as a sphere of evenly rationalized cultural orientations and normatively democratic sociality only subject to externally induced pathology. This ignores the issue of pathologies intrinsic to the lifeworld also playing a role in colonization processes, not to mention political-ideological complexes and cultural values. In the next chapter, I turn to develop an account of modern culture and political-ideology as a partial corrective, taking such problems into account at the cultural level.

Second, capitalism is posited in direct opposition to democracy in demarcated and exclusive terms. While this issue also ties in with the first, such that the critical focus is directed at the capitalistic distortion of an otherwise seemingly democratic lifeworld, it also runs deeper from an analytical point of view. Because the contest for primacy is posited in either/or terms, the nuanced and necessary interweaving and mediation of the evolutionary logics of capitalism and democracy in practice is lost from view. For critical analysis, this means that the question of whether socio-cultural and historical forms of capitalism and democracy can be considered more or less causative of colonization, such as those of the postwar and neoliberal social orders, is effectively screened out.

Based on these issues, I argue that while the system-lifeworld concept of society is defensible, Habermas’s own dichotomy is just too sharp for a mediated account of social order. Here, Parsons offers a corrective.

Having used Luhmann to reframe the concept of system in the previous chapter, Parsons can bring us towards reconsidering the societal component of the lifeworld here. This approach can enlighten the account of social order in a normative
direction, beyond Habermas’s formulation, and better explain the mediation of system and lifeworld.

Habermas recognizes the compatibility of the Parsonian paradigm with the problem of explaining system and lifeworld relations. For this reason, he leans on the scheme when examining system-lifeworld interchanges in the TCA (TCA2, p.320, Figure 39). However, while Habermas maintains Parsons’s four-fold societal architectonic, as we have seen in Chapter 2 and the account of the colonization thesis above, he splits the scheme in two. He then selectively and one-sidedly examines the interchanges perceivable within its frame, looking only from the perspective of system-to-lifeworld; Habermas focuses on the interchanges of money between the economic system and private sphere, and those of power between the administrative system and public sphere. Out of a possible six sets of interchanges in Parsons’s scheme, therefore, Habermas examines just two.

This one-sided examination of system and lifeworld relations in the TCA has negative consequences for both the account of social order and the colonization thesis by extension. With regard to the account of social order, splitting the Parsonian scheme in half effectively undermines normativity in the constitution of the societal component of the lifeworld. Here, Habermas posits non-normative system integration as steering, while normative social integration can only counter-steer. While advanced as part of an empirical diagnosis, this issue comes to limit rather than enhance critique, insofar as it eliminates political-ideological complexes and cultural values from processes of the colonization of the lifeworld. As a consequence, the colonization thesis is only considered from the perspective of an autonomous economic system without any recourse to an examination of society, culture, and class struggle. This runs against Habermas’s own historical-political observations expressed in the TCA’s preface and contemporaneous writings.

I turn now to make a case for the qualified appropriation of Parsons’s AGIL scheme to correct shortcomings in Habermas’s diagnosis and enrich the colonization thesis.
4.3 Parsons’s AGIL Scheme

It is widely accepted that Parsonian functionalism enjoyed a period of near hegemony in sociology during the postwar years, before concerted criticism in the 1960s and early 1970s led to its demise. The result was a seeming dismissal of Parsons from sociology altogether that, for social theory, meant the theoretical preoccupation with the macro level gave way to a focus on micro interactions in face-to-face contexts. While paving the way for great innovation, this shift had the unintended consequence of undermining the program of macro social theory altogether. This “overreaction to Parsons” (Mouzelis, 1995, p.13-15) was, and continues to be, quite detrimental to sociological theory more generally, especially in terms of the theorization of micro-macro linkages, a central problem in contemporary social theory. Any attempt to recover the program of the theory of society would inevitably necessitate a return to Parsons, which is precisely what began to occur in the 1980s (Sciulli & Gernstein 1985). In this regard, Habermas’s critical appraisal can be read in the broader context of the revival of Parsons in German sociology (Alexander, 1984).

The use of Parsons in this dissertation is intended to highlight new ways of understanding and interpreting his theory, from both theoretical-analytical and historical perspectives. While taking a lead from contemporary revisionist interpretations of Parsons, the critical excurses herein seek to go beyond, maintaining a sober perspective on the well-documented and legitimate criticisms of his theory, while rejecting the taken-for-grantedness of his complete dismissal.

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54 Prominent criticism began in the late 1950s with Lockwood (1956) and Mills (2000), continued into the 1960s with Wrong (1961), and somewhat culminated in the 1970s with Gouldner (1970).
56 See the collection of essays by Robertson and Turner (1991) for a renewed reading of Parsons. Also during the 1980s neofunctionalism emerged as a distinct movement in contemporary social theory that seeks to shift Parsonian functionalism to the left; see Alexander & Colomy (1985).
58 Among these are: the overemphasis and overdevelopment of systems over action (Habermas’s point of departure), the insensitivity towards social movements (Touraine’s point of departure), the lack of a strong account of the communicative construction of social life (Goffman’s impetus, furthered by Habermas (See Eder, 2007)), and, of course, the political charge of an inherent
While none could deny Parsons’s continuing importance to sociology – when not being addressed directly, his theory still casts a long shadow on contemporary debates – few would openly acknowledge his stance as a towering figure in the discipline. Today, Parsons remains the unsung midcentury interlocutor through which the concerns of classical and contemporary social theory merge.

Habermas’s admiration for the lifelong effort and analytical vigor of Parsons in attempting to build a theory of society is explicitly clear in the TCA (TCA2, p.199). Yet, despite his assertion that the body of work is “without equal in its level of abstraction and differentiation, its social-theoretical scope and systematic quality” (TCA2, p.199), Habermas’s direct dealings with Parson’s theory are restricted to just one chapter of the work.\(^5\) This confrontation with Parsons is specific and purposeful, concerned with realigning Parsons’s media theory within the auspices of Habermas’s system-lifeworld scheme. The resulting critique of the Parsonian program is limited as a consequence, concerning Parsons’s project as a whole, with particular emphasis on his thesis of modernity. This reading of Parsons fails to fully exploit the critical potentials residing in his scheme. This in mind, I return to Parsons here to enlighten Habermas’s colonization thesis beyond its original rendering.

Parsons’s AGIL scheme is of descriptive, analytical, and substantive value to the colonization thesis when used with our refined system-lifeworld concept of society. I defend the scheme here on all grounds. This defense is limited to Parsons’s application of the scheme to the societal level of analysis only – the social system – and leaves aside the extension to culture and personality – the other components of Habermas’s lifeworld – not to mention the additional systems posited in the expanded account of the human condition. The AGIL scheme at this level, I argue,

\(^5\) Indirectly there are many obvious signs of Parsons’s theory of society greatly influencing Habermas’s. The delineation of the primary structures of the lifeworld as culture, society, and personality clearly follows Parsons – on this, see Joas & Knöble’s (2009) interesting reading of the TCA – along with the concept of double contingency in communicative action, a concept, in fact, too limited to hold Habermas’s own theoretical assertions – see Strydom (1999; 2001).
offers a suitable framework for theorizing the societal component of the lifeworld in Habermas’s theory, what he (TCA2, p.174) terms “the system of institutions”.

I draw on the AGIL scheme here to provide an analytical account of the institutions of the societal component of the lifeworld, while maintaining Luhmann’s economy to demarcate the non-normative aspect of the capitalist economy decoupled from this, the capitalist system. This maintains the Marxian stereoscopic perspective in line with Habermas, while also sharpening it significantly and expanding the scope for societal critique. The theoretical work here therefore sets up a frame for the theory of relinguistification to sophisticate and transform the colonization thesis in Chapter 6. Therein, the combined synthesis of Luhmann and Parsons will take us beyond Habermas’s formulation to better explain how system and lifeworld are mediated in our reconstructed two-level scheme.

Seeking to derive more from the Parsonian frame, I argue that it is possible to maintain the AGIL scheme within Habermas’s system-lifeworld paradigm such that the substance of the colonization thesis is not only maintained, but also enriched. This in mind, I begin with an account of Habermas’s main criticisms against the use of Parsons’s scheme.

4.3.a From Criticism Towards Defense
Habermas’s (TCA2, p.285-299) point of divergence from Parsons principally concerns the theory of modernity. To Habermas, Parsons’s systems functionalism is structured such that it presents processes of societal rationalization as inherently harmonious. The result is a theory of modernity (TCA2, p.285) “blind to the social pathologies” emerging from societal rationalization in capitalist modernity. Habermas sees this issue as inherent in the Parsonian frame, emerging from the systems paradigm itself.

Habermas is critical of Parsons’s systems theory primarily because of the way in which it subsumes key aspects of action theory. With Parsons’s development of his social systems theory, the reference point for the theory of society shifted from the
examination of actors’ choices of culturally organized pattern variables to the problem-solving dynamics of self-stabilizing action systems (*TCA2*, p.246). While the former approach perceives the social system from the perspective of the social actor, the latter perceives the actor from the perspective of the social system.\(^{60}\) Crucially, however, with Parsons this move was made in a way that meant that actors’ orientations came to align seamlessly with the solution of system problems; through the assimilation of the pattern variables to the four-function scheme, actors’ choices became bound up with processes of system formation. This led Parsons to go so far as to reinterpret aspects of his early action theory in systems theoretical terms such that he essentially ‘melted down’ basic action-theoretical concepts (*TCA2*, p.247). The result is that action theory itself, and the specificities of its form of analysis, is effectively subsumed by systems theory.

To Habermas, this theoretical-analytical problem is symptomatic of a deeper substantive issue bound up with the process of capitalist modernization itself: the ascendancy of system rationality – functionalist reason – over communicative rationality. Parsons’s theory, therefore, is guilty of the reification of the system paradigm in a way that presages the Luhmannian radicalization to follow. I will return to this issue in Chapter 6.

Beyond this specific critique, however, there is yet a further substantive issue for Habermas that only becomes explicitly apparent in the mature Parsons. With the final touches to Parsons’s theory, in which the action system was placed within an encompassing paradigm of the human condition, value realization was interpreted in systems theoretical terms such that a religiously imbued cultural determinism dominated the entire action frame. From Habermas’s perspective, this particular substantive issue provides significant grounds to inject normative suspicion into Parsons’s entire systems theoretical frame.

\(^{60}\) This follows Dubin’s models of Parsonian theorizing, referenced by Habermas (*TCA2*, p.246).
Beyond Habermas, there has been much general criticism directed at Parsons’s AGIL paradigm. The principal issue concerns the way in which the scheme became a rather formalistic approach to theorizing, with four-functions becoming arbitrary for the theorization of all social phenomena. This in turn seemed to call for a seemingly ceaseless expansion of boxes within boxes, which became especially pronounced and abstract in Parsons’s late work. Turner (2001, p.90) describes how Parsons’s use of the AGIL scheme became “too formalistic and indeed ritualistic” such that it became “a conceptual grid through which any phenomenon could be routinely processed”. Similarly, Luhmann (2002, p.22) describes the theoretical trapping of the scheme: “Concepts are always defined simply within the schema of the four boxes. The necessity of filling the boxes with plausible content guides the theory decisions”.

That these criticisms are indeed warranted should not detract from the descriptive, analytical, and substantive value of the AGIL paradigm, however. On this note, that there are still “many important insights derivable from this scheme” is elsewhere emphasized by Luhmann (1990, p.255). This in mind, we should not let Parsons’s particular application of the paradigm detract from its general value when used in a qualified way.

Looking at social theory after Parsons, however, including Critical Theory’s efforts at appropriation, few attempts have been made to develop the AGIL scheme in a critical direction, despite its potential for application. Habermas’s dismissal of the scheme is based on specific issues derived from a reading of Parsons that is overly

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61 Richard Münch theorizes using the AGIL scheme while developing it in line with contemporary concerns; he presents a theory of discourse within this model. His position, however, runs counter to the critical approach followed here. Strydom (2000, p.53-54) argues how Münch’s theory of discourse is symptomatic of the limits of a wholly systems theoretical approach: “Its concern with society as a system betrays its neglect of the process of construction of society in favour of society as a product of that process”. Nicos Mouzelis (1995) develops the AGIL scheme critically, attempting to bring Parsonian and Marxist sociologies closer together. This approach is altogether different to the present study, with Mouzelis’s theory at a remove from the tradition of Critical Theory.
critical and needlessly foreclosed. Yet, despite undervaluing the critical potentials of the paradigm, Habermas’s critical appropriation is developed such that it leaves open avenues to go beyond.

We have seen above how Habermas’s colonization thesis expands from his appropriation of Parsons’s media theory. In Chapter 2, I emphasized how this media theory evolved through Parsons’s four-function paradigm. From this perspective, Habermas’s developments have the effect of splitting the AGIL paradigm in half and using this hybrid scheme as the basis to examine system-lifeworld interchanges within a societal system. Habermas’s colonization thesis is therefore already based on some implicit version of the AGIL scheme. Habermas’s own critical appraisal of Parsons, therefore, leaves room for further appropriation.

In what follows, I first defend the AGIL scheme in terms of its descriptive account of modern society (4.3.b), before then emphasizing the analytical value emerging from the primacy of normativity in this scheme (4.3.c). I close the discussion by refracting the paradigm in a historical direction, as a theory of the postwar social order, to extract substantive insights relevant to the critique of reification (4.3.d).

4.3.b Descriptive Value: The Primary Institutional Structures of Modern Society
Parsons’s AGIL scheme describes the primary institutional structures of modern society in terms of a four-fold architectonic. I show here how both Habermas and Honneth carry the essential contours of this four-fold scheme in their respective theories of society, only differing from Parsons, and each other, in the way in which it is operationalized. Both Habermas and Honneth, therefore, latently appropriate Parsons’s AGIL description of society in their own respective ways. This is testament to the descriptive qualities of the scheme.

Parsons AGIL scheme presents a systems paradigm that delineates key aspects of societal reproduction in terms of four basic functions. Parsons (Parsons & Platt, 62 In the next chapter, I show how Parsons did in fact take steps towards developing a theory of pathology in his theory of ideology and late concept of dedifferentiation.
1973, p.8-15; Parsons & Smelser, 2001, p.16-19) outlines the functional imperatives that must be met for a social system to achieve self-maintenance as: adaptation (A), goal-attainment (G), integration (I), and latent pattern-maintenance (L). These functions are further understood in terms of two axes of dichotomous variables central to system operations. The first is internal-external concerning the relation between a system and its environment. Whereas the functions of adaptation and goal attainment concern system-external relations, integration and latent pattern-maintenance concern system-internal relations, the former inter-unit and the latter infra-unit. In this regard, as opposed to Luhmann, Parsons’s (1973, p.10) action systems are open systems “engaged in continual interchange of inputs and outputs with their environments”. The second axis is instrumental-consummatory and concerns process in time. This intends to distinguish processes that build up resources for future use from those that put them to use in action, and in doing so consume them. This dimension essentially reformulates the means-ends distinction in systemic terms (Mayhew, 1982, p.24). Parsons’s AGIL four-function system is presented in Figure 4.4 below.

<table>
<thead>
<tr>
<th>Instrumental (Means)</th>
<th>Consummatory (Ends)</th>
</tr>
</thead>
<tbody>
<tr>
<td>External</td>
<td></td>
</tr>
<tr>
<td>A</td>
<td>G</td>
</tr>
<tr>
<td>Adaptation</td>
<td>Goal-attainment</td>
</tr>
<tr>
<td>Internal</td>
<td></td>
</tr>
<tr>
<td>Latent pattern-maintenance</td>
<td>Integration</td>
</tr>
<tr>
<td>L</td>
<td>I</td>
</tr>
</tbody>
</table>

*Figure 4.4 Parsons’s AGIL Four-Function System*

Parsons interprets a society – seen on a par with a modern nation state – through this systems paradigm as comprised of four primary internal subsystems functionally differentiated according to the AGIL imperatives. From this perspective, the primary functional subsystems of a modern society are (Parsons & Smelser, 2001, p.47-51): the economy (A), the polity (G), the integrative subsystem (I), and the latent pattern-maintenance and tension-management subsystem, or cultural-motivational system (L). The latter two subsystems were later more clearly defined as the societal

63 Adapted from Parsons & Platt (1973, p.12, Figure 1.1. The Four-Function Paradigm).
community and the fiduciary, respectively. Whereas the societal community is concerned with inter-unit processes of social integration, the fiduciary is concerned with infra-unit processes of socialization and cultural reproduction. These differentiated subsystems of society are illustrated in Figure 4.5 below.

<table>
<thead>
<tr>
<th>A</th>
<th>Economy</th>
<th>G</th>
<th>Polity</th>
</tr>
</thead>
<tbody>
<tr>
<td>L</td>
<td>Fiduciary</td>
<td>Societal Community</td>
<td></td>
</tr>
</tbody>
</table>

*Figure 4.5 Parsons’s Outline of the Primary Structures of Modern Society*

Habermas’s critical appropriation involves the separation of system from lifeworld, concepts developed to supersede the conflation of system integration and social integration that he identifies in the Parsonian theory of society. In Chapter 2, I touched on the central aspect of this thesis in Habermas’s critical reception of Parsons’s media theory. Therein, I critically evaluated Habermas’s elaboration of his system concept as not only *theoretically* distinct from Parsons’s but referencing an *empirically distinct object*, and in this way leaning uncertainly towards Luhmann; Habermas’s ‘system’ follows Luhmann, while ‘system integration’ seems to follow Parsons’s whole-part scheme.

Despite Habermas’s criticisms of Parsons, the structural description of the societal component of the lifeworld, defined as “the system of institutions” (TCA2, p.174), follows closely the four-fold contours of the AGIL scheme. Habermas delineates an

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64 The fiduciary subsystem was given clarity in (Parsons & Platt, 1973) *The American University*, in which it is distinguished as an action system primarily articulating with and oriented by cultural objects, that is, “an action system with cultural primacy” (Parsons & Platt, 1973, p.17), as distinct from a cultural system. This distinction is important here as it implies that adopting the Parsonian AGIL scheme but limiting its application to the societal level is not in contradiction to a Habermasian communicative theory of society. In the latter, culture is defined as a meaning-giving structure with a three-fold differentiation according to validity claims and knowledge interests, thereby aligning with Habermas’s concept of communicative action. This theory is opposed to Parsons’s extension of the AGIL scheme to the cultural level such that culture itself is theorized as a functional system with a four-fold differentiation of functional imperatives. It is not explicitly opposed to the application of the AGIL scheme to the societal level.

65 Importantly, these three processes are central aspects in Habermas’s conception of the symbolic reproduction of the lifeworld, which, furthermore, are threatened by colonization.

66 Adapted from Parsons & Platt (1973, p.19, Figure 1.4. Structure of the Social System).

67 I will return to this in Chapter 6.
economic subsystem and an administrative subsystem, both of which, as we know, he presents as structurally decoupled from the private sphere and the public sphere. Important qualifications in conceptualization notwithstanding, these structures broadly correspond with Parsons’s economy, polity, fiduciary and societal community, respectively. An outline of Habermas’s structures of the societal component of the lifeworld is illustrated in Figure 4.6 below.

<table>
<thead>
<tr>
<th>System</th>
<th>Economic Subsystem</th>
<th>Administrative Subsystem</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lifeworld</td>
<td>Private Sphere</td>
<td>Public Sphere</td>
</tr>
</tbody>
</table>

*Figure 4.6 Habermas’s Structures of the Societal Component of the Lifeworld.*

In Chapter 1, I described how Honneth draws upon Parsons as a sociological anchor for his theory of society without engaging in Habermas’s level of critical qualification. In Parsons, Honneth finds a sociological account of modern society befitting his own paradigm of recognition theory. This in mind, it is somewhat unsurprising to discover that Honneth’s basic institutional description of modern society also mirrors that of Parsons. Honneth describes the composition of modern society at the societal level – in his terms the reality of social freedom – as made up of the institutional structures of the market economy, the democratic constitutional state, the democratic public sphere, and the sphere of personal relationships. Again, these structures loosely correspond, albeit with qualification, with Parsons’s economy, polity, societal community and fiduciary, respectively. Honneth’s primary institutional structures of modern society are illustrated in Figure 4.7 below.

This latent appropriation of the structural outline of the AGIL paradigm by both Habermas and Honneth allows us to reconsider the scheme with a certain degree of analytical ease. It is clear that both theorists envisage the social structure of modern society as a four-fold system resembling Parsons’s architectonic. Expanding the

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68 See Figure 39 in TCA2 (p.320), exploring relations between system and lifeworld, for the same basic four-fold structural description.
analysis now, we can derive further analytical and substantive insights from Parsons’s scheme to enlighten the colonization thesis.

<table>
<thead>
<tr>
<th>Market Economy</th>
<th>Democratic Constitutional State</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Relationships</td>
<td>Democratic Public Sphere</td>
</tr>
</tbody>
</table>

*Figure 4.7 Honneth’s Institutional Structures of Modern Society*

### 4.3.c Analytical Value: Normative Primacy in Social Order

I turn to Parsons to fill out the societal component of the lifeworld owing to its analytical suitability for this task. Parsons’s AGIL scheme presents a social systems theory that offers a number of distinct advantages over Luhmann’s for this level of analysis. Principally, Parsons enriches the account of system integration in a normative direction.

Parsons’s paradigm presents an analytical model of society, as opposed to an empiricist one, conceived in terms of a normatively ordered system of action. Parsons’s social system, therefore, explores society as a whole from the perspective of whole-part relations. This societal system is in turn seen as stabilized on the basis of interactions between its four internal subsystems. Parsons’s subsystems, by consequence, are not presented as operationally closed and wholly differentiated but are instead engaged in interchange and mutually interpenetrated.

The AGIL frame of analysis then emerges from the functional prerequisites for the continual reproduction of society as a normative order to which actors within voluntaristically subscribe. In this paradigm, norms are derived from values on the one side and the conditional aspects of action on the other such that the mediation of non-normative and normative aspects of sociality in any social order is accommodated from the start. This implies that all social orders are essentially normative orders in the Parsonian scheme.
This aspect of Parsons’s approach to the theory of society is what Honneth recognizes and is drawn towards. As we have seen in Chapter 1, Honneth (FR, p.4) identifies the unique characteristic of the Parsonian model of society in its claim that all social orders must legitimate themselves by way of ethical values worth striving for. While this is most obviously apparent in the early Parsons, to which Honneth turns, it is nonetheless maintained in the very structure of the AGIL scheme. Through the balanced and symmetrical framework of the four-function scheme itself, Parsons’s central concern with the normative attainment of social order is diagrammatically schematized.

The primacy of normativity in social order maintained by the AGIL scheme provides a basis to expand the colonization thesis. Critically, the focus on values opens the analysis of colonization processes to a deeper critique than one leveled at irresistible dynamics of autonomous social systems. Through a normatively oriented paradigm we may begin to consider the political-ideological complexes and cultural values deployed in epoch defining class struggles. A normatively enlightened account of social order thus allows for the exploration of system-lifeworld interchanges beyond Habermas’s one-sided formulation. This opens the concept of system integration to deeper consideration and analysis.

While Habermas attempted to bring the colonization thesis close to this type of analysis – seen in the idea of the rise of a utilitarian lifestyle based on ideas of consumerism and possessive individualism along with motives of performance and competition (TCA2, p.325) – he failed to elaborate this aspect of his theory to any great degree. In attributing the colonization of the lifeworld to the irresistible dynamics of quasi-autonomous subsystems, Habermas seems to roll back on Parsons’s insights. While Habermas’s descriptive account of modern society follows Parsons by placing emphasis on normativity through his own paradigm of communicative action, the colonization thesis seems to forego the constitutive role of norms and values that Parsons labored to prioritize. If this were not the case, the problem of reification could be refocused on the one-sided ideological legitimation of cultural values in communicative action such that class struggle is effectively
neutralized. In this regard, we find that there are lessons yet to be derived from Parsons’s framework.

I am proposing Parsons’s AGIL scheme as an account of the normative institutions of the societal component of the lifeworld in our refined system-lifeworld scheme. At this level of analysis, Parsons provides an account of social order more in line with that presupposed by Habermas’s concept of communicative action, albeit while housed in a functionalist paradigm. Important analytical insights from Parsons can be maintained once we clarify the societal component of the lifeworld as a normatively ordered system of action that is, with Habermas, communicatively structured and negotiated. Whereas Habermas correctly introduced the problem of capitalism to the AGIL scheme through a critical appropriation of Parsons’s media theory, he was wrong to split the scheme in two as a consequence. This had the effect of creating a division between spheres of action, rather than between types of communication, as I have argued in Chapter 2 was his intention. With the latter, the problem of the contestation of system and social integration at the heart of the empirical diagnosis of the colonization thesis can be seen in terms of a clash of communicative logics, rather than quasi-autonomous steering and counter-steering mechanisms.

Assuming, with Habermas, that normativity is communicatively negotiated, we can perceive the AGIL scheme as denoting the primary institutional spheres of modern society whose boundaries are subject to contestation and change over different historical epochs. Analytically, Parsons’s emphasis on norms and value-commitments as having priority turns the analysis of system-lifeworld boundaries and subsequent interchanges towards political-ideological complexes and cultural values. The contestation of system and social integration can then be located in

\[69\] The idea that normative orders are subject to historical variation is theoretically supported by a cognitive social theory that sees cognitive rule systems as structuring the practical use of norms. Though Habermas’s TCA presupposes and grounds such a theory (Eder, 2007), he fails to develop it sufficiently, confusing the cognitive and normative (Strydom, 2011b). O’Mahony’s (2013) theory of the public sphere presents a cognitive theory of public communication within the Habermasian frame. This cognitive social theory informs the present dissertation with regard to the construction of normative orders, albeit implicitly.
conflicting logics of communication such that the conflict between capitalism and democracy can be captured in the conflict between exchange-values and use-values as it occurs in communicative action. This last move requires additional insights from Parsons’s cybernetic theory, to which I will turn below.

With the AGIL scheme integrated into the frame of Habermas’s colonization thesis, Parsons’s concept of equilibrium can also be turned in a critical direction. With this concept, Parsons describes a social order oriented towards stability and reproduction such that his theory becomes a type of blueprint for a self-sustaining social system inherently resistant to radical change. While this is one of the principal causes of critique leveled at the normative orientation of the Parsonian paradigm – its inherent conservatism – here it assumes critical value. In Parsons’s own version of the theory – which, as we will see below, is a theory of the postwar social order – the social system is presented in terms of a progressive liberal democratic order. Yet, while Parsons himself does not pursue the possibility of a regressive and irrational social order, his theory does not, contra Habermas’s assumption, negate it. I will explore this further in the next chapter. The crucial point for now is that if we consider a regressive social order, an order of hegemonic domination wherein system problems define the logic of collective action (Eder, 1983, p.34), an order, in other words, where the colonization of the lifeworld occurs, Parsons’s equilibriated social system can be refracted to reconsider the problem of false-consciousness.

While system dynamics are given primacy over actors’ orientations in the AGIL scheme, the normative emphasis of the Parsonian design describes a social order as emerging from actors’ consent rather than coercion. This consent is achieved through the internalization of societal values during the socialization process. In this way, the values driving actors’ motivations align with those constituted in norms integrating the social system in Parsons’s theory. Parsons shares this concern of the societal structuring of interests in a normative order with Marx (Mayhew, 1982, p.17-18; Parsons, 1949), differing only with regard to the class-based interpretation of the substantive content of such interests. The similarities between Parsons and
Althusser in this regard are significant, even if well known. These similarities highlight the compatibility of Parsonian functionalism with Marxian critical theories of social order.

If we follow here the idea of a regressive but nonetheless equilibrating social order into which actors are successfully socialized we have to reconsider Critical Theory's old problem of false-consciousness as a basis of legitimation. Marcuse’s (1991) account of the one-dimensional society is a case in point. Initially, drawing from Parsons, false-consciousness may be thought of in terms of unconscious subscription to the normative order of society, through socialization, without conscious acceptance of its dominant ideology. The theoretical task is to run this insight through Habermas’s communication theory. I will approach this problem directly in Chapter 6 and in the Conclusion.

For now, the Parsonian normative focus provides a framework for building an account of hegemonic domination emanating from both social-structural and cultural-structural blockages to reason inherent in a historically-specific social order. This is an account suited to capturing a regressive social order promulgating false-consciousness as a basis of its legitimation. This is especially valuable to the problem of the continuation, or “strange non-death” (Crouch, 2011), of the neoliberal social order.

In the concluding account of relinguistification, I will present a critical theory of neoliberalism from this perspective, reframing the concept of false-consciousness through a communicative transformation of the theory of reification. The result

Giddens (1979, p.52) highlights three acute similarities:
1. Parsons’s idea of the internalization of societal values when considered with regards to Althusser’s reworking of the theory of ideology vis-à-vis the ideological apparatus of society.
2. Parsons’s conception of functional problems facing social systems when considered with regards to Althusser’s idea of regions composing social formations, even, according to Giddens, “if for one author the ‘determination in the last instance’ is cultural, for the other economic.”
3. While both theorists approach the subject-object problem from their own respective vantage points, both solutions are posed such that subject is controlled by object: “Parsons’s actors are cultural dopes, but Althusser’s agents are structural dopes of even more stunning mediocrity.”
demonstrates how the capitalist system, in our reconstructed system-lifeworld scheme, does not directly steer societal evolution, but does so through the colonization of ordinary language such that systemic imperatives are carried in everyday speech acts and disseminated across the structure of communication.

I turn now, to view Parsons’s AGIL scheme historically, as a theory of the postwar social order, in order to extract further substantive insights relevant to the critique of reification.

4.3.d Substantive Value: The De-Reified Logic of the Postwar Social Order

I have emphasized the normative orientation of Parsons’s theory as enlightening the colonization thesis in a social and cultural direction. The AGIL scheme presents us with more than a moral account of social order; however, there is also a type of de-reified normative standard built in. This is made clearer when the scheme is considered from a historical perspective.71

From Parsons’s perspective, the economy is but one subsystem of four, all of which have equal functional bearing on the continuation of a single social order. As we have seen, Parsons’s theory insists that societal integration be perceived in terms of a moral order. This theoretical postulate can, however, also be read as a normative argument against the instrumental reduction of social life. That the AGIL scheme inherently mitigates forms of economistic reductionism, whether orthodox-economic or critical-Marxist, therefore, has normative significance. In this regard, Parsons’s central assertion is that to ensure a progressive and functioning social order in modern society, normative integration must attain primacy in the economy-society relationship. Recognizing reification as a fundamental problem in the capitalist social formation, the AGIL scheme thus advances a design to minimize its reach.

71 This historical reading of the AGIL scheme is inspired by the revisionist interpretations of Parsons, which trace his intellectual life and contextualize his theoretical developments in line with contemporaneous historical developments. See Gerhardt (2002) and Brick (2000; 2006, p.121-151).
The normative value of Parsons’s AGIL scheme, therefore, is that it fully embraces modernity and dares to imagine what a well-integrated de-reified social order might look like. In doing so, Parsons elaborates a non-pathological or benign form of integration in which normative and utilitarian moments are balanced. From this perspective, that Parsons and Marx share a concern with the societal structuring of interests in a normative order while differing only with regard to the class-based interpretation of such interests takes on renewed salience. Parsons’s AGIL scheme need not of necessity be seen as precluding the possibility of Marxian critique, but instead depicting a social order in which the social patterning of interests aligns with an orientation towards use-values, as opposed to exchange-values. In shorthand, this may be considered a social order in which democracy directs capitalism. The postwar social order, however flawed, was a version of this. This social order reigned in the autonomous dynamics of the capitalist economy through de-commodification, thereby limiting the effects of reification, which in turn set free learning potentials pointing towards a deeper democratization beyond.

It is not by coincidence that Parsons’s (2005) general system model was first applied to the societal level of analysis in Economy and Society, first published in 1956, at the height of the postwar social order. Co-authored with Neil J. Smelser, this work was a concentrated theoretical attempt to integrate economic and sociological theory such that the frame of reference of the former could be contained within the more encompassing perspective of the latter. This move aligns with Parsons’s life project, as one that was largely an attempt to relativize the claims of the utilitarian frame and set limits to its reified theoretical assumptions. For this reason, the very analytical structure of the Parsonian AGIL scheme bears the marks, both figurative and literal, of a sustained attempt to put the economy in its box.

There is a clear affinity between the de-commodification logic of the postwar social order and Parsons’s theoretical framework. The normative orientation of the AGIL scheme, therefore, is that of the historical epoch in which the theory was conceived,

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72 This historical aspect of Parsons’s AGIL scheme, as essentially a theorization of the de-commodifying logic of the postwar welfare state, will come to the fore in Chapter 6.
as an orientation towards use-values. This can be contrasted with Habermas’s account of the colonization of the lifeworld, in which the non-normative moment of a decoupled economy attains dominance such that capitalism suppresses democracy. This is characteristic of the neoliberal social order with its prioritization of exchange-values.

The contrasting accounts of Parsons and Habermas may thus be understood as schemas of social order explicable as evolutionary potentialities of the modern capitalist social formation. This line of analysis is pushed further from the perspective of the theory of social evolution in the next section, so that it can later come to the fore in Chapter 6.

To conclude this discussion of the AGIL scheme, inviting insights from Parsons not only allows us to perceive colonization processes as ideologically determined but also as subject to historical variation. This approach shifts the focus of the colonization thesis from the quasi-autonomy of the capitalist economic system to the ideological legitimation of historically specific institutional configurations. This move anticipates expanding the analysis to the cultural level in the following chapter, as well as outlining an historical account of the neoliberal turn in Chapter 6.

4.4 Colonization and Social Evolution: Capitalistic and Democratic Evolutionary Logics

I have presented Parsons’s AGIL scheme before then elaborating Habermas’s colonization thesis because I am here seeking a more mediated balance between Parsonian and Marxian moments than Habermas’s formulation in the end achieved. This is intended to mitigate the one-sidedness in the diagnosis of the colonization of the lifeworld, from system to lifeworld, along with the inevitability attached. Revisiting Parsons is necessary to bring political-ideological complexes and cultural values into the frame.

I turn now to examine the colonization thesis from the perspective of social evolution by first explaining the value of Parsons’s theory of the hierarchy of control
with regard to the colonization thesis (4.4.a), before then exploring Habermas and Parsons’s contrasting circuits of evolutionary control (4.4.b). I finish with a brief statement in favor of balancing both accounts (4.4.c).

4.4.a Parsons’s Hierarchy of Control
Habermas is explicitly critical of Parsons’s theory of the hierarchy of control (TCA2, p.247-256), but for quite specific reasons. Theoretically, the principal concern is with the overextension of systems theoretical analysis and the further foreclosure of the action theoretical frame of reference. This is particularly troublesome in relation to culture, as a key component of Habermas’s communicatively conceived lifeworld. The late Parsons’s (Parsons & Platt, 1973) theory of the cultural system and its entry into society via the fiduciary subsystem does much to eliminate agency altogether, let alone the constructivist insights of symbolic interactionism. Substantively, the concern is with Parsons’s cultural determinism being the social theoretical translation of a philosophical religious idealism. Habermas refers to this as Parsons’s “late philosophy” (TCA2, p.250).

Parsons’s defense of religion as a constitutive symbol system, which along with cognitive, moral, and expressive components makes up the cultural system, flies in the face of Habermas’s thesis of cultural modernity. This thesis sees modern forms of understanding as built on the differentiation of the components of culture out of religious-metaphysical worldviews, both structurally and historically, when the latter lose their grip on the structure of communication and are subjected to critical testing according to rational validity claims. Both theoretical and substantive issues make Habermas suspicious of Parsons’s cross-tabulation in the AGIL scheme altogether, along with the theory of the hierarchy of control in total; Habermas sees the “secret hidden in the formalism” (TCA2, p.250) of Parsons’s theory as the subordination of society to transcendent religious values. Having said that, Habermas’s critique of the hierarchy of control is directed at the expanded account of this theory in the paradigm of the human condition, the account that goes well beyond the social system level. If we limit the analysis of the cybernetic hierarchy to the societal level, however, and entwine it with Parsons’s media theory, we find the resulting
framework enlightening for the colonization thesis in a way that, paradoxically, furthers Habermas’s own communicative account of social order.

Parsons’s theory of the hierarchy of control is elaborated as the basis of a theory of social evolution within his theory of society. The cybernetic theory, therefore, expands Parsons’s account of modern society in an evolutionary direction. The hierarchy of control develops the four-function AGIL scheme in a cybernetic direction such that controlling and conditioning factors in both system equilibrium and structural change can be explored. This innovation, therefore, gives the otherwise static descriptive outline of the social structures of modern society a new level of dynamism. From this perspective, the general direction of the theory of the hierarchy of control aligns with that of the contemporaneous innovation of media theory: to shift the point of reference from structure to process in the theory of society. This move in Parsons, therefore, largely anticipates the more dynamic orientations of contemporary social theory that go beyond the structural emphasis of classical and neoclassical theory.

At the social system level, the hierarchy of control brings a new form of axis into consideration for the AGIL scheme and its cross-tabulated format. With this theory, the four subsystems lose their equal footing to a considerable extent and the direction of control is posited as running in the L-I-G-A circuit. Parsons’s defends this on the basis of the superordinate subsystems being higher in informational capacities, with the subordinate subsystems higher in energy. The A-G-I-L direction, therefore, merely applies conditions through feedback that must be taken into
consideration in the ordering of control. Parsons’s cybernetic theory at the level of the social system is illustrated in Figure 4.8 above.

At the social system level, the cybernetic hierarchy reformulates Parsons’s early concern between values and conditions in a more elegant and sophisticated theoretical framework. The hierarchy of control therefore represents an elaboration and refinement of his longstanding interest in the relationship between normative and non-normative or conditional moments (Toby, 1972, p.397; Mayhew, 1982, p.18). From the early Parsons, the normative is central in defining the situation but has to mediate with the non-normative dimension in the determination of action in concrete contexts. In the cybernetic rendering of this theory at the societal level, the conditions of action merely set limits to social change but do not direct it (Toby, 1972, p.397). Social change is instead directed by cultural values inculcated through socialization and cultural reproduction, and socially realized through norms as the basis of societal integration.

With the addition of the hierarchy of control, Parsons AGIL scheme is saying something very interesting about the constitution of modern society and the direction of social change that enlightens our interpretation of Habermas’s colonization thesis. Differences in theoretical paradigms notwithstanding, the substantive orientation of Parsons’s cybernetic theory aligns with Habermas’s (1979) focus on moral evolution in the reconstruction of historical materialism, a focus that also comes through in the account of evolutionary learning in the opening chapter of *Legitimation Crisis*. Both Parsons and Habermas, therefore, are similarly positioned vis-à-vis Marx’s historical materialism. Though Parsons views the problem from the systems-theoretical perspective of adaptive upgrading, and Habermas from the action-theoretical perspective of learning, the normative thrust of both with regard to Marx is essentially the same: it is not solutions to the problem of the appropriation of nature that determines evolution, but rather, solutions to the problem of establishing a normative order.
Yet, when we come to the TCA, we find that Habermas does not subscribe to this account of social evolution in his empirical diagnosis of late capitalist societies, particularly at the societal level where Habermas’s system is presented as evolutionarily superordinate to the lifeworld. From this perspective, the colonization thesis seems to be elaborating an alternative evolutionary dynamic specific to late capitalist societies, a dynamic that is furthermore consistent with Marx’s account of historical materialism. This empirical diagnosis describes the inversion of evolutionary primacy from normative to non-normative at the societal level. The colonization thesis, therefore, carries a Marxian corrective to Parsons’s theory of social evolution and Habermas’s own reconstruction of historical materialism at the same time.

4.4.b Evolutionary Logics

By expanding the AGIL paradigm in an evolutionary direction, the theory of the hierarchy of control also has implications for Parsons’s media theory. Therefore, by combining our insights thus far, we can draw further significance from Parsons’s media theory than Habermas’s critical appraisal attempts. The AGIL scheme and cybernetic theory suggest that Parsons’s media theory must also be understood as describing a hierarchy of interchange relations. This theory thus places value-commitments as superordinate to influence, the latter of which is superordinate to power, which in turn is superordinate to money. Parsons’s cybernetic theory is connected with his media theory in Figure 4.9 below.

![Figure 4.9 Parsons’s Cybernetic Hierarchy and Media Theory](image)
Parsons’s cybernetic theory expands upon the normative thrust of the AGIL scheme, which we extracted from the historical interpretation of Parsons’s paradigm above. The de-reified standard, embodied in the postwar social order, is captured here in terms of communicative dynamics that ensure the primacy of value-commitments in directing societal evolution. Parsons’s cybernetic theory therefore envisages a type of democratic logic of communication\textsuperscript{73}, albeit conceived in functionalist-systemic and technocratic terms,\textsuperscript{74} wherein capitalism is steered by use-values.

When we reinterpret the thesis of the colonization of the lifeworld from this perspective, we find that Habermas’s media theory comes to fully invert Parsons’s order of control. Habermas’s thesis suggests that money first decouples as a delinguistified steering medium, followed by power assuming a complementarity relation, both of which then develop steering capacities and inner dynamics superordinate to communicative media. The colonization thesis, furthermore, describes how influence and value-commitments are reshaped and streamlined in a capitalistic direction, i.e. colonized, owing to the autonomous expansionary dynamics of steering media. The colonization thesis, therefore, is describing a different logic of social evolution emerging from the tendency towards reification in capitalist society. This evolutionary aspect of the thesis is only extrapolated in reinterpreting its content through Parsons’s framework.

Furthermore, as we saw in Chapter 2, Habermas derives this logic through Parsons’s media theory itself. In this sense, Habermas identifies the media-theoretical account of communication as itself betraying a capitalistic logic of societal evolutionary dynamics rooted in the delinguistified monetary economy. I will return to this in

\textsuperscript{73} This democratic thrust of Parsons’s theory is reinforced by Gerhardt’s (2002) intellectual biography. With an excellent level of detail, Gerhardt traces Parsons’s intellectual life across periods of American history, bringing to light his political positions in relation to key historical events in order to link his scholarship to his politics. Her argument is that Parsons’s agenda throughout his intellectual career was to develop both a sociological theorization and defense of the development of modern democracy. This reading need not negate Habermas’s critique of the technocratic orientation of Parsons’s media theory, as we will see.

\textsuperscript{74} This ambivalence in Parsons reflects the ambivalent legacy of the postwar social order as a decommodification project in social democracy that nonetheless remained deeply technocratic. This is explored further in Chapter 6.
Chapter 6. For now, suffice to say that from the perspective of the theory of social evolution, Parsons and Habermas are elaborating contrasting evolutionary logics of democracy and capitalism respectively, corresponding to the postwar and neoliberal social orders. From the perspective of Parsons’s cybernetic hierarchy and AGIL scheme, Habermas’s colonization thesis describes the order of evolutionary control as running from A-G-I-L. The colonization thesis is depicted in Parsonian cybernetic terms in Figure 4.10 below.

![Figure 4.10 The Colonization Thesis in Cybernetic Theory](image)

At its core, the colonization thesis is a theory of the one-sided rationalization that occurs when society follows a capitalistic path of development. From the perspective of social evolution, this is one logic of evolutionary development. The colonization thesis describes a capitalistic logic, emanating from a commitment to exchange-values, and running back through the institutional structure of society. This primacy is endorsed by the capitalist monetary system once it is fully differentiated such that it is enabled to follow the logic of accumulation autonomously (M-M’). Under these conditions, the monetary system then congeals into “the “second nature” of a norm-free sociality that can appear as something in the objective world, as an objectified context of life” (TCA2, p.173), which stands above the institutional structures of the lifeworld. The operations of this system escape the intuitive knowledge of everyday contexts and are only accessible to the counterintuitive and expert knowledge of the social sciences. Through its fostering and fortification of a functionalist systemic logic decoupled from communicative practices, the autonomization of capital accumulation then feeds back into society such that it comes to invert the order of societal control: the logic of the
appropriation of nature gets applied internally in a social system now perceived as an environment from the perspective of an objectified economic system. This insight, derived from and indebted to Marx, is what Habermas’s system-lifeworld concept is designed to preserve.

This capitalistic logic can be contrasted with Parsons’s democratic logic elaborated through the theory of the hierarchy of control as running from L-I-G-A. Parsons suggests an order of control running through the social system that first stems from cultural values before getting institutionalized through norms to become constitutive of the system as a whole. This circuit is driven by a commitment to use-values. Crucially, however, Parsons’s circuit is one in which moral learning is preserved. This will attain renewed importance in Chapter 6, wherein the colonization thesis is reframed in communicative terms in the theory of relinguistification.

4.4.c Balancing Parsons and Habermas

One of the reasons Habermas is critical of Parsons’s cybernetic theory, aside from the argument of inherent cultural determinism elaborated above, is that it seems to counter Marxian materialism altogether. In Parsons’s rendering of the hierarchy of control, according to Habermas, “value change gets immunized against materialist assumptions” (TCA2, p.249). In this regard, despite its defensible moral account of social order, the problem with the Parsonian perspective on the economy-society relationship is that it lacks any critical dimension (O’Mahony, 2011).

From this perspective, Habermas offers a Marxian corrective to Parsons, developed through Parsons, such that the colonization thesis describes a counter-hierarchy at the societal level of analysis. The Habermasian corrective to Parsons, therefore, is reflective of the Marxian corrective to Hegel75. In this regard, the error of Parsons is in not giving enough credence to the material-conditional aspect such that the significance of the primacy of exchange-values in the capitalist economy for the

75 The relation between Habermas and Honneth with regard the economy explored in Chapter 1 can also be seen as reflective of that of Marx and Hegel.
organization of society more generally can be grasped. This, in extreme shorthand, is the moment of capitalism.

Habermas’s colonization thesis therefore enlightens Parson’s AGIL scheme here, beyond Habermas’s own critique, through its exploration of causality attributable to the capitalist monetary economy in disrupting the normative logic of social institutions. Parsons’s media theory effectively neutralizes this, while Habermas’s reworking introduces capitalism through differentiating steering and communicative media. Parsons’s media paradigm itself, therefore, is a central point of contention in understanding the evolutionary dynamics of capitalist society. I explore this further in Chapter 6; in an historical account of the neoliberal turn traced through developments in social theory. Therein, the elaboration of media theory by the late Parsons captures a crucial turning point in the transition from postwar to neoliberal social orders.

The colonization thesis remains at root a Marxian hypothesis for the critique of evolutionary dynamics within the capitalist social formation. While we can draw lessons from Parsons regarding the moral constitution of a social order, we must be careful not to lose sight of the functional imperatives of the capitalist economy. From Habermas’s media-theoretical corrective, therefore, we learn that steering media have quasi-autonomous dynamics that, when freed of institutional moorings, come to turn back to undermine the normative basis of social order and block moral evolution.

The problem with Habermas’s account of colonization, however, is that it sees the economy-society relationship only from the perspective of economic determinism. This is consistent with the theory of reification more generally; in its various incarnations this theory does not call into question the structuration of the economy itself by other institutional spheres. This economistic reductionism limits the scope of critique to one-sidedness in the diagnosis of colonization processes.
As we have seen, the AGIL scheme offers critical potential for the colonization thesis in allowing it to be reframed in a normative direction, drawing lessons from Parson’s account of the economy-society relationship. From this perspective, the systematization of society that the theory of reification considers could be attributed to political-ideological complexes and cultural values affecting economic activity in the first instance. This, after all, is the lesson imparted by Weber’s (2001) *Protestant Ethic*. From Parsons’s account, we learn that steering media are always deployed in a system of institutions structured by values, the latter of which are derived from cultural orientations.

The colonization thesis nonetheless describes a situation where the logic of system problems has supplanted that of collective action. Eder (1983, p.34) describes this situation, where capitalistic evolution has attained primacy and stifled class struggle, as a society with no history. Going beyond Habermas’s one-sided formulation, evolution and history must be interrelated in the colonization thesis in order to deepen and extend the critique of capitalism.

Combining insights from Parsons and Habermas, we need to see an evolutionary path defined by non-normative system problems as one that is nonetheless normatively legitimated in reference to political-ideological complexes and cultural values. This means that while the colonization of the lifeworld occurs in a situation with no class struggle, critique of such a state of affairs is deepened if we decode the situation as one in which a normative repressive hegemony interlocks with and mutually reinforces non-normative domination. In other words, class struggle is only eliminated by system problems when systems themselves have been evolutionarily championed in a normative-political project.

This expanded account of colonization processes in turn suggests that class struggle itself is shaped by both system differentiation on one side, and cultural rationalization on the other. This leads us directly to the concern of the next chapter: modern culture and political-ideologies.
4.5 Conclusion

In this chapter, I sought to extend the analysis of colonization processes beyond the economy in the strict sense. To do this, I brought Talcott Parsons into the discussion to draw on salient aspects of his theory of society that were not sufficiently explored in Habermas’s critical appraisal. Principally, I invited insights from the AGIL scheme and the theory of the hierarchy of control.

Recounting the colonization thesis on Habermas’s own terms highlighted the critical examination of the evolutionary logics of capitalism and democracy as its principal contribution. This allowed us to reinterpret the colonization thesis from the perspective of Parsons’s cybernetic theory, such that these two evolutionary logics could be more clearly schematized in social theory. The contrasting evolutionary logics of capitalism and democracy will be brought to bear in analysis in Chapter 6.

In this chapter, I also clarified the primary problem with Habermas’s elaboration of colonization thesis: the social dynamic of competing evolutionary logics, that which could connect them with political-ideological complexes, cultural values, and class struggle, is withdrawn behind a quasi-functionalist thesis of the autonomous expansion of the capitalist system in which this system is differentiated entirely from the socio-cultural structures of society. This is rooted in the fact that the non-normative moment, though necessary, is much too strong in Habermas’s rendering. The result is the seeming elimination of socio-cultural forms from critical analysis altogether.

Parsons points us towards a different account of social order which, balanced through Habermas’s account of the colonization thesis, offers the potential to deepen societal critique rather than restrict it, to take us beyond a focus on capitalism, in the narrow sense, towards an examination of the complex composition of social orders. This means, in Habermas’s scheme, the potential to subject the lifeworld itself to greater critical scrutiny. In the next chapter, I turn to examine culture and political-ideology, seeking to determine the autonomous yet interlocking and mutually reinforcing role of cultural rationalization in colonization processes.
Beyond delineating a capitalistic logic of social evolution, the colonization thesis is also pointing towards the effects of this logic on the structure of communication itself; the colonization thesis suggests that the capitalistic logic has negative implications for even the prospect of the democratic logic having primacy. This aspect of the thesis can only be explicated with clarity when we bring to bear the delinguistified-linguistic system-lifeworld distinction and extend the account of colonization into the thesis of relinguistification. This will be explored in Chapter 6.
Chapter 5. Modern Culture, Mediation Problems, and Political-Ideologies: Expanding the Frame

5.1 Introduction

The core normative motif of this dissertation concerns the implications of the economy-society relationship in a given historical epoch for collective learning and social evolution. This in mind, I have just clarified the colonization thesis as follows: there is an evolutionary logic intrinsic to the capitalist economic system such that when it is differentiated and rendered autonomous it comes to undermine the evolutionary logic of democracy. Eder’s (1983) interpretation of this thesis suggests that this occurs by colonization supplanting the moral substance of learning processes with functional system problems such that class struggle is mitigated and history negated.

The excursus so far in this thesis has been advanced at the societal level of analysis: in the first three chapters I sought to clarify the theory of the economy, while in the previous I sought to broaden the account to the economy-in-society. This course of exposition has been directed by the fact that the colonization of the lifeworld, as Habermas conceives it, is a process located at the societal level. In its original rendering, this process is analyzed only from the perspective of system differentiation, the latter of which is interpreted critically via the two-level scheme. Against this account, I am arguing for an extended approach wherein the aspects of system differentiation, cultural-structural rationalization, and class struggle are all included in the analysis. In the previous chapter, as part of this argument, I moved to extend the account of colonization beyond the narrow concern with the autonomous dynamics of the economic system, to a broader focus on its socio-cultural and historical context. Via Parsons, I shifted focus in the direction of society as a system of institutions, and entwined this with a moral account of social order. This move has redirected our critical attention towards political-ideological complexes and cultural values.
One of the problems with Habermas’s formulation of the colonization thesis is that this cultural aspect, though present, is minimized. Habermas’s elaboration separates system and lifeworld too sharply, then renders the system autonomous with irresistible inner dynamics such that its processes of expansion are placed beyond any connection to the socio-cultural and historical context of political-ideological complexes, cultural values and class struggle. The colonization thesis is then developed one-sidedly, as I have shown, as an account of the expansion of autonomous systems. As a result of this, critique is restricted to within the confines of a quasi-functionalist dedifferentiation thesis, with colonization perceived only in terms of processes running from system-to-lifeworld.

While Habermas (TCA2, p.327) does describe the lifeworld as threatened by “two interlocking, mutually reinforcing tendencies: systemically induced reification and cultural impoverishment”, the thesis of cultural impoverishment is only developed as a sketch and, as we shall see, precludes an analysis of ideology. Furthermore, how exactly issues of cultural rationalization interlock with and mutually reinforce colonization processes is not addressed. Understating the cultural aspect then further accentuates the problem of colonization appearing as an issue affecting the lifeworld wholly from without, irrespective of the processes within. This in turn feeds into the broader problem of the TCA presenting a much too harmonious impression of the lifeworld more generally (Scheuerman, 2013, p.575).76

In this chapter, I expand the analysis of colonization processes to the cultural level as a corrective to its minimization in Habermas’s thesis. In doing so, I take inspiration from Weber’s (2001, p.25) conviction in the Protestant Ethic – that capitalism could not proceed “without the support of a powerful ally” – and seek in the cultural realm those interlocking and reciprocal dynamics between system and lifeworld that Habermas leaves out. In this regard, I emphasize that modern culture has its own dynamic of rationalization, which simply must be taken into account in the colonization thesis. Drawing from Piet Strydom’s development of Habermas’s own

76 Scheuerman states that unlike Structural Transformation of the Public Sphere, and BFN, the TCA develops a “romanticized account” of the lifeworld.
thesis of cultural modernity, this dynamic of cultural rationalization produces distinct and identifiable mediation problems in the structure of modern culture, which I identify here as playing a significant role in colonization processes. These problems emerge from horizontally differentiated separate value spheres and vertically differentiated expert and everyday levels.

I see a way to connect this account of cultural mediation problems with the colonization thesis through an account of political-ideologies. By bringing political-ideologies into the analysis, I explore interlocking and mutually reinforcing dynamics between colonization processes at the societal level and rationalization processes at the cultural level. As concerns the colonization thesis, therefore, my argument is that an analysis of colonization processes is bound up with an analysis of political-ideologies, the latter of which is bound up with an analysis of cultural modernity. This focus on political-ideologies has the additional benefit of laying a path to connect the analysis of culture in this chapter to the aspect of class struggle to be considered in the following chapter. For now, the primary subject of this chapter is mediation problems in modern culture with a particular focus on political-ideologies.

While the principal aim of this chapter is to expand the analysis to the cultural level and dispel the notion of a problem-free lifeworld from the colonization thesis, there are also secondary goals attached that have broader significance. With the excursus herein, I seek to highlight reification processes at the cultural level as distinct from colonization processes at the societal level, with which they nonetheless interlink. Additionally, I aim to expand the critique of cultural reification into a social-theoretically informed analysis of political-ideologies and cultural mediation problems. With this, I pursue a connection between reification and expertisation, the latter of which is a mediation problem aggravating the former. This particular constellation shapes technocratic neoliberalism, with adverse effects for class struggle emanating from the structure of communication, as we will see in the move from colonization to relinguistification in the next chapter.
As I cannot claim to give the theory of ideology any level of sufficient treatment within the confines of the present discussion, I begin with a preliminary note on ideology (5.1.a) intended to clarify the precise interpretation of the theory that I have in view herein. I then turn to account for the problem of ideology in Habermas (5.2), highlighting his subscription to the ‘end of ideology’ thesis in the TCA as writing off both political-ideology and false-consciousness in one turn. From here, I move to Strydom’s account of mediation problems in modern culture (5.3). Drawing attention to the sparse indications regarding political-ideology and cultural tendencies given by Habermas in the TCA (5.3.a), clarifies the gap in the theory that Strydom’s development (5.3.b) fills. Using this account, I then put forward a stylized sketch integrating political-ideology and mediation problems in modern culture such that a connection between reification, expertisation, and political-ideology can be made (5.3.c).

Following this, I turn to Parsons’s theory of ideology (5.4) in an attempt to give further sociological substance to the account of mediation problems and reinforce the argument regarding cultural reification and political-ideology. I elaborate a particular reading of Parsons, suggesting that a proto theory of pathology can be found in his strain theory of ideology. This theory suggests the one-sided rigidification and absolutization of cultural components in political-ideologies, the latter of which emerge in reaction to social and cultural differentiation processes. This theory is consistent with Strydom’s account of mediation problems.

Turning to Parsons to inform the cultural level of analysis may seem disjointed given Habermas’s use of Weber for this aspect of the colonization thesis. The use of Parsons here builds on the objective stated in the previous chapter\textsuperscript{77}: to highlight new ways of understanding and interpreting his theory, and so revive Parsons’s ghost. This objective also responds to Habermas’s foreshortened use of Parsons’s theory.\textsuperscript{78} The cultural aspect here is the second prong in a double refute of

\textsuperscript{77} Section 4.3.

\textsuperscript{78} The turn to Parsons here, therefore, is not to deny that Habermas’s reading of Weber could also be expanded or, furthermore, that Weber’s insights on culture may inform the project of
Habermas’s reading of Parsons. First, Parsons’s moral order in the AGIL scheme opened the door to a problematization of the lifeworld itself, shattering the diagnosis of colonization as the one-sided invasion of an otherwise harmonious lifeworld by autonomous systems. This move is undertaken with a sense of irony, given Habermas’s critique of Parsons’s harmonious vision of societal development enacted through the AGIL scheme. Second, this problematization of the lifeworld proceeds through a specific reading and substantiation of Parsons’s theory of ideology. In this chapter, I argue that Parsons did in fact attempt to develop a theory of pathology concerned with the possibility of regression in modern society. This suggests that Parsons was not altogether blind to the Weberian paradoxes of modernity, as Habermas contends.

5.1.a Preliminary Note on Ideology

Ideology is a notoriously difficult, ill-defined, and disputed concept in the social sciences (Larrain, 1979, p.13). It is, in fact, an “essentially contested concept” (Gallie, 1956). Though a proper treatment of the concept is well beyond the scope of the current thesis, it is nonetheless important to make a basic but instructive distinction between a descriptive and a pejorative notion of ideology. While this distinction is in some sense the point of reference for Mannheim’s (1936) seminal inquiry, I here simplify the analysis to a distinction between political-ideology – by which is meant the basic interpretive schemes of liberalism, conservatism and radicalism forming the Western political spectrum – and ideology in the critical sense – by which is meant a distorted and power-saturated cultural form legitimating a structure of domination. Critical Theory’s concept of false-consciousness is a specific version of the latter which obtains an explanatory basis in communicatively transforming the theory of reification. Parsons is of interest to the current dissertation given the previously stated context of the Parsonian revival and revisionist interpretations, along with his increasing importance to contemporary Critical Theory – Honneth too reaches back, constituting a second attempt at appropriation that, I have argued, is also limited with regard to the critical potentials of Parsons’s theory. Weber’s verstehen approach to culture is nonetheless consistent with the theory of relinguistification advanced in the next chapter and so is worthy of further exploration in future studies.

79 There are of course other important “isms” which can be considered political ideologies (see Eccleshall et al., 2003) but I limit the current analysis to what I consider from a historical-sociological point of view the primary constitutive positions of Western politics.
80 See Geuss (1981) for a much more detailed discussion.
social theory through the theory of reification. This is what separates it from other notions of ideology in the Marxist tradition. While Habermas’s colonization thesis presents a sophistication of the theory of reification, it fails to update and explicate the concept of false-consciousness. I explore this further below, with a view to the theory of relinguistification taking up this task.

Today, in the wake of the so-called cultural turn in the social sciences and the pragmatic turn in philosophy, we see the critical concept robbed of all the normative import with which it had been imbued from the Marxist tradition, broadly understood. As regards political-ideology, the general metanarrative of this theory – to which Habermas also subscribes – follows a type of teleological determinism. This suggests that political-ideology was a salient feature of class struggles during the so-called ‘age of ideology’ in the 19th and early 20th centuries, but this state of affairs has by now been superseded following the ‘end of ideology’ in the postwar period. From this, social theory assumes that political-ideologies have lost any integral role in class struggles in late capitalist democracies. Yet, despite this dismissal of political-ideology from social theory, it is still considered a salient concept in contemporary political theory.

In this chapter, I attempt to develop an analysis of political-ideology through an account of cultural modernity in a way that does not preclude the possibility of ideology-critique, the latter of which is based on a critical concept of ideology. The key to this is an account of cultural mediation problems that connect with political-ideologies. Recently, we see third generation critical theorists return to the concept of ideology and attempt to recover it in various ways (Celikates, 2006; Honneth 2007; Jaeggi, 2009). The approach here is distinguished from these primarily insofar

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81 As an example of the effects of the cultural turn, see Geertz’s (1973, Chapter 8) account of ideology for a cultural interpretive approach with no critical orientation.

As an example of the effects of the pragmatic turn, see Rorty’s (1989) various remarks in which he hollows out any notion of a critical-explanatory basis to the concept in Critical Theory, declaring it useless (p.59) and meaning little more than “bad idea” (p.84).

On the prospects of ideology-critique after the pragmatic turn, see Celikates (2006).

82 See the collection of essays edited by Freeden (2001), along with his own (1996) very interesting theoretical approach to this area.
as it proceeds by way of the theory of society – using Strydom’s development of Habermas, along with Parsons – but also with regard to the attempt to integrate political-ideology into the frame. Furthermore, this approach is oriented by recognizing the intrinsic connection between the theory of reification and the concept of false-consciousness in Critical Theory, such that ideology-critique cannot be properly understood outside of this theoretical constellation. With the dissertation focused on expanding and reframing the colonization thesis, an essential complement to this task is to approach the problem of false-consciousness. The theory of relinguistification reformulates the problem of false-consciousness through a communicative transformation of the theory of reification. Through a critical account of modern culture and political-ideology here, we can find the opening of a route to explicate this problem from within Habermas’ theoretical frame.

While the explicit analysis of political-ideology is largely absent from contemporary Critical Theory – Habermas’s dealing with the concept of ideology more generally in the TCA, as we shall see below, impedes it – the first generation critique is quite explicitly directed at elements of bourgeois culture synonymous with core aspects of liberalism, particularly in its classical variant. More than this, however, the 1st generation critique is advanced against a particular tendency within liberalism that could be identified most clearly in the capitalistic form of liberal democracy in the United States. This is a tendency towards one-sidedness, one-dimensionality, and absolutization complementing the reification of social life that coincides with the capitalist economy. In this constellation, the Frankfurt School could identify inherent tendencies of the capitalist social formation itself that, through mere accentuation, undermine democracy from within and push towards the establishment of a totalitarian and authoritarian social order.

What is interesting about this critique from the perspective of the analysis of political-ideologies is that while political science conventionally sees radicalization of

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83 Honneth (2004, p.343-4) is explicit about Critical Theory’s critique of liberalism.
84 Most interesting in this regard, because of its direct form, is Marcuse’s (2009) essay ‘The Struggle Against Liberalism in the Totalitarian View of the State’.
ideologies occur only at the poles of the political spectrum, at the far left and the far right, the first generation critique suggests that radicalization can equally be attributed to centrist positions when their cultural orientations are one-sided and absolutized in line with the dictates of the capitalist economy. The Frankfurt School critique of advanced capitalism is based on the idea of centrist liberalism being subjected to one-sided radicalization when following a technocratic orientation. In other words, if one were to translate Critical Theory’s ideology-critique into a lower-level political-ideological critique it could adequately be described as a critique of a certain kind of radical centrism reflected in technocratic liberalism that pushes towards authoritarianism. This suggests a rightward drift, interlocking with the reifying effects of the capitalist economy, leading from liberal democracy to an authoritarian social order.

The excursus in this chapter goes some way towards providing a basis to substantiate this first generation ideology-critique in social theory. Through the account of mediation problems below, I outline tendencies towards one-sidedness that can be identified across the differentiated value spheres of modern culture, as well as between expert and everyday levels. With this account, I sketch a stylized scheme connecting political-ideologies with specific mediation problems. This is later reinforced through Parsons. The result is a more specific illustration of the inherent connection between technocratic liberalism and reification that concerned 1st generation theorists. This has the additional benefit of showing the relevance of the Frankfurt School critique of capitalism to the contemporary situation.

5.2 The Problem of Ideology in Habermas

Ideology, in its various forms, has a precarious standing in Habermas’s social theory in many respects. With regard to political-ideology, while Habermas theoretically dispels its role in processes of legitimation to a prior era of capitalist development, it continues to hold a very prominent position in his diagnostic historical-political

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85 I use this term in its literal sense here, as a form of seemingly benign centrist liberal politics that has latent and far-reaching radical implications. I do not wish to invoke the specific use given radical centrism by Giddens’s (1998) “Third Way” political program.

86 Though not extensively quoted or referenced in the text, this section takes profit from Strydom’s (1986a) analysis.
analyses. Furthermore, while a surface reading would suggest that Habermas’s social theory is posited at a level of abstraction precluding the analysis of political-ideologies, closer inspection reveals that the absence of a treatment of these cultural forms is a significant shortcoming even within the confines of the theoretical frame. In this regard, the concept of political culture seems to be used as a placeholder for salient aspects of political-ideology when the latter is rendered inert owing to the theoretical treatment of ideology more generally in the TCA. With regard to false-consciousness, while Habermas (1970) develops this theory in the account of systematically distorted communication, he fails to update the latter into the framework of the TCA and instead focuses on superseding the theory of false-consciousness altogether with the thesis of fragmented consciousness derived from the account of modern culture. This thesis not only renders the earlier analysis (Habermas, 1973a) of the ideological character of technology and science confusing, but also has unclear consequences for the resulting concept of “technocratic consciousness” as a politically oriented and historically refined development of the concept of false-consciousness. Perhaps the primary issue leading to this internal inconsistency and confusion in Habermas’s thought on ideology is the lack of differentiation between concepts in his interpretation of the end of ideology thesis; both political-ideology and false-consciousness are bundled together and removed from the analysis of late capitalism at once.

Habermas’s theory of the evolution of worldviews in the TCA places mythical, religious-metaphysical, and modern worldviews “in a hierarchy, according to the degree of decentration of the world-understandings they make possible” (TCA2,

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87 Strydom (1986a, p.9) points to this ambiguity in connecting certain aspects of Habermas’s theory and his historical-political analyses – “particularly the theoretical assertion of the end of ideology and the critique of neoconservative ideology” – but does not pursue it. For Habermas’s explicit substantiated criticism of neoconservatism see The New Conservatism (1990), a collection of essays cotemporaneous with the TCA, as well as interviews from the same period (Dews, 1992).
88 Habermas’s use of quotation marks for ideology in the title of the essay – Technology and Science as “Ideology” – is a significant indicator of theoretical and conceptual reservations regarding the concept, only some of which find explication in the piece.
89 Given that Habermas’s critique of technocracy continues up to his present day diagnostic historical-political writings on the European Union (see Habermas, 2015) it is clear that some salient aspect of this concept must be maintained albeit under altered theoretical premises. The theory of relinguistification below attempts this.
These worldviews are postulated as distinct forms of understanding that are tied to the particular structure of social formations. In traditional societies, the rationality potential inherent in the communicative practice of everyday life is narrowed down and neutralized by intellectually fashioned and articulated religious worldviews. The coercive binding power of these worldviews is further reinforced through ritual practices such that the worldviews themselves were effectively (TCA2, p.353) “sealed off from the influx of dissonant experiences, from the rationality of everyday life”. With the secularization of modern culture, however, the level of rationality exercised by religious worldviews gets subjected to critical scrutiny according to modern standards of rationality with differentiated validity claims, the latter of which are further reinforced in everyday practices freed from traditional convictions. The sacred realm therefore gets leveled down to the profane through the secularization process attached to cultural modernity. The modern social order is then no longer secured on the basis of religious convictions but is instead the outcome of a communicative process of agreement between autonomous individuals adhering to modern standards of rationality (Strydom, 1986a, p.6). Under these conditions, consensus must be arrived at through the communicative process rather than being given before the fact; in this way, discursivity replaces belief in modern forms of understanding, and with this politics replaces religion.

Habermas then develops an account of ideology as running through successive generations before culminating in the end of ideology, the latter of which takes a lead from Daniel Bell’s diagnosis (TCA2, p.353), but develops it on altered theoretical premises. The classical bourgeois emancipation movement represents the first generation of ideology, defining itself largely through a process of the critique of traditional religious worldviews in terms of the political power and relations of domination attached. This movement in turn spearheaded the age of ideology – Habermas’s second generation of ideologies – through the emergence of a variety of reactions against this initial ideology from within bourgeois society itself. This second generation included a whole series of consciously articulated ideologies of both a traditionalistic and modern orientation: the former interpreting the present from a romanticized view of a lost past, the latter anticipating the future from both
sides of the political spectrum. While traditionalist reactions expressed characteristics “of a regression to the prebourgeois level of imitated substantiality”, modern reactions ranged across a variety of mostly pseudoscientific popular views “from anarchism, communism, and socialism, through syndicalist, radical-democratic, and conservative-revolutionary orientations, to fascism and National Socialism” (TCA2, p.353). Yet, despite their difference in form, both traditionalist and modern ideologies express specifically modern “manifestations of withdrawal and deprivation” (TCA2, p.354), and are symptomatic of the deficits inflicted upon the lifeworld by societal rationalization.

The second generation of modern ideologies is where we find the political-ideologies of the Western political spectrum accommodated in Habermas’s social theory. Furthermore, within this framework political-ideologies are understood as in large part emanating from the strain of modernization. This makes Habermas’s initial theoretical account of political-ideologies consistent with Parsons’s strain theory of ideology, the latter of which is examined below. The problem for now, however, is in Habermas’s subsequent account of the end of ideology and elimination of political-ideology from his social theory.

Habermas’s interpretation of the end of ideology thesis is based on a thesis of the structural transformation of modern culture in the late capitalist phase, which follows from his theory of cultural modernity. This thesis suggests, that as the process of the rationalization of the lifeworld proceeds, culture becomes so thoroughly disenchanted that it essentially loses the properties that previously made it capable of taking on ideological functions. Crucial to this account is a focus on the form of ideology itself. In this regard, despite the second generation of ideologies having significantly altered content over the first generation, both families share “the form of totalizing conceptions of order addressed to the political consciousness of comrades and partners in struggle” (TCA2, p.354). This totalizing conception of order, emerging from the lifeworld and serving as a basis of integration, in essence “a global interpretation of the whole” (TCA2, p.354), is precluded by the differentiated structure of modern culture, the latter of which is especially
pronounced at the late capitalist stage. Habermas’s theory of the rationalization of culture suggests that the fragmentation of separate value spheres, along with the differentiation of expert and everyday levels, leaves late capitalist culture incapable of purporting holistic interpretations. On this basis, Habermas (TCA2, p.355) suggests that everyday consciousness “is robbed of its power to synthesize”, and so becomes fragmented. Legitimation requirements are altered as a consequence and come to be fulfilled through the negative task of preventing holistic interpretations from coming to fruition, as opposed to the earlier positive task of providing totalizing interpretations as ideologies (TCA2, p.355). Fragmented consciousness is thus purported as a late capitalist “functional equivalent for ideology formation” (TCA2, p.355).

Habermas’s thesis of fragmented consciousness and the associated thesis of the end of ideology are problematic in several respects. With this theoretical move – in many ways an overextension of the thesis of cultural modernity – Habermas effectively does away with both the concept of false-consciousness and that of political-ideology in one go. The loss of both represents a significant shortcoming for Habermas’s theory of society more generally, and the colonization thesis in particular.

The concept of fragmented consciousness is burdened with two important roles in Habermas’s diagnosis of the times. First, it is suggested as a solution to understanding the continual welfare-state pacification of conflict in the face of the fact that the rationalized lifeworld no longer affords space for ideology formation. Under these cultural conditions, befitting the end of ideology, Habermas (TCA2, p.355) suggests that competition between forms of social and system integration would be expected to openly come to the fore. Fragmented consciousness is then postulated as the only plausible explanation for the mitigation of open conflict in Habermas’s view. Yet, this explanation seems arbitrary and posited to befit the demands of the theory of cultural modernity, which at this point is being overstretched. In suggesting fragmentation to the extent that any form of ideology formation is essentially mitigated, Habermas uses the theoretically decoded logic of
cultural rationalization to effectively project the end point of cultural modernity onto the present and, in doing so, suggest full disenchantment to already have occurred. It could just as easily be suggested that culture is not as fragmented as Habermas’s thesis suggests, that political-ideologies are still formed and play a salient role in legitimation processes, and that some form of repressive hegemony is a causal factor in the continual pacification of conflict. This hypothesis is in fact more tenable when one considers the account of paths to modernization in the *TCA*, and the account of models of democracy in subsequent mature writings. In these accounts, Habermas draws on the concept of political culture\(^{90}\) to cover the gap opened by the end of ideology thesis, without any explication as to how this concept is to be understood in relation to either political-ideology or cultural modernity.

The second burden of the concept of fragmented consciousness emanates from it being designated a central role in setting the conditions for the colonization of the lifeworld (*TCA*, p.355). The problem here is that despite this crucial role in the colonization thesis, the only substantive indication given of the precise form of fragmented consciousness is that it “blocks enlightenment by the mechanism of reification” (*TCA*, p.355). How fragmented consciousness is to be differentiated from false-consciousness, which in the first generation of Critical Theory is synonymous with reified-consciousness\(^{91}\), is, therefore, altogether unclear. Exacerbating this confusion is the fact that Habermas’s own theory of systematically distorted communication, which is in essence a development of the theory of false-

\(^{90}\) In the *TCA* (*TCA*, p.384), political culture finds mention regarding deviations from the dominant developmental paths of organized capitalism and bureaucratic socialism in Western societies. It seems to be drawn upon largely to provide some level of explanation for the emergence of fascism in Germany. In this regard, the concept of political culture is put central in the historical variation of paths to modernization. Later, in *BFN*, the role of political culture is more pronounced, with several passages referring to it. From the mature perspective, political culture is central in the constitution of public spheres, with a liberal political culture specifically garnering emphasis as an essential aspect of a sufficiently rationalized lifeworld capable of democratic will-formation. Furthermore, in an important essay exploring political communication in contemporary societies (Habermas, 2006), political culture is referenced in understanding the different ways in which strands of normative political thought impact on different societies, and, in so doing, create specific relations between theory and practice.

consciousness, is carried into the TCA under the category of latent strategic action, but left undeveloped.\textsuperscript{92} How this category relates to the thesis of fragmented consciousness is also unclear. There is then yet a further question of how the concept of fragmented consciousness relates to Habermas’s earlier concept of technocratic consciousness. These points in mind, the thesis of fragmented consciousness seems to raise more questions than it answers.

One explanation for these problems regarding ideology is that Habermas is over zealous in his move to supplant the philosophy of consciousness with the analysis of cultural modernity; in doing so he effectively dismisses the former entirely. This is compounded by the fact that Habermas failed to develop a theory of ideology as distorted communication\textsuperscript{93}, a theory that would be particularly pertinent in the framework of the TCA (Bohman, 1990, p.102). As a result, the problem of ideology, from the perspective of the critique of domination, is left completely absent from consideration in the TCA.

This in mind, Habermas should not so readily proclaim the end of ideology. Along with the loss of both political-ideology and false-consciousness as a consequence of this move, the critique of ideology is also dismissed, despite the fact that the TCA itself elaborates an ideology-critique of systems theory, and Habermas’s historical-political writings are replete with developed and substantiated criticisms of political-ideologies.

With regard to the colonization thesis, the loss of political-ideology means that movements relating to deficits inflicted upon the lifeworld by societal rationalization cannot be explored and related to processes of colonization, despite Habermas’s (1990) contemporaneous historical-political diagnoses attesting to this. From the perspective of the theory of social evolution, this means that the level of history commensurate with social learning processes, the level of contestation over the direction of evolution through the projection of evolutionary logics by socio-cultural

\textsuperscript{92} I explore this further in the next chapter.

\textsuperscript{93} I return to this problem in the next chapter.
movements, is left absent from the colonization frame. Theoretically, Habermas’s blanket concept of political culture subsumes this aspect, while, substantively, his critical social analyses point to this void.

The loss of false-consciousness, reified-consciousness, and technocratic-consciousness, through closing the door on the philosophy of consciousness altogether, means that the precise form taken by colonization – in which mechanisms of system integration in some way intrude upon cultural reproduction, social integration, and socialization – cannot be theoretically described. The thesis of fragmented consciousness, leaving aside it’s unsubstantiated content, along with the thesis of cultural modernity are not sufficient to perform this task. Finally, the loss of ideology-critique means that both colonizing political-ideologies and colonized forms of consciousness cannot be subjected to any form of immanent critique of the type exercised by Critical Theory’s reconstructive explanatory critique of the deformation of reason.

5.3 Strydom’s Development of Habermas: Mediation Problems in Modern Culture

Having taken into consideration the problem of ideology in Habermas, I now turn to seek a way out. I first draw attention to the brief indications given by Habermas in the TCA for how political-ideology and cultural tendencies fit into his social theory (5.3.a). This clarifies the precise gap in the theory that Strydom fills in his account of mediation problems (5.3.b). From here, I put forward a stylized sketch connecting reification, technocracy and political-ideology (5.3.c).

5.3.a Habermas’s Sketch of Cultural Tendencies

In the TCA, Habermas provides tentative suggestions for how modern political-ideologies can be more adequately accommodated within the framework of his theory of society. With modern social structural differentiation initiated by the advent of the capitalist economic system, this process effectively runs ahead of capacities for understanding. Steering development down a crisis-ridden path of modernization, the capitalist economic system inflicts marked deficits upon the lifeworld in the course of the establishment of a new social formation. Modern
political-ideologies are understood in this context along the lines of Parsons’s strain theory, which I will explore below, as coming about as reactions to deficits inflicted upon the lifeworld. These ideologies are entwined with tendencies inherent in the structure of modern culture itself, however, which emerge owing to its own intrinsic process of rationalization.

Recall, that from Habermas’s perspective what unites second-generation ideologies and distinguishes them from their predecessor is their specifically modern form. Because these modern ideologies – political-ideologies – are characterized by working up specifically modern problems of deficits inflicted upon the lifeworld by the process of rationalization, they exhibit directional tendencies with regard to modern culture. To Habermas (TCA2, p.354), these ideologies constitute “visionary desires” seeking to establish cultural moments neglected or not emphasized enough by capitalist modernization “practically in the new life forms of a society revolutionized in some way or other”. Entwined with the structure of modern culture itself, and the process of its rationalization, the visionary desires of these ideologies push in specific and identifiable directions. In this regard, Habermas describes “tendencies to moralization”, expressed in the ideals carried by radical-democratic and socialist movements, and “tendencies to aestheticization”, expressed in the ideals of both authoritarian movements and antiauthoritarian movements. This description leaves out the third and indeed dominant value sphere in capitalist modernity, the cognitive, which would denote a tendency towards technicization characteristic of centrist liberal movements and described substantively by the thesis of the colonization of the lifeworld.

By turning to Strydom’s account of mediation problems, we can expand upon Habermas’s condensed account of political-ideology and push this line of analysis further.
5.3.b Strydom’s Account of Mediation Problems

Strydom (1986b) draws upon Habermas’s account of modern culture while expanding it towards an account of mediation problems inherent in its structure. This move develops Habermas’s account both theoretically and substantively, towards an analysis of forms of pathological ideologization.

Habermas’s theory of modern culture emerges from his discussion of Weber, and follows the latter’s tripartite description of distinct value spheres. Because of this, this theory also resonates with the early Parsons (1991; Parsons & Shils, 2001), whom in his own way also follows Weber and shares the tripartite scheme, albeit under altered theoretical assumptions.

Strydom’s account starts from an emphasis on the highly differentiated structure of modern culture owing to the process through which it became established. Whereas traditional society was based on a unifying worldview forming a substantive core to its culture, modern society does not have recourse to such a binding agent. In the transition to modernity, the elements of this unified worldview differentiated and became established on their own as the relatively autonomous spheres of cognitive, normative, and aesthetic components. This process was then consolidated through the institutionalization of the differentiated and autonomous cultural components in corresponding modern institutions: science and technology, morality, law and politics, and art. The differentiated structure of modern culture and corresponding societal institutions are displayed in Figure 5.1 below. This aspect concerns horizontal cultural differentiation.

<table>
<thead>
<tr>
<th>Cultural Component</th>
<th>Cognitive</th>
<th>Normative</th>
<th>Aesthetic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Institution(s)</td>
<td>Science and technology</td>
<td>Morality, law and politics</td>
<td>Art</td>
</tr>
</tbody>
</table>

*Figure 5.1 The Differentiated Components of Modern Culture and Corresponding Institutions*

This highly differentiated character of modern culture also brought with it the separation of distinct cultural levels, however. This second aspect, less explicitly
developed in Habermas and pushed towards much greater clarity in Strydom’s account, concerns *vertical* differentiation. Two related processes feed into this vertical differentiation. First, the institutions corresponding to autonomous cultural components become the preserve of specialists and experts in these culturally specified areas. Second, these expert cultures detach from everyday contexts of life and their associated forms of tradition. Modern society, as a result, exhibits two cultural levels that are quite distinct from one another: the level of specialist or expert cultures (associated with the three major cultural components) and the level of the unspecialized culture of everyday life. The expert cultures are carried by a variety of professions that have the task of focusing on some component or aspect of culture in a highly specialized manner. As well as accentuating the autonomization of cultural components, this professionalization increases the distance between expert and everyday cultures such that they essentially split off from one another altogether. Here, for example, the *TCA* posits the thesis of cultural impoverishment and the fragmentation of consciousness as resulting from the separation of expert and everyday cultures. Referencing older Habermas writings, however, Strydom’s account of mediation problems goes beyond this singular focus to examine identifiable and characteristic problems of modern culture. This problem of vertical differentiation finds expression in the modern cultural problems of theory separated from practice, morality separated from ethical life, and art separated from life. The expert level, therefore, stands over against everyday culture and confronts it from without. *Figure 5.2* below expands the account of modern culture towards the problem of vertical differentiation between expert and everyday levels.

<table>
<thead>
<tr>
<th>Cultural Component</th>
<th>Cognitive</th>
<th>Normative</th>
<th>Aesthetic</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Institution(s)</strong></td>
<td>Science and technology</td>
<td>Morality, law and politics</td>
<td>Art</td>
</tr>
<tr>
<td><strong>Expert Level</strong></td>
<td>Theory</td>
<td>Morality</td>
<td>Art</td>
</tr>
<tr>
<td><strong>Everyday Level</strong></td>
<td>Practice</td>
<td>Ethical Life</td>
<td>Life</td>
</tr>
</tbody>
</table>

*Figure 5.2* The Differentiated Components of Modern Culture and Associated Expert and Everyday Levels
In this framework, a problem of *vertical mediation*, according to Strydom, is a problem of maintaining an adequate interchange relation between these differentiated levels. A failure to establish mediation can have negative or destructive consequences for either side of the vertical divide, or for both sides simultaneously. For this reason, such failures must be theoretically regarded from both angles: one-sidedness from above, and one-sidedness from below, so to speak. From above, failed mediation takes the form of the direct application of specialized knowledge to the spheres of everyday life with consequences in both directions: endangering the autonomy and internal logic of specialized systems of knowledge, and disturbing the communicative infrastructure of everyday life such that its integrity is disturbed. These expert level mediation problems take the form of scientization and technicization in the cognitive sphere, moralization, ethicization and legalization in the normative sphere, and aestheticization in the aesthetic sphere. From below, from the perspective of everyday culture, failed mediation takes the form of a one-sided insistence of everyday culture on its own self-sufficiency both to the detriment of itself and of expert culture. In this sense, everyday culture may resist the incorporation of aspects of specialist knowledge altogether and reject any form of assimilation. These everyday level mediation problems manifest as distinct forms of resistance from anti-intellectualism in the cognitive sphere, to conventionalism in the normative sphere, to folkishness, popularization and populism in the aesthetic sphere. The full account of mediation problems, tied in with the components of modern culture and its differentiated levels, is presented in *Figure 5.3* below.

<table>
<thead>
<tr>
<th>Cultural Component</th>
<th>Cognitive</th>
<th>Normative</th>
<th>Aesthetic</th>
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<td><strong>Institution(s)</strong></td>
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<td>Art</td>
</tr>
<tr>
<td><strong>Expert Level</strong></td>
<td>Theory</td>
<td>Morality</td>
<td>Art</td>
</tr>
<tr>
<td><strong>Mediation Problem</strong></td>
<td>Scientisation, Technicization</td>
<td>Moralization, Ethicization Legalization</td>
<td>Aestheticization</td>
</tr>
<tr>
<td><strong>Everyday Level</strong></td>
<td>Practice</td>
<td>Ethical Life</td>
<td>Life</td>
</tr>
<tr>
<td><strong>Mediation Problem</strong></td>
<td>Anti-intellectualism</td>
<td>Conventionalism</td>
<td>Folkishness or Popularization</td>
</tr>
</tbody>
</table>

*Figure 5.3 Mediation Problems in Modern Culture*
Strydom’s account further suggests that the process of institutionalization in modern society, itself inherently selective, may come to aggravate such mediation problems.

5.3.c Reification and Political-Ideology

Strydom’s account mentions but leaves out an account of reification problems as a second set of mediation problems typical of modernity. Reification problems may be understood, therefore, along the lines of horizontal mediation problems, i.e. across the spectrum of cultural components. In Critical Theory’s account of the theory of reification the concern is with the one-sided dedifferentiation of the cognitive component of culture such that instrumental-technical rationality comes to dominate. This cultural tendency is reinforced by the transformation of society by the capitalist economy. Through Strydom’s expansion, however, we may interrelate both horizontal mediation problems; of which reification is the kind we are principally concerned with, and vertical mediation problems, which he outlines in detail, such that a fuller account of reification at the cultural level can be established.

From this perspective we may suggest that scientisation and technicization, as general expertocratic tendencies emerging as a vertical mediation problem in the cognitive sphere, come to aggravate reification as a horizontal mediation problem across the cultural spheres. These vertical cultural tendencies, therefore, reinforce the horizontal tendency towards reification, with both cultural tendencies, furthermore, acting in conjunction with colonization processes at the societal level.

This account can be pushed further still if we relate Strydom’s general scheme of mediation problems with an account of political-ideologies. This move is of course anticipated by Habermas’s alignment of tendencies towards moralization and aestheticization with specific political-ideologies. It is also reinforced by Strydom’s

94 This sets the problem of reification at the cultural level, as an issue related to the structure of modern culture, while colonization can be set at the societal level, as an issue at the related to the structure of modern society, with specific concern for the capitalist economy. Both issues are then interrelated in the problem of false-consciousness, which I locate at the communicative level in the next chapter with the theory of relinguistification. From this perspective, neoliberalism can be understood as emerging from both the socio-structural differentiation of the capitalist economy in the actuality of society, entwined with horizontal and vertical cultural mediation problems embodied in technocratic market liberalism.
account of political ideologies in the context of the philosophy of social science. Though simplistic and stylized, it is nonetheless analytically productive if we merge the account of political-ideologies with the theory of modern culture in the following account, which denotes the cultural direction of their ‘visionary desires’ along with the associated cultural mediation liabilities:

- Liberalism broadly aligns with the cognitive component of culture and exhibits the liability of its vertical mediation problem in the form of technocracy or expertocracy;
- Radicalism broadly aligns with the normative component and exhibits the liability of its vertical mediation problem in the form of moralizing dogmatism;
- Conservatism broadly aligns with the aesthetic component and exhibits the liability of its vertical mediation problem in the form of aestheticizing ethnocentrism.

This scheme is not to suggest that these political-ideologies exhibit values only from the respective cognitive, normative, and aesthetic spheres – all political-ideologies are normative schema after all – but rather that the values they purport exhibit directional primacy with regard to identifiable aspects of modern culture. The value of this scheme is its integration of political-ideologies into a sociological account of modern culture with the latter, furthermore, critical of pathologies of rationalization.

The primary insights derivable from this are: first, political-ideologies are entwined with identifiable mediation problems in modern culture; and second, extending this further, technocratic liberalism is the political-ideology especially conducive to processes of reification. In this sense, technocratic liberalism is a reifying ideology. Technocracy, as a directional tendency in the wish-complex of liberalism, is a vertical mediation problem that compounds reification as a horizontal mediation problem. The ideology of technocratic liberalism, therefore, is especially well suited to overextend media steered systems, leading to colonization processes.
This provides a valuable insight for our historical account of the neoliberal turn, to be undertaken in the next chapter. The postwar social order has been praised so far in this dissertation in relation to its economy-society relationship on the basis of a commitment to use-values in a form of de-commodification project. This project minimized the negative effects of colonization emanating from the capitalist economy, and for that is rightly deserving of merit. The historical ambivalence of this model, however, emerges from its deeply technocratic nature; the interventionist welfare state supplanted the steering medium of money with that of power. In this regard, the postwar order curbed reification pathologies in exchange for those of juridification, in Habermas’s diagnosis, insofar as it switched channels of colonization from the economy to the administrative state. From our perspective here, the cultural reasons for this can be located in the fact that technocratic liberalism was the dominant ideology of the postwar social order, before merely changing form with the neoliberal turn. Habermas’s (1973a) critique of technocratic consciousness during the postwar era, along with his (Habermas, 2015) contemporary critique of technocracy in the European Union attests to this. In this regard, the neoliberal turn involved a cultural-ideological shift from the postwar technocratic social-democratic liberalism to today’s technocratic market-capitalistic liberalism. I will return to this in the next chapter.

Having outlined this stylized scheme connecting political-ideologies and cultural mediation problems, I now turn to expand it sociologically and reinforce the argument further.

5.4 Parsons’s Theory of Ideology

In this section, I turn to Parsons once again to invite further insights from his theory of society into the discussion. As before, given the vast quantity of writings which he bestowed upon sociology, the excursus here is limited to the one key area which offers the most to expand our analysis at the cultural level: Parsons’s theory of ideology. I put forward a reading of Parsons’s theory of ideology here that extrapolates an insight unrecognized in the literature. In Parsons, I locate an account of reification that ties it with a sociological theory of ideology. The latter,
Furthermore, sees political-ideologies as rationalizations emerging in reaction to the strain of social and cultural differentiation. Therefore, through Parsons we can connect reification and political-ideologies yet further. Parsons provides a basis to expand the critique of cultural reification into an analysis of political-ideologies and cultural mediation problems.

This reading of Parsons’s theory of ideology suggests that he does in fact develop a theory of pathology as the one-sided rigidification and absolutization of cultural components in political-ideologies. From this, we can see Parsons’s theory of ideology as a critical theory of ideology that is consistent with Strydom’s account of mediation problems above. Parsons, therefore, allows us to expand the account of mediation problems in a broader sociological theory of ideology. This theory of ideology, furthermore, slots into Habermas’s social-theoretical framework with ease. Parsons’s theory is based on the idea of uneven structural differentiation between culture, society, and personality producing strain such that ‘rationalizations’, in the pejorative sense, are necessary to mask contradiction. If we supplant the Parsonian account of differentiation for Habermas’s account of the dialectic of rationalization between social and cultural levels, the substance of this theory of ideology remains relevant, particularly with regard to the problem of false-consciousness.

From this perspective, Parsons’s theory of ideology enriches the colonization thesis at a fundamental level. Through the analysis of ideological rationalizations, Parsons’s theory identifies the development of pathological forms within the lifeworld itself more explicitly than Habermas’s. This position offers an appropriate counterpoint to the overly positive impression of the lifeworld given in the TCA, particularly pronounced in the colonization thesis. Through Parsons, therefore, we may take a step towards theorizing lifeworld-native pathologies of cultural rationalization.

I am here developing a reading of Parsons’s theory of ideology that is not elsewhere presented. The reading is as follows: Parsons’s early conceptualization of ‘reification’ and late theory of ‘dedifferentiation’, connected through his middle
strain theory of ideology, identifies a theory of ideologization. The substance of this is the one-sided rationalization of cultural forms. This theory is consistent with Strydom’s account of mediation problems. Because Parsons elaborated a theory of society oriented by mediation and focused on the attainment of equilibrium in social order, his theory of ideology is a theory of insufficient mediation. In this regard, Parsons’s critical theory of ideology is, to a considerable extent, consistent with the critique of reification in Critical Theory, with the latter merely focusing on one specific form. Furthermore, by dispersed indications connecting this theory of ideology with political-ideology, particularly in his late concept of dedifferentiation, Parsons reinforces the account of centrist liberalism assuming a pathological reifying form. This bulwarks cultural aspects of Critical Theory’s critique of capitalism in social theory.

I will now trace Parsons’s theory of ideology from the early elaboration of the concept of ‘reification’ (5.4.a), through the middle elaboration of ‘rationalization’ in reaction to strain (5.4.b), into the late elaboration of cultural ‘dedifferentiation’ in political-ideologies (5.4.c).

5.4.a Early Parsons on ‘Reification’
To appropriately trace the development of Parsons’s theory of ideology it is instructive to return to his first work, in which we find a precursor to the theory of ideology. In The Structure of Social Action (Parsons, 1968a), published in 1937, we

95 Parsons’s relationship with Critical Theory is of growing interest. From a theoretical perspective, I have focused here on Habermas and Honneth’s respective appraisals such that the critical excurses in this dissertation may be seen as a third successive attempt to appropriate Parsons to Critical Theory. From a historical perspective, however, Gerhardt (2011, p.145-190) has explored possible overlaps with the Frankfurt School in her revisionist interpretation of Parsons. Adding some credence to the argument here, she (Gerhardt, 2011, p.150) suggests that both had one central knowledge interest in common, despite their apparent differences: “the one issue on which they coincide unknowingly is that sociology should embrace the “good society,” suggesting “a secular ethic,” to use Levine’s term. Both envisage social change, to make the world more humane. Of course, that they shared this hidden agenda neither Parsons nor the Frankfurt School would notice. They took notice of each other on a few occasions that spelled conflict rather than consensus.”

The most well known of such occasions, well analyzed by Gerhardt, was in Heidelberg in 1964, at the 15th German Sociological Congress, a conference commemorating the centenary of Max Weber’s birth. For published proceedings, see Stammer (1971).

96 SSA herein.
find the early Parsons invoking the concept of ‘reification’ several times during his discussion of Weber and the idealistic tradition. Parsons makes it clear that he draws this term from Morris R. Cohen’s *Reason and Nature*, while also referencing Alfred N. Whitehead’s *Science and the Modern World* as the source of the phrase “fallacy of misplaced concreteness”, which he uses for its description (SSA, p.476).

Though Parsons draws the concept from sources outside Critical Theory, he nonetheless deploys it as a critical concept with a similar normative orientation. Given that Parsons explicitly seeks to avoid philosophical discussion and epistemological issues in what is essentially a meta-theoretical exposition, his comments on reification are sparse, but nonetheless fruitful. The problem leading Parsons to invoke a critical concept of reification concerns the empirical implications of scientific concepts of empiricism. These empirical implications make the issue of what the frame of reference leaves out all the more pertinent. This feeds the much more comprehensive argument for the action frame of reference extending beyond economic action as utilitarianism narrowly conceives of it, to include the constitutive role of normativity in social life (Barber, 2001, p.81).

Parsons uses ‘reification’ to criticize positivistic empiricism on the basis of its overextension of a particular conceptual scheme beyond the relevant frame of reference, such that it reduces the general interpretation of all of reality to the dictates of a particular theoretical scheme. Parsons’s (SSA, p.476) critical comments on positivistic empiricism are instructive in this regard:

“Its starting point has been the possession of a general analytical scheme which, for a certain body of fact, works. This circumstance has been interpreted to mean, methodologically, that the concrete reality was “reflected” in the conceptual scheme, adequately for all scientific circumstances. It has carried with it, inevitably, the implication of determinism. The logically closed system of theory becomes, in an empiricist interpretation, an empirically closed system. This is true regardless of its content, whether it is the system of the classical mechanics or of the classical economics.”

97 (SSA, p.476, 589, 599, 607, 619-620, 631, 728, 753, 757, 761.)
It is important to note that the validity of the theory with regard to specified situations is not denied in Parsons’s critique, the issue instead is the overextension of the scheme beyond its relevant sphere of applicability such that it distorts the interpretation of reality. Later, this normative orientation becomes much more pronounced, when Parsons (SSA, p.607; emphasis added) speaks of the “illegitimate reification” of a theoretical system. Here, Parsons evokes the concept of legitimacy on the basis of relevant spheres of applicability for bodies on knowledge in a way that fits Habermas’s discourse ethics. Illegitimate reification, to Parsons (SSA, p.607), occurs when “a single theoretical system” is overextended beyond its relevant sphere of applicability and applied to all situations.

There are, however, seemingly two aspects to the concept of reification as Parsons uses it: the absolutization of a single theoretical frame in the interpretation of reality, which we have just seen, and, the theoretical closure of a logical system to the extent of one-sided reductionism. The second aspect can be assumed to precede the former overextension of the frame. In this second interpretation, ‘reification’ means that: “the concrete phenomena to which the theory is applicable are held to be exclusively understandable in terms of categories of the system” (SSA, p.728). It follows that the empiricist ‘reification’ of theoretical systems implies that “only one system of analytical categories could be applicable to the understanding of any given concrete class of phenomena” (SSA, p.757). This problem has been particularly acute, in Parsons’s (SSA, p.757) diagnosis, in the case of “orthodox economic theory”.

The early Parsons, therefore, applies the concept of reification to the critique of mainstream economics. In his analysis, economic theory firstly reduces its logical system to one aspect of the situation of action, before then extending this limited theory beyond its legitimate sphere of applicability to bring social action more generally under the analysis of this model. Given that Parsons’s concern is the empirical implications of such theoretical ‘reification’, in the case of economics it leads to the doctrine of laissez-faire. One-sided theoretical reductionism in the case of economics, according to Parsons (SSA, p.729) leads to “the interpretation of the
classical economics as a theory applicable only to a regime of perfect competition”. The problem with this is that it lends credence to the “profound laissez-faire bias” in mainstream economics movement to construct an “abstract science” (SSA, p.620).

We will see below how the late Parsons returned to the ‘reification’ problem of mainstream economics but addressed it under altered theoretical premises. This early interpretation therefore sheds important light on the later rendition for the overall argument here. For now, however, it is worthwhile in passing to observe the striking resemblance between the early Parsons’s critique of ‘reification’ in mainstream economics and Habermas’s critique of Luhmann’s systems theory in the TCA. Evocative of Parsons’s aspect of theoretical closure followed by an interpretation of concrete reality befitting the limited assumptions of the analytical system, Habermas (TCA2, p.311-312) states:

“Luhmann’s systems functionalism is actually based on the assumption that in modern societies the symbolically structured lifeworld has already been driven back into the niches of a systemically self-sufficient society and been colonized by it.”

The similarity is yet more apparent when we compare Parsons’s critique of Weber, still on the basis of the concept of ‘reification’, with Habermas’s critique of Luhmann. In a later passage of SSA, Parsons briefly makes reference to Weber’s fatalistic conclusion of the process of rationalization. This he saw as a result of Weber’s ‘reification’ of his theoretical system: “Weber tended to reify his ideal type concepts. There can be little doubt of the connection of this tendency with the fatalistic interpretation of the process of rationalization” (SSA, p.753). This observation comes remarkably close to Habermas’s (TCA2, p.312) critique of Luhmann’s theory:

“I see the methodological weakness of an absolutized systems functionalism precisely in the fact that it formulates its basic concepts as if that process, whose beginnings Weber perceived, had already been concluded—as if a total bureaucratization had dehumanized society as a whole, consolidated it into a system torn from its roots in a communicatively structured lifeworld, and demoted the lifeworld to the status of one subsystem among many.”

5.4.b Middle Parsons on ‘Rationalization’

During the middle structural-functional phase, Parsons outlines his interpretation of the theory of ideology in the framework of his then theory of society. In The Social
System (Parsons, 1991) and Toward a General Theory of Action (Parsons & Shils, 2001), both originally published in 1951, ideology is theorized in terms of the fulfillment of a legitimation function in the evolving social system. In this theory, ideology performs the function of legitimation in the face of cultural contradictions or social conflicts through a form of cognitive distortion described as ‘rationalization’. Such rationalizations emerge in reaction to the structural strain emanating from uneven processes of differentiation occurring at the levels of society and culture. These processes generate conflicting orientations that must be neutralized to a considerable extent in order to maintain equilibrium in the social system and prevent far-reaching change. In Parsons’s (1991, p.241) theory of the social system, ideologies are seen as “the symbolic battleground of some of the principal elements of tension and conflict within a social system”. Ideology, therefore, is conceived in terms of mechanisms of defense at the level of personality and mechanisms of social control at the level of society (Parsons & Shils, 2001, p.174).

On first impression, this theory of ideology appears to be affirmative, with ideology maintaining equilibrium and therefore performing a positive integrating function. A closer reading, however, reveals that Parsons’s theory of ideological rationalization is a nuanced critical theory of ideology, which is not only reconcileable with Marxist social theory, but also postulated on terms consistent with Habermas’s theoretical framework of a dialectic of rationalization.

Ideology is first described broadly as a belief system with a primacy of evaluative interest, and as such the basis of collective integration of social groups in the social system. An ideology, to Parsons (1991, p.235):

“is a system of beliefs, held in common by the members of a collectivity, i.e., a society, or a sub-collectivity of one – including a movement deviant from the main culture of the society – a system of ideas which is oriented to the evaluative integration of the collectivity, by interpretation of the empirical nature of the collectivity and of the situation in which it is placed, the processes by which it has developed to its given state, the goals to which its members are collectively oriented, and their relation to the future course of events.”
On these terms, ideology is interpreted by Parsons (1991, p.237) as one of the primary bases of the legitimation of patterns of value-orientation. From this perspective, ideological rationalization first appears to be interpreted neutrally rather than pejoratively; through rationalization ideology merely gives reasons for the selection of particular values over alternatives in terms of the evaluative criterion of rightness (Parsons, 1991, p.237). The legitimation of such value patterns is seen as central to a stable society to Parsons (1991, p.239). Ideology in this sense constitutes the established beliefs that are most fully institutionalized in a society. Parsons (1991, p.239) then allows, however, for a level of differentiation within these established beliefs such that sub-groups may find expression while remaining within the realm of normalcy: “There is room for a considerable amount of this differentiation without any of the sub-ideologies being treated as explicitly deviant.” The subsequent exploration of deviant ideologies, or pathological forms of ideologization, is instructive.

At first glance, Parsons theorizes ideology as a type of spectrum with deviancy occurring only at its poles. His theory of pathological ideologization begins with two cases of differentiation that go beyond the order of sub-groups, that is to say, that step outside the pale of institutionalized values. The first is the case of a deviant sub-culture, which Parsons illustrates by reference to a delinquent gang. Characteristic of this case is an explicit lack of appeal to legitimation in terms of the institutionalized and established values of the society. This deviant sub-culture will have its own set of values, and so, its own ideology, in Parsons’s terms. This ideology establishes infra-group relations and in doing so makes a case for breaking with the main society and its values in terms of a diagnosis. Such cases of ideology in terms of deviant sub-culture Parsons (1991, p.239) terms “counter-ideology”.

The second case of deviancy is a movement that seeks legitimation in terms of the institutionalized societal values but by developing a specific interpretation of this and the ideology it represents. According to Parsons (1991, p.239), this “is in general what “radical” movements do”. Parsons (1991, p.239-240) characterizes such movements with a particularly irrational bent, and his target is glaringly obvious:
“Precisely because of the tension involved in the degree of break with the main society to which they have become committed, the ideological preoccupations of the members of such movements are likely to be very intense. They have both the interest in convincing themselves and in winning proselytes. It is crucially important for them to believe and to convince others that the aspects of the established society—such as “capitalism”—against which they are in revolt, can be defined as illegitimate in terms of a common set of beliefs and values.”

Parsons describes how the beliefs of such deviant groups “often show signs of compulsiveness in the psychological sense” (1991, p.240). In this sense, challenges to their advocated counter-ideology must be neutralized through defense mechanisms of various kinds.

While one could easily take issue with Parsons’s theory of deviancy being directed at anything outside of a centrist position what is most interesting, and easily overlooked, is that the postulate of pathological ideologization equally applies to the institutionalized ideology and not just the radical and deviant positions he situates at the poles of the institutionalized value spectrum. In other words, Parsons saw the potential for centrist positions to equally turn over in pathological directions when some form of absolutization occurs. In Parsons’s (1991, p.240) words, reflecting current hypotheses in system justification theory⁹⁸: “compulsive conformity with an institutionalized ideology may lead to the same order of cognitive distortion”. This argument is consistent with the problem of false-consciousness, with the latter specifying a specific form of cognitive distortion principally related to the capitalist economy.

At this point, Parsons’s theory of ideology offers more than a descriptive account of the role of systems of beliefs in a social system, but in fact expands into a rudimentary critical theory of ideologization. When Parsons (1991, p.240-42) briefly examines bases of cognitive distortion in ideologies it is indicative that the initial neutral-descriptive interpretation from the perspective of the social system can be

⁹⁸ On this renewed theory of false-consciousness developing in social psychology see Jost, et al. (2007).
refracted towards a critical interpretation from the perspective of participants. The suggestion of distortion vis-à-vis rationalization gives an indication that Parsons holds some sense of being able to account for the pathological ideologization of ideas such that a form of false-consciousness ensues. What is particularly interesting for present purposes is that this aspect of cognitive distortion Parsons applies equally to an institutionalized ideology – i.e. centrist liberalism – as to a deviant, radical, or counter-ideology.

With regard to the institutionalized ideology, Parsons discusses sources of distortion in some level of detail. Firstly, in a complex social system, Parsons admits that it is not possible for a single system of values to be completely and evenly institutionalized. In this regard, even a rank-ordering, or hierarchization, of values is not sufficient to solve conflicts that may arise, according to Parsons (1991, p.240). As a consequence, the imperfection in integration will result in a form of pathological ideologization. As the integration of the social system and its legitimation is the primary function of ideology generally, malintegration in social structure will lead to distortion in the sense of ideological rationalization. In this regard, according to Parsons (1991, p.240):

“the tendency will be for the ideology to “gloss it over” and “play it down.” Fully to “face-up” to the reality of the importance of conflicting elements in the value-system and in the realistic situation, e.g., with respect to the prevalence of some types of deviant behavior, would be a threat to the stability of the society”.

Ideological rationalization, therefore, acts to alleviate the potential for conflict and in this sense keep learning processes constitutive of the history of society detained.

A second source of distortion of ideologies lies in the requirements of mass psychology, according to Parsons. He (Parsons, 1991, p.241) describes how:

“in so far as the ideology must serve to unify large numbers and these are not competent in the intellectual fields covered by the ideology, there will ordinarily be a tendency to “vulgarization” in the well-known ways. Oversimplification is perhaps the keynote of this distortion.”
This aspect concerns the integration of specialist knowledge into a social ideology for the performance of a legitimation function. In this sense, a cognitive model that of itself is not an ideology may come to be ideologized when vulgarized or oversimplified for purposes of legitimation. This aspect is consistent with Strydom’s account of vertical mediation problems. Crucially, however, Parsons views this mediation problem only from below, as vulgarization, and not from above, as expertisation. This point will become important in the next chapter.

The final source of distortion emerges from the link with utopian elements of motivation in terms of ‘wish-complexes’. Ideological distortion in this case will tend towards the wishful element in the evaluation of reality. In this regard, Parsons (1991, p.241) describes how:

“In the case of the ideological legitimation of the status quo it will tend to overidealization of that state of affairs. In the case of a deviant movement it will tend to include a romantic-utopian component in the definition of the goals of the movement. Conversely there is a tendency to paint the contrast of the idealized state of affairs, and what it is compared with, in exaggeratedly black and white terms.”

This characterization of ideologies using the concept of ‘wish-complexes’ resonates with Habermas’s description (5.3.a above) of ideologies as “visionary desires” (TCA2, p.354) that are entwined with tendencies inherent in the structure of modern culture itself.

To summarize, Parsons’s theory of ideology in the middle phase lays the groundwork for a critical theory of the ideologization of cultural forms in service of legitimation functions within an equilibrating social system. This theory, interestingly, provides a basis for the evaluation of pathological ideologization within both a dominant and a counter-ideology. Though not his intended purpose, Parsons’s theory of ideology

99 Parsons (1991, p.241) saw ideological contestation as a special source of strain for modern societies, seeing in this contestation “an inherent tendency to polarization, to the development of vicious circles.” Parsons (1991, p.241) perceived the most favorable solution to this as “the linking of ideologies with the institutionalized pursuit of the intellectual disciplines dealing with their subject matter.” In this regard, Parsons’s solution is somewhat similar to that advocated by Mannheim. Parsons’s perspective on Mannheim’s sociology of knowledge is explicated in the posthumously published essay ‘The Sociology of Knowledge and the History of Ideas’ (2006).
can be used in an account of the blockage of history through the pacification of conflict by societal mechanisms of defense. This is consistent with the theory of false-consciousness. Parsons’s theory of ideology, furthermore, resonates with the early concept of reification that he deployed against positivistic empiricism and mainstream economics, a concept of reification, as we have seen, that resonates with Habermas’s critique of systems theory. These aspects of Parsons’s theory of ideology are expanded further in his mature systems theoretical framework.

5.4.c Late Parsons on ‘Dedifferentiation’
In *American Society*, written during the 1970s and published posthumously in 2007, Parsons brings his theory of ideology towards a mature developed form. While the account of ‘dedifferentiation’ is only sketched across the various unfinished fragments, we can nonetheless derive many valuable insights for the present discussion based on the general contours of the theory. Parsons’s last monograph seeks to synthesize the late systems-theoretical innovations in functionalism with his overall project of a theory of the normative integration of modern society. The result is a social theory of solidarity in advanced capitalist society applied to the United States. This work is especially important from a historical perspective, as a contemporaneous theoretical enterprise to the *TCA*. From this point of view, Parsons’s various diagnoses of the times – of which he uncharacteristically makes many – are especially instructive for seeking convergences for further appropriation to Critical Theory. In this regard, we find that Parsons’s applies his developed theory of ideological dedifferentiation to the then emerging neoliberal economism of Milton Friedman and Gary Becker. More important still, however, is the way in which Parsons posits this analysis; Parsons’s theory of dedifferentiation may be linked with the theory of political-ideology to provide indications as to how this form of ideologization can be assumed to represent a radicalization of centrist liberalism.

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100 *American Society* is a hugely ambivalent text from a historical point of view, in many ways vindicating Habermas’s critique of Parsons’s media theory. Though in this section I draw from Parsons’s explicit critique of Becker and Friedman in his theory of ideological dedifferentiation, this does not detract from the obvious technocratic orientation of his late systems functionalism. Therefore, this mature theoretical monograph, which focuses exclusively on the steering aspect of media dynamics and the systemic integration of complex democratic societies, is also a technocratic reading of the 1970s legitimation crisis that, in an important sense, presages the neoliberal turn. I explore this more in the following chapter.
This aspect, therefore, can be used to theoretically elaborate and substantiate Critical Theory’s critique of reification in the direction of a critique of a radicalized political-ideology.

The theory of dedifferentiation picks up the earlier strain theory of ideology and reworks it in a late systems theoretical direction. As the earlier theory elaborates, processes of societal structural differentiation produce strain, necessitating reaction at the levels of personality and culture. Seeking to formalize this theory further, Parsons (2007, p.361) suggests that such reactions are not random in form but instead occur in a directional fashion. Dedifferentiation is thus as a major directional possibility of reaction to strain.

Parsons suggests that this theory seeks to substantiate a phenomenon at the societal level that is already more formalized in the analysis of individual personalities. The case of regression explored by the psychoanalytic tradition provides the model for the analogous case of dedifferentiation Parsons seeks to develop. With regression modeled on the developmental process of individual personalities in psychoanalysis, Parsons’s similarly posits dedifferentiation on the basis of the developmental process of social and cultural systems, the latter of which follows the process of differentiation in his theory of society. Parsons’s (2007, p.362) sees the same underlying components constituting personality and social systems as sufficient grounds for the development of the analogous theory. Rather than suggest a linear pattern of developmental differentiation that increases with each successive stage, then, Parsons’s account of dedifferentiation also seeks to give his social theory the basis for analyzing pathological outcomes. In this regard, the theory of ideological dedifferentiation can be interpreted as a step towards a theory of social pathology in the Parsonian frame. The substantive content of this theory is instructive here.

The crucial distinction upon which the correct interpretation of the theory of dedifferentiation rests is that between actual structural differentiation at the societal level and the (Parsons, 2007, p.362) “culturally organized and socially
related “wish-complexes” or ideologies” that advocate forms of structural dedifferentiation. As a theory of ideological pathology, Parsons reserves the theory of dedifferentiation for the latter case only. Ideological dedifferentiation, therefore, is characterized by oversimplification (Parsons, 2007, p.47, 302), reductionism (p.302) and absolutism (p.72, 156-7), constituting a form of distorted interpretation of the differentiated complexity of modern society (p.363). Parsons then focuses on three salient examples of dedifferentiation in the monograph: Nazism, Marxism, and – his old enemy – orthodox or mainstream economics. The purely political and pejorative reading of Marxism notwithstanding\textsuperscript{101}, what is most interesting is the way in which the critique of mainstream economics in this work connects to an account of individualistic liberalism as a form of ideological dedifferentiation perceivable as radicalized centrism. This latter aspect requires a close reading.

Parsons (2007, p.47) describes Marxism and Nazism as “radical or extreme ideologies” characterized by specific traits of oversimplification or identifiable directions of dedifferentiation; in the case of the former, dedifferentiation occurs with regard to the economy-class axis, and in the case of the latter, the ethnic-nationalism axis. This theory is built on an interpretation of political-ideologies emerging from the most important sources of cleavage affecting solidarity structures in modern societies as social class on the one hand, and nationality or ethnicity on the other (Parsons, 2007, p.84). Parsons then presents these two ideologies in a stylized social-theoretical interpretation of the Western political spectrum. Parsons’s model of the political spectrum therefore aligns with the general pluralist interpretation of liberal democracy, which sees radicalization of political-ideologies occur at the poles of the political spectrum. Parsons’s (2007, p.85) model is represented exactly as he presents it in Figure 5.4 below.

\textsuperscript{101} Parsons (2007, p.362) aligns his interpretation of Marxism with the “radical version” of the socialist movement. It is unclear whether this is directed at Soviet state socialism, which would bring Parsons’s theory of ideology yet closer to Critical Theory, or at versions of Marxism advocated by the student movements of the 1960s, which could potentially include Critical Theory itself. In the latter regard, though Marcuse finds mention in the monograph (Parsons, 2007, p.425) Parsons is concerned with his perspective on individuality and individualism rather than his relation to Marxism. Nonetheless, even Habermas took issue with regard to the Marxism advocated by the student movements as well as with some of Marcuse’s views regarding technology. See Specter’s (2010, Chapter 3) intellectual biography as well as Dews’s (1992) interviews with Habermas.
Parsons’s interpretation of Marxism leads to an expansion of the theory of
dedifferentiation in another direction, however. Parsons (2007, p.71) suggests that
Marxism is a form of ideological dedifferentiation brought about as a
counterideology to individualistic liberalism and mainstream economics. Both of
these positions then constitute two branches of what Parsons’s (2007, p.362) terms
the “economic ideology” as the dominant form of ideological dedifferentiation in
advanced capitalist societies. Fascism is then understood as a reaction against this
economic ideology that substitutes a form of community or ethical absolutism for
the economic absolutism posited by the dominant interpretation (Parsons, 2007,
p.72). Parsons, thus, sees his own theoretical enterprise as an attempt to break
away from the absolutism of the economic ideology, evading the contours of both its
mainstream and Marxist branches, and without regressing to pre-modern complexes
of interpretation such as “Gemeinschaft romanticism” (Parsons, 2007, p.363).

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<tr>
<th>Dedifferentiation</th>
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*Figure 5.4 Parsons’s Interpretation of the Western Political Spectrum*

What is interesting in this interpretation, however, is the lumping together of
mainstream liberal economism with forms of radical ideological dedifferentiation
that, in the above schema, constitute a threat to the pluralist model of centrist
liberal democracy itself. In other words, in positing mainstream liberal economism
as a form of ideological dedifferentiation, Parsons inadvertently provides the basis
for the critique of radicalized centrism that I have suggested is the basis of Critical
Theory’s critique of reification transposed to a critique of political-ideology. Parsons

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102 Parsons borrows this phrase from Louis Dumont (1977) *From Mondeville to Marx: The Genesis and Triumph of the Economic Ideology.*
103 Parsons (2007, p.303) remarks on “the prevalence of economic ideology in our society”.
interprets this form of ideological dedifferentiation, on some level, as a threat to the
democratic organization of modern societies. Parsons’s specific comments are
instructive here.

In Parsons’s theory, ideological dedifferentiation sees sources of societal strain as
ultimately leading universalistic standards in modern culture to turn over in anomic
directions. From this perspective, cultural models, themselves defensible aspects of
modernity, tend to be “ideologically absolutized” (Parsons, 2007, p.156-7) by groups
within society, principally in reaction to strain. Taking the model of individualism,
Parsons’s (2007, p.157) describes how the most salient example of ideological
dedifferentiation in this case concerns the absolutization of specifically economic
individualism. Unwittingly identifying the burgeoning neoliberal spirit of capitalism,
Parsons’s (2007, p.157) observes that certain economists – “of the type illustrated by
Milton Friedman” – especially advocate this interpretation. Elsewhere he turns to
criticize Gary Becker’s “economic approach” on the same basis of ideological
dedifferentiation by virtue of its one-sided mediation of differentiated aspects of
modern life. Becker’s approach is reductionist to Parsons (2007, p.302) because104:

“In effect it denies that there is a significant analytical boundary between
things economic and other functionally significant sectors of the societal
system, notably the integrative, which we have been calling the societal
community. The procedure is to attempt to extend standard economic
analysis into those ranges which we have classified as involving solidarities
and other noneconomic features, and to claim that this analysis provides
adequate explanations. Becker thus discusses marriage, decisions to have
children, race relations, and crime in these terms. Of course in many of these
contexts there are no transactions into which money enters. To cover this
gap Becker introduces the concept of “shadow prices,” by which he means a
settlement of terms as much like the use of money price as possible. Another
tactic in a similar context is that of Friedman on licensing as cited above.
That is, when a phenomenon incompatible with the ideal type of the perfect
market, like licensing, appears, to regard it as an unwarranted and “arbitrary”
intrusion into contexts where it does not belong, and hence to advocate its
elimination.”

Parsons’s theory of ideological dedifferentiation therefore provides a basis for the
critique of liberalism when it takes a distinctly individualistic economistic form, as in

104 Parsons’s critique of Becker again resonates profoundly with Habermas’s critique of Luhmann.
neoliberalism. This position fails to mediate the differentiated aspects of modern society, absolutizes a one-sided interpretation of modern culture, and, in so doing, advocates for structural dedifferentiation of the type witnessed in Western societies in the years since Parsons sketched his analysis. The theory of dedifferentiation therefore explores the point at which the political-ideology of centrist liberalism becomes ideological in the pejorative sense by virtue of simplification, reductionism, and absolutism. When this late analysis of dedifferentiation in mainstream economics is linked with the early critique of utilitarianism we find that the theory of dedifferentiation is a development of the early concept of reification. Though this concept is not derived from Marxist theory, we have seen that it was nonetheless implemented with normative intent similar to Critical Theory. The theory of dedifferentiation therefore takes the analysis of reification towards the analysis of political-ideologies within the lifeworld itself. The middle Parsons’s theory of ideological rationalization, furthermore, bulwarks this account with a critical theory of compulsive conformity to an institutionalized ideology producing pathological outcomes. This theory is consistent with the problem of false-consciousness.

5.5 Conclusion

In this chapter, I expanded the analysis of colonization processes to the cultural level as a corrective to its minimization in Habermas’s thesis. In doing so, I sought to explore interlocking and reciprocal dynamics between cultural rationalization and the colonization of the lifeworld at the societal level. Pursuing this line of inquiry, I identified political-ideologies as the key to connecting these aspects in a critically meaningful way.

I followed Strydom’s account of mediation problems such that the harmonious picture of the lifeworld given in the colonization thesis could be disrupted. This account presents modern culture as fraught by uneven processes of rationalization, both horizontally – between separate value spheres – and vertically – between expert and everyday levels. From here, I could draw a connection between expertisation, reification, and technocratic liberalism. This connection was reinforced through the specific reading of Parsons’s theory of ideology that I put
forward. Therein, I highlighted the overlap of Parsons theory of ideology vis-à-vis one-sided rigidification and absolutization with the substance of the theory of mediation problems. Through these two moves, the notion of a problem-free lifeworld with no role in colonization processes has effectively been negated.

While this chapter thematically stands alone with regard to those that came before it, it nonetheless enriches the account of colonization in an important dimension, connecting it with cultural reification, expertisation, and technocratic neoliberalism. From the perspective of the expanded cultural analysis we can see the political ideology of technocratic neoliberalism, in turn, as especially well suited to overextend media steered systems.

The connection between the mediation problems emanating from cultural rationalization and political-ideologies drawn in this chapter, allows the account of class struggle considered in the historical analysis in the following chapter to be perceived in the light of these cultural processes. This chapter, therefore, acts as a stepping-stone between the expanded account of society highlighted as necessary in the previous chapter, and the reframing of the colonization thesis to follow in the next chapter.
Chapter 6. From Colonization to Relinguistification: Towards a Communicative Transformation of the Theory of Reification

6.1 Introduction

In the previous chapter, I expanded the frame of analysis into the lifeworld itself in an examination of modern culture. Approaching this critically, I explored mediation problems emerging on the basis of its differentiated structure and connected these with an account of political-ideologies. This inquiry was an attempt to locate cultural forms that interlock with and mutually reinforce colonization processes. Combining insights from Strydom and Parsons, I identified technocratic neoliberalism as a political-ideology carrying cultural orientations especially suited to reification, as a reifying ideology. From here, the stage is now set to bring together all of the insights of this dissertation in a critical-explanatory diagnosis of the colonization of the lifeworld from the perspective of social evolution. This will involve elaborating a historical account of the neoliberal turn that pushes the colonization thesis towards its communicative transformation in the theory of relinguistification.

The theoretical work undertaken over the course of this dissertation has been directed towards an expanded account of the colonization of the lifeworld, wherein the aspects of system differentiation, cultural-structural rationalization, and class struggle are all within sight. Having expanded the framework to accommodate the first two aspects in the previous chapters, I now intend to bring the latter to the fore. This addresses the final shortcoming in Habermas’s elaboration, and facilitates our historical account of the neoliberal turn.

In Habermas’s thesis, colonization occurs as a result of systemic crises being solved by way of incursions into the lifeworld. The problem with this account, as we have seen, is that it is described through a critically refracted functionalist differentiation thesis that is disconnected from class struggle; in Habermas’s rendering, the evolutionary logics of capitalism and democracy are disconnected from social actors. Colonization is thus presented as occurring owing only to the intrinsic dynamics of an
autonomous system without any connection to the incursive effects of class struggle. From the point of view of societal critique, this means that colonization processes are removed from a deeper analysis of collective actors and political-ideological projects, from socio-cultural movements affecting the constitution of historically specific normative orders.

In Habermas’s elaboration, the dynamics of collective action, which from an evolutionary perspective are constitutive of the level of social history, are effectively screened out. This means that valuable insights from alternative approaches situated on this level of analysis, such as Touraine’s (1977) sociology of social movements, cannot be brought to bear to chart the broader evolutionary trajectories of capitalism and democracy, and with this the relations between system and lifeworld. As Joas (1990, p.199) argues, Habermas tends to draw the boundary of system and lifeworld theoretically, rather than seeing it as empirically variable and itself an object of class struggle. In this latter respect, Joas instead highlights the highly contested nature of what he terms “the democratization of differentiation” at root of normative orders. Yet, this theoretical shortcoming is made all the more frustrating when we look towards Habermas’s historical-political writings, in which he seems to follow quite closely a type of social movement analysis consistent with Touraine. Expanding the account of colonization processes to this level of analysis, therefore, is in a certain sense anticipated within Habermas’s social thought.

In this chapter, I turn to advance a theoretically informed historical analysis of the societal movement from the postwar to the neoliberal social order. This analysis intends to both enrich the prior account of social theories historically, and the diagnosis of the contemporary situation theoretically at the same time.

In this account, I am not only concerned with the role of class struggle in determining the extent of colonization processes over the course of the neoliberal turn, but also the effect of colonization processes on this class struggle itself. The historical account feeds into the development of the theory of relinguistification. The core normative motif animating this entire dissertation concerns the economy-
society relationship from the perspective of collective learning and social evolution. Eder’s (1983) interpretation of the colonization thesis suggests that it applies to situations of a society with no history, where class struggle has effectively been blocked and supplanted by system problems. As I stated at the outset, I see in the colonization thesis the potential to build an account of how class struggle is closed down from within the structure of communication itself, an account of false-consciousness. In this chapter, I outline the theory of relinguistification in an attempt to bring this aspect of the colonization thesis to light.

The theory of relinguistification approaches collective learning and social evolution negatively, seeking to account for how class struggle is disarmed by distorted communication. From this perspective, the theory of relinguistification develops an account of blocked thematization as a mechanism within language preventing deeper democratization and maintaining repressive hegemony. This constitutes a communicative transformation of the theory of reification that renews the idea of false-consciousness.

I begin with an applied theoretical analysis of the historical movement from the postwar to the neoliberal social order (6.2). In this account, I bring to bear the reconstructive work conducted over the course of this dissertation. I also highlight sociological and historical aspects of the theories themselves as part of the discussion. This account follows the chronological sequence of first theorizing the postwar social order (6.2.a), before then accounting for historical and theoretical movements emerging from the crisis of this model (6.2.b), before finally elaborating an account of the neoliberal social order in which I reframe the thesis of the decoupling of system and lifeworld in light of the present study (6.2.c). From here, I turn to reinterpret the colonization thesis on the basis of my refined theoretical framework combined with the preceding historical analysis (6.3). After first reframing the colonization thesis (6.3.a), I then move towards advancing the thesis of relinguistification as a refinement and deepening of this thesis (6.3.b). In order to defend my argument further, I follow this with four fragments from Habermas’s social theory intended to both highlight the gap that the theory of relinguistification
can fill, and substantiate this theory at the same time (6.4). This sets the stage to conclude the dissertation with a brief sketch of the theory of relinguistification pointing towards its explanatory potential.

**6.2 From the Postwar to the Neoliberal Social Order**

It is largely accepted in the critical social science literature today that the 1970s marked the end of one social order and the beginning of another for Western societies (Touraine 2001; Harvey, 2005; Crouch, 2011; Streeck 2014; 2016). While different authors apply different descriptive nuances to this transition, it is generally understood in terms of the movement from a postwar to a neoliberal social order.

I have already made reference at various points in the discussion to the postwar and neoliberal orders, describing the former as a de-commodification project oriented by use-values, and the latter as a re-commodification counter-project oriented by exchange-values. In the previous chapter, I sketched the different forms of technocratic liberalism behind each model as social-democratic and market-capitalistic. This suggests that with regard to the democracy and capitalism cleavage, the postwar social order can be described in shorthand as democratic capitalism, and the neoliberal order as capitalistic democracy.

Here, I develop an expanded historical-theoretical analysis of the switch between these social orders, bringing to bear the developments of the dissertation so far in a critical-explanatory diagnosis of the contemporary situation. This historical account will lead into an exposition of the theory of relinguistification as a communicative transformation of the colonization thesis.

**6.2.a The Postwar Social Order**

The postwar social order was an attempt, from within the confines of the capitalist social formation, to embed the capitalist economy within society, and in doing so, to mediate non-normative and normative aspects of economism with respect for the integrity of the lifeworld. The postwar order therefore gave priority to democracy

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105 This list is a mere selection of works that are instructive to the current thesis on the topic of neoliberalism. It is by no means exhaustive.
over capitalism. This project was spearheaded by an expansion of the boundaries of the administrative state, which took on an increased social responsibility in intervening directly in economic activity. With this design, both state and market were constellated in a complementarity relationship, the positive orientation of which was to mutually reinforce the freedom generating capacities of both entities. From this perspective, according to Habermas (1990, p.59), the institutions of the welfare state represented “as much as an advance in the political system as those of the democratic constitutional state”.

Legitimation of this social order was based on a capital-labor compromise structure such that class struggle could be mediated and filtered down administrative channels. Speaking in terms of principles of distribution, the postwar welfare state can be described in terms of the prioritization of Streeck’s concept of social justice, described in Chapter 3. In Marxian terms, then, the social order of the postwar welfare state may be seen as a move towards the prioritization of use-values over exchange-values within the confines of a capitalist social formation. Failings notwithstanding, this model instituted the social order of democratic capitalism as we have come to understand it (Streeck, 2014).

Through the postwar interventionist state, the capitalistic evolutionary logic was effectively directed by the democratic in a political-ideological project of de-commodification. Following a social justice paradigm, the welfare state absorbed responsibility for the deficits inflicted on society by the capitalist economy, and offset the inherent crisis tendencies of capital accumulation. This had the effect of restraining the autonomous aspect of the capitalist economy, essentially curbing the negative effects of the fundamental limitation in the design of capitalist modernity. The impact of reification pathologies on learning potentials was therefore minimized. This move, representing the single most important achievement of

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106 Habermas (2015, p.81) refers to the ingenuity of the constitutional state in regard to the establishment of this complementarity relationship between the steering media of money and power, associated with the economic system and administrative system.
107 While the postwar order substituted economic reification for welfare state juridification, as Habermas’s colonization thesis suggests, the resulting learning pathologies did not have the same
the postwar order, enabled the development of socio-cultural movements that pushed towards a deeper democratization of Western societies, beyond the technocratic social democracy of the welfare state itself. In this sense, the postwar social order, with its de-commodifying logic, facilitated learning potentials (O’Mahony, 2014) that exceeded its own particular social order.

It is during the highpoint of this social order, with *Economy and Society* in 1956, that Parsons sought to integrate economic and social theory and, in doing so, schematized the economy-society relationship in terms of a fully embedded economy-in-society in the AGIL scheme. As we have seen in Chapter 4, the capitalist economy is not a distinct and differentiated entity in this paradigm, but is instead interpenetrated with all other institutional spheres. This work forms part of what Brick (2000) calls Parsons’s “shift away from economics”, by which he means the problem of capitalism in particular, which had occupied Parsons in his early years. The resulting perspective on the postwar economy-society relationship is a particularly pronounced reflection of a more general trend in social theory at the time, in which concepts such as “postindustrial society” or “modern society” displaced “capitalism” from the center of attention (Brick, 2000, p.490). Therefore, Parsons’s (2005, p.288) optimism regarding the “mixed system” of the postwar embedded economy, as pointing towards something transcending the “capitalism-socialism alternative”, was at least somewhat approximated empirically in the socio-cultural and historical form of the postwar social order.

Reconsidering Parsons’s AGIL paradigm, while also integrating the insights in the two-level theory of the economy developed as a refinement of the system-lifeworld level of negative impact with regard to democratization. In this regard, I emphasize that the postwar order facilitated deeper learning potentials that exceeded its own technocratic form of democracy. The same cannot as readily be said of the neoliberal order, where reification pathologies have a marked effect of de-democratization. In this regard, the authoritarian liberalism (Brunkhorst, 2018) increasingly characteristic of the contemporary situation more readily facilitates deeper regression rather than democratization, witnessed not least in the election of the authoritarian personality of Donald Trump to US presidency (see Gordon, 2016) but also in the marked rise of far-right movements (see Berezin, 2009). This adds credence to the assertion in this dissertation that reification pathologies emanating from the capitalist economy constitute the fundamental learning blockage for democratization within the modern social formation.
scheme in Chapter 3, the postwar social order can be sketched as in Figure 6.1 below. In this model, the affinity of Parsons’s theoretical scheme with the de-reifying logic of the postwar social order becomes quite clear: the welfare state, as a de-commodification project, is testament to the possibility, however flawed in execution, of taming the non-normative aspect of the capitalist economy, of socializing it with an orientation towards use-values, and of curbing processes of reification in turn. This form of economy-society relationship facilitated learning towards deeper democratization beyond the boundaries of the postwar social order itself. With this outline, I present Luhmann’s monetary economic system as embedded in the normative structure of the economy, the latter of which approximates Honneth’s description of the market sphere. Other institutional spheres in turn were interpenetrated with the economy itself. Following Parsons’s theory as a paradigmatic case, we can assert that this is how the system-lifeworld boundary was normatively drawn in the postwar era. This suggests that the economy-society relationship was cognitively schematized in terms of use-values. The evolutionary logic of this social order therefore befits the democratic circuit of communication that I have associated with Parsons’s theory of the hierarchy of control in Chapter 4. This runs from L-I-G-A.

![Figure 6.1 The Postwar Social Order](image)

6.2.b 1970s Crisis and Cultural Movements

In the 1970s, however, the postwar social order ran up against a number of limitations and entered a deep crisis. While various theories of crisis were advanced from different vantage points at this time (Habermas, 1976; O’Connor, 2002; Bell,
it can be summarized that the normative order of democratic capitalism and its associated system-lifeworld boundary faced a profound legitimation crisis. This situation necessitated structural alteration of some form and, with it, the transition to a new social order. Here, the level of social history and class struggle enters the frame.

Touraine’s (1974) analysis of the crisis situation of the 1970s identifies two conflicting cultural orientations emerge from the postwar order, marking the beginning of a new class cleavage structure to determine societal directionality and, with this, the shape of a new social order. The cultural cleavage of technocracy in opposition to the new social movements now supersedes the social cleavage of capital in opposition to labor that was characteristic of industrial society for the prior century. This implies that those socio-cultural movements pushing towards a deeper democratization beyond the postwar social order now problematize the dominance of technocratic liberalism suggested in the previous chapter, whether of social-democratic welfare state or market-capitalistic neoliberal forms.¹⁰⁸

In a historical-political essay contemporaneous with the TCA, Habermas (1990) too subscribes to this general cleavage model. Therein, he examines the crisis of the welfare state from the perspective of two opposed cultural movements charting paths beyond: the dissident critics of growth, which include new social movements, in opposition to the legitimists of the welfare state and the neoconservatives, both of whom defend industrial society generally. Furthermore, and forming an important complement to the colonization thesis, Habermas differentiates these movements with regard to the resources that they each have at their disposal for purposes of societal integration. Following his media theory, Habermas associates the steering media of money and power with the neoconservatives and legitimists,

¹⁰⁸ The new social movements may thus be understood, using Brunkhorst’s (2014) distinction, as demanding a more far-reaching revolution of the normative order of liberal capitalist democracies rather than an epochal evolutionary variation. This is consistent with the depth of social change envisaged by Touraine’s (1974; 2014) analysis, in which he sees the capitalist social formation move towards a post-industrial social order, with consequences as revolutionary as the move to industrial society.
and the communicative medium of solidarity with the dissidents. This will inform our analysis below.

We can read the cultural contours of the neoliberal turn through social theory by looking at the two directions of quasi-appropriation of Parsons’s theory of society taken by Habermas and Luhmann, expanded in Figure 6.2 below. With Parsons’s AGIL scheme used as a theoretical representation of the postwar social order here, the two routes out of Parsons mirror the two cultural orientations projecting routes beyond this model. Touraine’s new social movement and technocratic orientations therefore find expression in social theory in Habermas and Luhmann (O’Mahony, 2014). In this regard, it is no coincidence that during the 1970s, as well as Habermas’s penning of *Legitimation Crisis*, and alongside Parsons’s reflections on dedifferentiation in *American Society*, the Habermas and Luhmann debate occurred.

<table>
<thead>
<tr>
<th>Parsons’s Theory of Society</th>
<th>Habermas</th>
<th>Luhmann</th>
</tr>
</thead>
<tbody>
<tr>
<td>Follows Action Theory</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retains normative focus via expansion of action to communicative action</td>
<td></td>
<td>Radicalizes media theory in an essentialist and de-normativized systems theory</td>
</tr>
<tr>
<td>Following Parsons’s example, systematically reconstructs social theory in dialogue with classical theorists, Parsons himself, and Luhmann.</td>
<td></td>
<td>Historicizes and breaks from classical social theorists and Parsons.</td>
</tr>
<tr>
<td>Mediates action and system perspectives</td>
<td></td>
<td>Negates action perspective</td>
</tr>
</tbody>
</table>

*Figure 6.2 Habermas and Luhmann’s Routes out of Parsons*

At this point, the central importance of Parsons’s development of media theory from a historical point of view comes to the fore. The interpretation of this theory forms the theoretical and normative dividing line between Luhmann and Habermas, reflecting the contestation between the two conflicting visions of societal integration

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109 The joint publication *Theorie der Gesellschaft oder Socialtechnologie* (1971) has, unfortunately, never been translated and published in English.
carried by technocracy and the new social movements, the one mediatized and the other communicative. While Luhmann takes media theory as the basis for a radicalized and essentialist non-normative systems theory of society, Habermas subjects it to critique from the perspective of communicative action, and uses it as the basis for the system-lifeworld critical theory of society. Expanding this historically, moreover, we find that Luhmann’s radicalization is mirrored in the movement of society itself as it follows the technocratic course to the neoliberal social order, in which steering media take a more pronounced and prominent role, while Habermas’s critique reflects the objecting call for deeper democratization carried by the new social movements, a call for communicative organization.

Following this line of thought, we can see the ambivalent legacy of Parsons at the theoretical level as paralleling the ambivalent legacy of the postwar model at historical level. As Habermas observes, Parsons’s development of media theory during the 1960s essentially uncouples the communicative logic of systems from that of actors within. The introduction of media on top of the institutional structures of the AGIL scheme introduces communicative dynamics that exceed those normative contexts and, with this, introduces the problem of capitalism to Parsons’s moral social order in the form of normatively ambivalent systemic integration extending from above. When Parsons commits to a media-theoretical interpretation of societal communication, however, democracy now appears as something that can be technocratically programmed and steered, rather than communicatively facilitated. With the move towards systemic media detached from action contexts, the technocratic orientation of the late Parsons’s systems theory presages the neoliberal turn to come.

In this regard, the sequence of Parsons’s exposition of the theory is significant: first modeled on money, the theory was then extended to power (Parsons, 1963a), onto influence (Parsons, 1963b), and finally to value-commitments (Parsons, 1968b). This sequence mirrors the capitalistic evolutionary logic described by the colonization thesis, which I reinterpreted from the perspective of Parsons’s hierarchy of control in Chapter 4. While Habermas recognizes this, he does not imbue it with the same
level of immanent historical significance: Parsons’s exposition of media theory matches the contemporaneous neoliberal turn. Coinciding with this move, technocratic liberalism itself switches track from the de-reified use-values that facilitated learning potentials for democracy ‘from below,’ to reified exchange-values that champion capitalistic evolution ‘from above’. This provides Luhmann with the impetus to conceive late capitalist society in entirely mediatized terms.

Yet, Parsons remained blind to this aspect of his theory because, recalling Chapter 5, though his theory of ideology was sensitive to horizontal mediation problems, and for that reason could identify neoliberal economism as ideological dedifferentiation consistent with reification, it was not as attuned to vertical mediation problems between expert and everyday levels vis-à-vis technocratic one-sidedness. For this reason, Parsons could not see the affinity of his late media theory with the emerging neoliberal movement, an affinity suggested by the connection between technocracy as a vertical mediation problem and the accentuation of reification as a horizontal mediation problem.

From this perspective, the critique of technocracy, as a prominent theme in critical social science and Critical Theory during the 1960s and 1970s, takes on renewed salience. In addition to Habermas’s (1973a) critique of technocratic consciousness, analyses of late capitalism, from both Marxist (Mandel, 1975) and neo-Marxist (Offe & Vale, 1972) positions, pitted technocracy as it’s central ideology. Marcuse’s (1991) One-Dimensional Man, first published in 1964, was a landmark indictment of the limitations of this ideology that, through the New Left, fed into the new social movements. The problematic directional tendencies of technocratic liberalism were, therefore, already identified in the postwar social order before they were accentuated during the 1970s crisis and subsequently changed form with the neoliberal turn. Habermas could read this in the biographical development of Parsons lifework through its successive stages – from action theory, through structural-functionalism, to full systems theory – such that Luhmann’s radicalization of the program was in some sense already anticipated in the frame of reference itself. This is why Habermas’s account of media theory is so pertinent: the paradigm
of media theory itself decodes the technocratic mediatized perspective on social organization as one conducive to the colonization of the lifeworld, and with it the de-normativization of everyday communicative contexts. I will return to this below. For now, through Habermas’s communicative framing of media theory as I have refined it in this dissertation, the historical movement from postwar to neoliberal social orders can be captured through social theory, and with it the movement from democratic capitalism to capitalistic democracy.

6.2.c The Neoliberal Social Order

Characteristic of the neoliberal social order is a sharp differentiation of economy and society and, with this, the prioritization of non-normative over normative coordination. The capitalist economy has replaced the welfare state as the principal regulatory force in Western societies (Touraine, 2001), and the postwar project of de-commodification has been effectively reversed in a counter-project of re-commodification. In Marxian terms, the main orientation of the neoliberal social order may be seen as the re-prioritization of exchange-values over use-values. This neoliberal project was spearheaded by a political deregulation of the economy along with its integration at a world level. This has the effect of separating system from lifeworld. In Habermasian terms, we may speak of the enforced prioritization of monetary steering in a normative order focused on maintaining the unencumbered integrity of systemic integration. ¹¹⁰ Coinciding with the primacy of monetary steering, the prioritization of social justice has been displaced by that of market justice.

The prioritization of monetary steering has a disempowering effect on the counter-steering capacities of the state that were formative of the previous model. A marked authoritarian rolling back of interventionist programs, which recast the

¹¹⁰ The utopian aspirations behind this vision are nowhere clearer than in Milton Friedman’s (Free to Choose Network, 2012) famous account of the pencil in his 1980 PBS television show Free to Choose. Friedman analyzes the multiple different components of this simple everyday object to emphasize the “magic of the price system” in bringing about social cooperation impersonally. In doing so, he champions the free market as a political mechanism, arguing its operations are essential “not only to promote productive efficiency, but, even more, to foster harmony and peace among the peoples of the world”. This excerpt is readily available online: <https://youtu.be/67tHtpac5ws>, accessed February 2018.
welfare state as a form of security state, worsens this. Whereas the postwar social order institutionalized a complementarity of the media of money and power such that the freedom enhancing potentials of both were mutually reinforced, the neoliberal order combines these media in an inverted hierarchy with money in the position of control: economic power is thereby enforced through political power. The result is that demands for deeper democratization are effectively curbed in the face of functional imperatives of capital accumulation and technocratic management strategies.

As opposed to the welfare state compromise, legitimation of the neoliberal order is based on technocratic neoliberal hegemony, with the new social movements consigned to extra-institutional counter-movements of a predominantly defensive orientation. This hegemony is accompanied by a noticeable shift in the center of gravity of politics to the right in Western societies after the 1980s. In this regard, David Harvey (2005) has observed the close connection of the rise of neoliberal governance and neoconservative politics. The dominant political orientation today is therefore an alliance of technocratic neoliberalism and neoconservatism (O’Mahony, 2014). In terms of the theory of modern culture and political-ideologies outlined in the previous chapter, this alliance implies tendencies towards expertisation and reification, buttressed by tendencies towards aestheticization and ethnocentrism. The normative import of the moral sphere, carried by the diffuse radical-pluralist culture (O’Mahony, 2014) of the new social movements, is substantially blocked as a result.

It follows that through the neoliberal state, the capitalistic evolutionary logic constrains the democratic in a political-ideological project of re-commodification. Following a market justice paradigm, the neoliberal state absolves itself of responsibility for deficits inflicted on society by the capitalist economy, and fails to

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111 O’Mahony’s (2014, p.241, footnote 4) shorthand description of neoliberalism’s central idea – “the elevation of the morally disburdened steering media of money and power to greater importance” – is instructive here, though given a more precise inflection: the neoliberal ordering of media pits money in the position of control, steered through power. This is explored further below.

112 Burawoy (2004) defends the aspiration for public sociology, in part, in terms of sociology moving to the political left after the late 1960s as the rest of the Western world has moved to the right.
curb inherent crisis tendencies of capital accumulation. This has the effect of freeing the autonomous aspect of the capitalist economy and accentuating the fundamental limitation in the design of capitalist modernity. Reification pathologies emerge with force as a result, not only blocking learning towards deeper democratization, but also feeding illiberal and anti-democratic orientations (Berezin, 2009). In this sense, the commodification logic of the neoliberal order significantly inhibits learning potentials that point towards a progressive horizon beyond.

The transition to the neoliberal social order can be read through Habermas's thesis of the decoupling of system and lifeworld if we follow closely the refinements made in this dissertation. In Chapter 4, I clarified Parsons's system model as based on all four subsystems of the AGIL paradigm constituting an integrated whole vis-à-vis an external environment. Parsons then considered this model, when applied to the social system level, as an analytical scheme to interpret societies akin to the modern nation state. In discussing media theory, in Chapter 2, I highlighted Habermas's differentiation of Parsons's media as apparently splitting the AGIL scheme in half, an impression further emphasized by the colonization thesis, recounted in Chapter 4. Against this, I argued for Parsons's AGIL scheme being used as a model for the societal component of the lifeworld, which Habermas's describes as “the system of institutions” (TCA2, p.174). This, therefore, denotes a social action system composed of communicative action.

In the discussion of media theory, in Chapter 2, I highlighted the delinguistified-linguistic distinction as the basis for the interpretation of the system-lifeworld scheme. In Chapter 3, I introduced Luhmann’s theory of the monetary economic system to then account for the system in the two-level theory of the economy. These moves now give an account of a delinguistified monetary system, fitting Luhmann’s model, and a linguistic social action system, fitting Parsons institutional description but based on Habermas’s paradigm of communicative action, as a refined and expanded system-lifeworld scheme. In this model, the boundaries between institutional spheres and between system and lifeworld are understood as normative orders. These orders are subject to historical variation.
As I have reinterpreted the system-lifeworld scheme herein, we can be clearer about the implications of the decoupling of system and lifeworld from a combined historical and theoretical perspective. The introduction of Luhmann’s mediatized system onto the action system frame upsets the institutional structures of the social system in a way paralleling the transition from postwar to neoliberal social orders. Luhmann’s essentialist turn of systems theory, I suggest, is mirrored in the empirical separation of the capitalist monetary economy from the market sphere by technocratic neoliberalism. The neoliberal movement towards the differentiation of the monetary economy – via independent central banks, free-floating currency, deregulation, financialization, etc. – points towards a freeing of Luhmann’s monetary dynamics from Parsons’s normative constraints of democratic societies. Contemporary financial capitalism concerns itself virtually exclusively with the generation of maximum profit as the central aspect of capitalistic growth, with the circuit M-M’. Economic power today is exercised through the anonymous mechanism of global financial markets that, at present, is largely able to evade national political controls. In this way, the monetary economic system breaks free and forms a separate communication system, delinguistified and algorithmic, floating above democratically constituted societies.\footnote{Habermas’s initial critical framework was based on the distinction (1973a) between work and interaction as types of action system. In the TCA, he refined this further to distinguish between types of interaction, communicative and media-steered, with the concept of communicative action and media theory, however, pointing beyond. In this dissertation, the move is made to distinguish types of communication. This is developed below.}

By maintaining Parsons’s AGIL analytical system as an account of the institutional structure of the societal component of the lifeworld, the result of this separation for the institutions of the postwar social order becomes clear: the capitalist monetary economy decouples and, operating at a world level, becomes an environment for the democratic nation state. Luhmann’s objectivated system becomes an environment for Parsons’s system of institutions. This is depicted in \textit{Figure 6.3} below.
Rather than perceive this boundary as a normative order which is subject to communicative legitimation and therefore historically mutable, however, participants within contemporary nation-state lifeworlds perceive the economic system as an objective ‘second-nature’ to which they must adapt. This perception of objectivity is empirically reinforced, moreover, through the real financial constraints imposed on nation states after the 2008 financial crisis. This is captured eloquently at the conceptual level with Streeck’s (2014, p.80-84) account of the contemporary debt state, which he presents as having two constituencies to satisfy: the Staatsvolk (the general citizenry) and the Marktvolk (the people of the market).

In the neoliberal social order, the propelling mechanism of capital accumulation in the economy is set free, and the autonomous dynamics of the monetary system are accentuated as a result. This steers society down a capitalistic evolutionary path, a path placing the economic system in a position of primacy in determining societal development. This path is, in the last instance, what Habermas would term (1976, p.23) “unplanned” and “nature-like”. This is precisely what Touraine (2007, p.89) has in mind when he describes “money as a caricature of rationalization” in contemporary society.
Through this model, we can combine the critical insights of both Habermas and Honneth’s accounts of the economy, explored in Chapter 1, to much greater effect. The functional dynamics of global financial capitalism at present exceed capacities in international governance for their restriction within a set of market ethics capable of regulating the economy such that it may begin to even approximate Honneth’s idea of social freedom. Honneth acknowledges this, yet fails to generate a convincing explanation within the confines of his normative theory. The contemporary misdeveloped market economy may be explained, in a Habermasian vein, in terms of non-normative functional constraints of the capitalist monetary system, set free at a world level, turning back to undermine capacities for normative regulation within the nation state. Yet, if we return to Honneth, who draws inspiration from Parsons’s focus on cultural values, the contemporary objective order remains the result of a political-ideological project over the last thirty years, and not an inevitable outcome of the capitalist market design. The neoliberal system-lifeworld ordering remains a normative order subject to communicative legitimation and historical variation. This raises the question of how this social order is legitimated, even in the face of opposition.

From this reframing of the decoupling of system and lifeworld in terms of the historical transition to the neoliberal social order, we can now go further to reconsider the colonization thesis from this perspective.

6.3 From Colonization to Relinguistification

6.3.a Colonization Reframed

The neoliberal social order is characterized by two distinct but interrelated demands: first, that the monetary economy be differentiated from normative constraints and left self-regulate; and second, that societies remold themselves in the economy’s image. Through this second demand we can rethink Habermas’s concept of system integration, which we touched upon in Chapter 2, and took in a normative direction in Chapter 4. As the monetary system becomes an environment for the system of institutions, this inverts Parsons’s controlling and conditioning factors at the societal level. In the neoliberal order, the monetary economic system is given priority in
social coordination such that the normative economic sphere, as a whole, is subject to its imperatives, and the social system, by extension, is remodeled on its design.

Following this line of inquiry, Parsons’s media theory takes on renewed theoretical value. Parsons’s media theory essentially characterizes the dynamics of a communicatively structured lifeworld in systemically mediatized terms. For our purposes here, Parsons media theory, and the order in which it was elaborated, offers a technocratic blueprint of an order of societal control following the evolutionary logic of the capitalist economic system, in short, a decoded design for the facilitation of capitalism steering democracy. In other words, Parsons turned on his head provides a schematic outline of social control via a technocratic engineering and reprogramming of the structure of communication in democratic societies. Habermas’s treatment of Parsons’s media theory in some sense anticipates this, as we saw in Chapter 4, wherein I clarified the colonization thesis via Parsons’s cybernetic theory as describing a capitalistic evolutionary logic. Developing this further here, I argue that the A-G-I-L circuit of media interchange uncovers the technocratic programming of societal communication in the neoliberal social order as a distortion of the structure of communication ‘from above’. This is diagrammatically represented in Figure 6.4 below, wherein the colonization of the lifeworld is reframed bringing together the insights derived from both Luhmann and Parsons.

In this order of control, the monetary system appears to annex political power, money translates into power such that power itself gets degraded and no longer resembles a normatively legitimated expression of democratic will. In this situation, Habermas’s concept of administrative power from the TCA, as a complementary medium to money, is fitting. Crouch’s (2004) account of Post-Democracy is substantively instructive for this thesis of a money-power coupling. From here, power distorts influence such that communication in the public sphere is systematically hollowed-out, subjected to manipulation, and oriented towards engineering mass loyalty. The mature Habermas’s (2006) reflections on pathologies of political communication, rooted in an incomplete differentiation of the media
system from its environments, are instructive here. Leon Mayhew’s (1997) theory of the distortion of public communication in The New Public, which theoretically combines Parsons and Habermas with regard to the concept of influence, is yet more fitting, both theoretically and substantively. This provides an account of the domination of public communication by professional specialists focused on mass persuasion through various forms of media manipulation. Habermas’s (1989) thesis of the structural transformation of the public sphere, from a culture-critical to a culture-consuming form of manufactured publicity, is also fitting.

From the public sphere, this type of conformist influence transposes into value-commitments that are conducive to the maintenance of the neoliberal social order. Habermas’s (1976, p.37) concept of civic privatism from Legitimation Crisis, defined as “political abstinence combined with an orientation to career, leisure, and consumption” succinctly describes the depoliticized utilitarian value-commitments that come to dominate as a result. Horkheimer and Adorno’s (2002) reflections on the culture industry also apply in this situation. This suggests that the social conformity necessary to maintain late capitalism is mobilized from below (Strydom 1986a), through prefabricated cultural products that pre-schematize social life for consumers. The result is a deeply utilitarian-consumerist personality, committed to the omnipotence of exchange-values, as the loyal neoliberal subject. This feeds back...
into public culture itself, further eroding its political and democratic substance. Streeck’s (2012) analysis of the transformation of citizens into customers is a pertinent case study in this regard. In this way, we may perceive actors as being socialized into neoliberal subjects, owing to restrictions emanating from a degraded public culture blocking critical individuation. Crucially, however, these restrictions are carried in the structure of communication itself in the neoliberal order. I explore this further below.

While this is the dominant order of societal control today, reflecting the technocratic one-sided implementation of the capitalistic evolutionary logic, it remains but one half of the picture. The democratic evolutionary logic, carried by diffuse but present radical-pluralist orientations and the new social movements, can be opposed to this logic and described in the obverse, that is, as running from L-I-G-A. Habermas’s (1990) concept of solidarity, as an alternative medium to influence in the public sphere, looks towards this. As opposed to the manufactured public opinion that blocks democratization from above, the medium of solidarity is based on spontaneous radical democratic will-formation emerging from the lower arena of the public sphere, from critical private lifeworld contexts. ‘Solidarity’ captures public communication and democratization ‘from below’. The mature account of democratic will-formation in *BFN* goes further to substantiate this. Therein, Habermas discloses channels of democratic will-formation emerging from below as running through the medium of communicative power in the public sphere – another alternative to influence – which is channeled into that of political power to reshape the legal and administrative complex, and from here restrains autonomous functional systems, of which the economy is the paradigmatic case.

From this perspective, while the *TCA*’s colonization thesis follows the system-to-lifeworld circuit, *BFN*’s thesis of democratic will-formation follows the lifeworld-to-system circuit. This is consistent with the account of capitalistic and democratic evolutionary logics from Chapter 4. Honneth’s account of institutional spheres as being shaped by movements from both above and below is also compatible with this
dual circuit approach. The democratic circuit of communication is diagrammatically represented in Figure 6.5 below.

![Diagram of the Democratic Circuit of Communication]

We must now consider how these alternative circuits of communication compete in everyday communicative contexts. From this perspective, the principal concern of the colonization thesis is how the capitalistic comes to undermine the democratic from within. To explain this, we must now turn to communicatively transform the colonization thesis into the theory of relinguistification. This theory offers a renewed basis for the concept of false-consciousness.

6.3.b Towards Relinguistification

The institutional mediation of the competing circuits of communication sketched above can be understood in terms of Bernard Peter’s (2008, p.25-27) ‘sluice gate’ model, which describes in detail the channels of public communication running between the institutional core of the politico-legal system and the periphery of the public sphere. Habermas (BFN, p.354-58) follows this account in BFN to illustrate how a constitutionally regulated circulation of power fitting his discourse theory of democracy can be considered. I do not need to recount this model for the sake of the argument here. Instead, to further the dissertation towards a full communicative transformation of the colonization thesis, I wish to draw on one important aspect that Habermas selectively interprets.
In considering the switch between circuits of communication\textsuperscript{114} in his model, Peters (2008, p.27-32) elaborates an account of two modes of processing problems in the communicative channels of the politico-legal system: a routine mode and a problem mode. The routine mode follows a relatively constant pattern of marginal change in the processing of “a steady stream of routine problems” (Peters, 2008, p.29) generated by the usual day-to-day activities of social life. Over time, the continual operation of these routine processes incrementally gives rise to a tension in the system. It is from this tension that the problem mode emerges.

In his interpretation, Habermas (BFN, p357) identifies this problem mode exclusively with the \textit{perception} of problems and concomitant search for solutions, with what he terms “problematization” consistent with \textit{open} thematization. Yet, Peters’s account of the problem mode is subtler in a way that is important here.

Peters (2008, p.30) describes the problem mode as fitting Habermas’s interpretation only when it becomes particularly concentrated during periods of problem \textit{recognition}. Otherwise, Peters (2008, p.30) suggests, the problem mode \textit{overlays} the routine mode as “an enduring phenomenon”. In this regard, Peters (2008, p.29) describes the problem mode as primarily composed of “an arsenal of mechanisms that maintain problems in a latent sense, or suppress them, or obstruct appropriate and relevant action”. He (Peters, 2008, p.30) goes on to suggest, echoing Parsons’s description of the theory of dedifferentiation, that this account of the problem mode can be understood as analogous to the type of internal \textit{defense mechanisms} theorized by psychoanalysis, while pointing out the issue that “sociological analysis of these social mechanisms has been sporadic and rarely systematic in its approach”. Peters’s problem mode therefore raises the problem of false-consciousness for contemporary social theory. It is here where I see an opportunity to push the colonization thesis further, beyond the type of media differentiation thesis in Habermas’s original formulation.

\textsuperscript{114}This switch can also be understood in terms of Brunkhorst’s (2014) distinction between evolution and revolution in the legal system.
I see the colonization thesis as in essence describing something beyond the dedifferentiation of steering media through societal spheres. At root, this thesis suggests a *feedback relation* between system and lifeworld that is *reinforcing* such that class struggle is disarmed. At root, therefore, the colonization of the lifeworld produces some form of false-consciousness. For this to occur in Habermas’s paradigm of communicative action, the delinguistified code of money must somehow translate back into language such that it takes semantic form and distorts the structure of communication from within. It is this line of inquiry that I intend to follow here.

In Chapter 4, I have already emphasized that the contribution of the colonization thesis lies not only in its revealing of two competing evolutionary logics in capitalism and democracy, but also in its further claim that, under certain conditions, the former may come to both overstep *and* undermine the latter, that capitalism may usurp democracy. In doing so, I argued that the shortcomings of the thesis were in filling this out. I have also, at various points, referenced Eder’s (1983) interpretation of the colonization thesis as suggesting that it applies to the situation of a society in which history is blocked, that is, a society where class struggle has been disabled by the logic of system problems determining the logic of collective action. The question to which I now turn is how exactly we are to understand the evolutionary logic of democracy as being *suppressed* by that of capitalism under conditions of modern communication? In other words, how are we to understand the radical democratic impulse of the new social movements, the L-I-G-A circuit, being blocked by the technocratic neoliberal ordering of society, the A-G-I-L? My answer will be that this can only be understood in terms of the semantic deformation of the structure of ordinary language communication itself such that the critical testing of validity claims is closed down from within. This semantic deformation, furthermore, can be explained in terms of the relinguistification of delinguistified codes. This relinguistification translates functional imperatives into semantic form and blocks thematization of normative issues from within the structure of communication itself.
If we consider again the colonization of the lifeworld as I have reframed it (Figure 6.4 above), the crucial distinction between system and lifeworld I have emphasized herein is that between delinguistified and linguistic forms of communication. Following my further suggestion, of the lifeworld being subjected to a one-sided capitalistic evolutionary logic through the technocratic programming of communication captured in media theory, we know that the order runs from money to power to influence to value-commitments. In this sequence, the delinguistified medium of money is translated into the steering medium of power, and from here translated into the communicative media of influence and value-commitments. In this sequence, therefore, the translation of the delinguistified medium of money into subsequent linguistic media must be assumed to take semantic form.

This initial insight can be justified and substantiated further by reference to pertinent fragments in Habermas’s social theory. I turn now to recount four fragments furthering the case for the theory of relinguistification.

6.4 Four Fragments Furthering the Thesis
In strengthening my argument for the theory of relinguistification, I will first highlight the gap in Habermas’s social theory that this thesis fills. This gap is found between the unsubstantiated description of the form of colonization (6.4.a) and the undeveloped concept of ‘latent strategic action’ (6.4.b). Reflections on this gap then point towards substantiating the thesis of relinguistification by way of other salient fragments in Habermas’s theory (6.4.c). I do this by juxtaposing mature developments in Habermas’s media theory vis-à-vis ‘ordinary language’ (6.4.d) with his earlier ideology-critique of systems theory vis-à-vis ‘objectivating language’ (6.4.e).

6.4.a Fragment 1: The Form of Colonization
The first and indeed most relevant gap in Habermas’s social theory that the theory of relinguistification can fill can be found within the colonization thesis itself. Here, we find that Habermas does not describe the substantive form the colonization of the lifeworld assumes with any degree of clarity. Yet, on closer reading we find that in those sparse comments where Habermas does allude to this form, he seems to point
towards an account of distorted communication consistent with the outline of relinguistification.

Though Habermas associates the colonization of the lifeworld with processes of commodification and bureaucratization commensurate with reification and juridification respectively, he does not go to much effort to describe the precise form that colonization assumes. We are told that colonization involves (TCA2, p.305) “disturbances in the symbolic reproduction of the lifeworld” that are experienced as “identity-threatening crises or pathologies” but little more beyond such sparse description. Furthermore, though colonization seems to be posited as a type of differentiation thesis, as occurring when the differentiation of the economic and administrative systems (TCA2, p.327) “pushes beyond the bounds of what is necessary for the institutionalization of money and power”, thinly dispersed comments about its precise description point to something deeper.

Habermas describes colonization pathologies as (TCA2, p.327) “symptoms of a distorted everyday practice” and (TCA2, p.377) “identity-threatening deformations”. These pathologies are located in the core lifeworld domains concerned with cultural reproduction, social integration, and socialization, as domains that cannot be converted to media steering, as they remain fundamentally dependent on communicative action for symbolic reproduction. In terms of the paradigm of communicative action and the implied centrality of language to the symbolic reproduction of the lifeworld, the pathological distortions and deformations produced by colonization can therefore only be assumed to take communicative, furthermore linguistic form. This is pointed towards more explicitly on a couple of occasions. Habermas describes reification as (TCA2, p.375) “a pathological deformation of the communicative infrastructure of the lifeworld” and elsewhere describes (TCA2, p.330) the “reification of everyday communicative practice” as involving “the penetration of economic and administrative rationality” into areas that “remain dependent on mutual understanding as a mechanism for coordinating action”. While it seems colonization takes the form of the distortion of communication, this is not substantiated in the text. There is, however, a type of
placeholder that perhaps offers the key: the undeveloped concept of latent strategic action. This brings us to a second opening in Habermas’s social theory.

6.4.b Fragment 2: ‘Latent Strategic Action’
The early Habermas (1970) advanced a theory of systematically distorted communication, a theory developed with psychoanalytical assumptions. The theory of systematically distorted communication focuses on systematic restrictions within the structure of communication itself, restrictions that ensure that structures of domination go unrecognized and are reproduced in social interaction. This theory effectively amounts to a radical reformulation of the theory of false-consciousness on communicative terms. In this theory, relations of domination manifest as communication pathologies. These communication pathologies act at the interpersonal level as systemic defense mechanisms, analogous to those mechanisms explained by psychoanalysis at the intra-psychic level. The theory of systematically distorted communication is therefore concerned with the same problem that occupied Peters in his consideration of the problem mode of communication above, and Parsons in his theory of dedifferentiation. Habermas’s communication pathologies are seen as acting to maintain the legitimacy of the institutional order despite its repressive character, and so, maintain a social system of repressive hegemony. Crucially, these pathologies manifest as distortions within the structure of language itself. Communication is distorted by the fact that relations of power are encoded in language and carried as unconscious manipulation, i.e. as false-consciousness.

While the theory of systematically distorted communication was given space within the theoretical framework of the TCA, depicted in Figure 6.6 below, it was never sufficiently developed to fit within the communication theory of society. The concept of concealed strategic action, elsewhere termed “latent strategic action” (Habermas, 1991, p.254), remained but a placeholder and was left entirely underdeveloped. Habermas (1991, p.292, footnote 73) himself inadvertently concedes this in his response to criticisms when he states: “The formation of ideology, which I at that time still explained with the help of psychoanalytic
assumptions, can today, as has been shown in J. F. Bohmann’s *Language*, be analyzed using a theory of communication.” Though Habermas doesn’t develop the concept of latent strategic action, that his theory nonetheless maintains space for it is significant. Habermas has in mind some form of distorted communication as part of his theory of society. For our purposes here, the question is how this impacts upon the colonization thesis.

The theory of systematically distorted communication is central to Habermas’s perspective on the formation of ideological distortions in the structure of ordinary-language communication. Such distortions can legitimize an institutional order despite its repressive character and, therefore, constitute a source of social power in and of themselves. Furthermore, with this theory of ideological distortion based on communication, it takes our analysis of pathologies right into the ordinary language constitutive of the lifeworld itself. The category of systemically distorted communication is thus suitably positioned to capture the interlocking and mutual reinforcement of colonization processes at the societal level and mediation problems at the cultural level in pathologies in the structure of communication itself.

6.4.c Intermediate Reflections

The placeholder concept of latent strategic action is important here because it tells us to look beyond the distinction between communicative action and strategic

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115 Reproduced from Figure 18, TCA1, p.333.
action in the consideration of system-lifeworld interchanges. Instead, this concept shows that there are two types of linguistic communication in Habermas’s theory: a non-distorted type oriented to mutual understanding, constitutive of communicative action, and a systematically distorted type carrying unconscious deception, constitutive of latent strategic action. This latter type points towards an opening for a type of reified communication that owes its origins to the colonization of the lifeworld and, furthermore, reinforces this process. This latter type of distorted communication therefore points towards the problem of false-consciousness in communication-theoretical terms.

It is precisely here where I locate the theory of relinguistification, as a move towards filling this gap in Habermas’s theory. Given that Habermas failed to develop a theory of distorted communication in the TCA, despite the colonization thesis pointing towards communicative deformations, the reframing of colonization as relinguistification corrects this. It also denotes a specific form of systematically distorted communication in doing so, namely, systemically distorted communication following the refined concept of system I have elaborated here. As mentioned in Chapter 5, Habermas was over zealous in discarding the philosophy of consciousness and the insights derivable from its perspective. While I sought to correct the problem of political-ideology in Chapter 5, here, with the theory of relinguistification, I seek to correct the problem of the theory of false-consciousness vis-à-vis systematically distorted communication. The theory of relinguistification attempts to bring the critique of reified-consciousness into communicative terms. This thesis allows a much deeper and more substantiated critique of system-lifeworld interchanges and the associated capitalistic and democratic communicative logics. This can be defended yet further by reference to other fragments in Habermas’s social theory, this time when we juxtapose further developments in his media theory vis-à-vis ‘ordinary language’ as a universal medium with his ideology-critique of systems theory, the latter of which focuses on ‘objectivating language’.

Chernilo (2002) argues that while Habermas makes a very significant change over Parsons in grounding the theory of generalized symbolic media in language, he fails
to sufficiently see this through. The essentially linguistic interpretation of media – specifically (Chernilo, 2002, p.444), “the utilization of language as paradigmatic medium and the re-definition of the whole set of media (including money) from the properties of language” – remains, throughout Habermas’s work, theoretically underdeveloped. So while Habermas elaborates an alternative basis for understanding media, he does not explicitly develop this “at the theory-building level” (Chernilo, 2002, p.444).

Our focus on the delinguistified character of the steering medium of money as the basis of its systemic properties, helped by Luhmann in Chapter 3, goes some way towards correcting one aspect of Habermas’s linguistic interpretation of media theory. This postulate sets up the system-lifeworld distinction on the basis of separate languages. The colonization thesis is reframed in turn in terms of the translation of the delinguistified money medium back into linguistic form. But, to substantiate this thesis, we still have to consider linguistic communication in the lifeworld from two perspectives: first, in its non-pathological and de-reified form in communicative action that facilitates learning and progressive change; and second, in its reified and distorted form in latent strategic action that blocks learning. I understand this second form emerging as a result of systemic colonization and so representing a communicative form of false-consciousness. The second form, therefore, is compatible with the theory of relinguistification. I suggest that the former can be found in terms suitable to the thesis being constructed here in the mature Habermas’s concept of ‘ordinary language’ as a universal medium. From here, I further suggest that the latter can be found in Habermas’s ideology-critique of Luhmann’s systems theory vis-à-vis ‘objectivating language’. This juxtaposition, furthermore, implies that forms of language can be explored with regard to colonization processes.

6.4.d Fragment 3: ‘Ordinary Language’

While Habermas does make the case for language serving as a model for steering media in the TCA (TCA2, p.263), it is fair to say that developing this aspect theoretically remains a secondary concern; the primary goal is to reframe Parsons’s
functional media in a linguistic-communicative direction. On two occasions,\textsuperscript{116} we find Habermas refer to ordinary language as itself a medium, but this is not pursued analytically or sociologically to any degree whatsoever. Nonetheless, we can see Habermas’s thoughts in this regard have already begun to develop when it is time to respond to his critics. Here, we find Habermas (1991, p.262) defend the aspect of lifeworld primacy in societal integration by clarifying that media-steered subsystems are to be understood as differentiated out “via the specialization of the universal medium of language”. In this subtle but significant shift, we see Habermas moving towards a media-theoretical interpretation of the category of ordinary language, an interpretation that can essentially defend the frame of communicative action in systems-theoretical terms. This interpretation of language not only as a medium, but also as a \textit{universal} medium, is a very significant step for Habermas’s linguistic interpretation of media theory. This aspect is pursued explicitly in his mature theory.

In \textit{BFN}, we find Habermas continue the dialogue and attempt at mediation with the frame of social systems theory that characterizes his general project in social theory since the 1970s. Here, Habermas takes up again the critique of systems theory’s overgeneralization of functional steering media with regard to the theoretical problem of societal integration. This time, however, Habermas pursues the issue in a more sociological direction (Chernillo, 2002, p.444), in which we see the normative and theoretical aspects of the category of ordinary language come to the fore, albeit in sparse remarks.

In the mature social theoretical framework, the system-lifeworld concept of society is maintained but, in part as a corrective to issues in its original elaboration, law is put in a bridging position. Considering the problem of societal integration in highly complex societies, Habermas contends that the communicative power of the public, constituted in ordinary language, simply cannot be bypassed, empirically or

\textsuperscript{116} 1. “language is a medium that needs no additional certification” (TCA2, p.266);
2. “Relieving the Medium of Ordinary Language by Means of Delinguistified Media of Communication” (TCA2, p.454; Analytical Table of Contents).
theoretically. Drawing on Peters’s model of the politico-legal system, Habermas then presents the entire system-law-lifeworld architectonic as interpenetrated by channels of communication, through which the ordinary language of diffuse everyday contexts can flow. This move puts ordinary language central to the constitutionally regulated circulation of power in complex democratic societies.

What makes ordinary language central to societal integration in the mature Habermas’s framework is its ability to circulate throughout the differentiated spheres of modern society. The development of the concept is primarily as a vehicle in an argument against the overextension of systems theoretical analysis. Habermas contends that semantically closed systems operating on the basis of functionally specialized codes simply cannot invent on their own the language common to society as a whole. The concept of ordinary language, therefore, is used to disclose the limitations of systems theory. Habermas argues that it is precisely on the basis of its ability to circulate throughout society that ordinary language is capable of articulating issues applying to society as a whole, beyond the self-referential limitations of systemically specialized codes. Because of this, ordinary language is posited as the only medium suitable “for dealing with macrosocial problems” (BFN, p.352).

Habermas’s development of the category of ordinary language goes beyond the theoretical concern with the problem of societal integration, however. In addition to describing its circulatory function, the mature theory also points towards its substantive form as central. Habermas raises the category of ordinary language to the status of the “ultimate metalanguage” (BFN, p.348). In this role, ordinary language is described as an open medium that facilitates communication to and from the specialized codes of systems. Owing to its inherent ability to establish a universal horizon of understanding, ordinary language “can in principle translate everything from all languages” (BFN, p.56). Ordinary language is thus described as the natural language from which the specialized semantics of systems were originally differentiated (BFN, p.348).
Habermas’s development of the category of ordinary language makes the issue of forms of communication central to understanding system-lifeworld interchanges. This mature theory furthers our thesis in important respects.

Habermas championing of ordinary language as an ultimate metalanguage capable of translating between differentiated codes points to the substantive form of ordinary language, its basic semantic structure, as being central to the open thematization of issues affecting society as a whole. Here, we may recall Habermas’s emphasis on problematization above. In this regard, ordinary language fulfills the requirements of the non-pathological and de-reified form of communication in communicative action linked learning and progressive change. Against this, we still have the problem of accounting for the distorted and reified form of communication in latent strategic action that blocks learning. Here, I suggest that the concept ought to be taken literally with regard to its substantive form and semantic content, ordinary language. Against this, I argue that latent strategic action must be linked with a form of reifying language consistent with forms of expert, specialist, and technical language when extended beyond their legitimate contexts. This type of overextended reified language interlinks system differentiation at the societal level and mediation problems at the cultural level. Habermas’s ideology-critique of Luhmann’s systems theory furthers this case. I will turn to this below.

The emphasis on ordinary language as a universal metalanguage furthers the theory of relinguistification in another sense too; it paves the way for the communicative transformation of the colonization thesis. For our purposes here, this move has implications for the interpretation of Habermas’s media theory insofar as the relations between media codes and ordinary language must now be understood in terms of translation rules. The interchanges between lifeworld and system are now to be understood in terms of the translation between ordinary language and specialized functional codes. Habermas’s theory of law fills this out quite well, appraising its “transformer” (BFN, p.56, 354) function for lifeworld and system interchanges. Habermas describes how law operates a mediating function between the “lifeworld reproduced through communicative action” and “code-specific
subsystems that form environments for one another” (BFN, p.56). Without law, from this perspective, normatively substantive questions concerning society as a whole, circulating below specialized codes, would (BFN, p.56) “fall on deaf ears in media-steered spheres of action”.

The problem with this account is that it is elaborated only from the perspective of the lifeworld-law-system circuit of communication. This democratization circuit, corresponding to our democratic evolutionary logic from Chapter 4, and depicted in Figure 6.5 above, is the obverse of the colonization thesis. So, while the mature Habermas’s reframing of system and lifeworld interchanges in terms of the communicative dynamics of media codes and ordinary language has profound implications for his theory of society as a whole, he fails to retrospectively apply this to the colonization thesis. The theory of relinguistification advanced here takes up this task. Reconsidering the colonization thesis from the mature perspective, with its more explicit role of language, requires that we reconsider the effects of colonization processes. Colonization must now be understood in terms of the translation of mediatized codes back into ordinary language such that the semantic content is distorted. In other words, colonization must now be understood in terms of the relinguistification of delinguistified forms. The expected semantic form this takes can be clarified somewhat when we look at Habermas’s ideology-critique of Luhmann.

6.4.e Fragment 4: ‘Objectivating Language’

As we have seen, what makes ordinary language a universal medium suitably tailored for dealing with macrosocial problems is its ability to translate between specialized codes. It owes this ability to its inherent capacity to establish a universal horizon of understanding. This capacity, furthermore, is rooted in the intrinsic lack of specialization and multifunctional character (BFN, p.353) of ordinary language as ordinary language. This theoretical clarification of the category becomes especially important when we reconsider Habermas’s earlier ideology-critique of systems theory from this perspective. While Habermas’s ideology-critique of systems theory
forms but a subtext in the elaboration of the colonization thesis\textsuperscript{117}, it’s substantive content sits at the core of the theory of relinguistification. In this regard, I argue that Habermas’s ideology-critique presupposes the substantive basis of the theory of relinguistification that is here explicated from within the colonization thesis. In this ideology-critique, the main issue concerns the language that systems theory deploys in its description of social life.

In responding to his critics, Habermas (1991, p.254) justifies the methodological primacy of the analysis of the lifeworld based on the fact that access to the object domain of social action must initially be described in a theoretical language that takes up from the language of the actors to be found in this domain itself. From this perspective, Habermas’s main critique of systems theory concerns the \textit{objectivistic language} that it deploys in the description of the object domain.

Habermas argues that systems theory describes social phenomena in a language that is independent of the language and self-understanding of social actors in a society understood as a lifeworld (1991, p.254). This critique is in fact consistent from the \textit{TCA} (TCA2, p.374-78), to his reply to his critics (1991, p.254), and into \textit{BFN} (BFN, p.48). Going beyond Marx, Habermas sees this objectification of the lifeworld as legitimate in the analysis of subsystems differentiated out via steering media and understandable as boundary maintaining vis-à-vis the societal component of the lifeworld now constituting a system environment. With systems theory, the capitalist economy is thus interpreted beyond a merely novel formation of class relationships and as an advanced level of system differentiation in its own right (TCA2, p.374). However, when this objectification extends beyond media-steered subsystems and into the core lifeworld domains wherein cultural reproduction, social integration and socialization take place, i.e. the domains of culture, society\textsuperscript{118}, and personality, systems theory becomes guilty of reification at the conceptual level.

\textsuperscript{117} A thorough overview of Habermas’s critique of systems theory can be found in Bausch (1997).

\textsuperscript{118} Society is understood here in terms of the institutional spheres of the societal component of the lifeworld, as distinct from media-steered subsystems differentiated within.
Furthermore, this reification takes on ideological functions in late capitalism by reducing normative questions to technical ones.

Habermas charges Luhmann’s systems theory with precisely this form of ideological overgeneralization. This critique is consistent with the phenomena Parsons attempted to capture through social theory with the theory of dedifferentiation, itself a development of his early critique of ‘reification’, as we have seen in Chapter 5. Therein, we also saw how in the TCA, Habermas (TCA2, p.312) argues that Luhmann’s theory is based on the assumption that the modern symbolically structured lifeworld has already been “driven back into the niches of a systemically self-sufficient society and been colonized by it”. In this regard, Adorno’s totally administered society, presented as a critical vision of horror, has become for Luhmann (TCA2, p.312) “a trivial presupposition”. Habermas’s critique goes further than the charge of overgeneralization, however. He also points towards the semantic form of systems-theoretical concepts as having significance. This aspect of the critique is reminiscent of the first generation approach to the theory of false-consciousness, which found the capitalistic deformation of reason rooted in the semantic form of the concept.

In Habermas’s critique, it is the objectivistic language that systems theory brings to bear that is central to understanding its reification of social life. Habermas (1991, p.254) describes how this language brings with it a change in stance, from participant to observer, which “triggers off an alienating effect, repeated with each individual systems-theoretic description of a phenomenon previously grasped from the participant’s perspective”. From this perspective, it is the language itself that is reifying, the semantic structure of which inverts the perspective on social life and reduces normative questions to technical ones. This critique of reified concepts, aligns with Marx’s (1998, p.42) early definition of ideology based on the camera obscura metaphor: “in all ideology men and their relations appear upside-down”.

Building on this critique of objectivating language, Habermas (1991, p.254) further states: “Thus, Luhmann owes his literary influence to the baffling effect of an
intelligently objectivating translation which permits us to see the sobering obverse of phenomena with which we are well acquainted.” In this passage, we see that Habermas’s critique of systems theory extends to the semantic plane, beyond the pragmatic upon which the colonization thesis is based. Semantically, the language of systems theory is one of objectification such that the language itself inverts the participant perspective of the actor to that of an observer of social phenomena now perceived from without. This has the effect of rendering the actor passive in the face of an objectivated functionalist social order, an entirely de-normativized ‘second-nature’, to which she must adapt.

By following the contours of the theory of relinguistification, we can enrich Habermas’s ideology-critique of systems theory from a theoretical perspective and, in doing so; draw it closer towards societal application. Habermas’s critique of Luhmann can be theoretically explained as a paradigmatic case of relinguistification: Luhmann’s systems theory is based on the conceptual strategy of taking the perspective of delinguistified media and codifying social life through this frame, of translating delinguistified media into language. Luhmann’s systems theory, therefore, presents a mediatized perspective on social life and a systemic perspective on communication. In this regard, it is no coincidence that Parsons modeled media theory on money as the paradigmatic medium, and that Luhmann sees the economy as the exemplar of a functionally specified autopoietic system and so deserving of first consideration among all societal subsystems. This is because, as I have argued here, the monetary economy is the only fully delinguistified and objectivated social system. In this way, Luhmann is to the theory of relinguistification what classical political economy was to Marx.

While Luhmann’s systems theory represents something of an exemplary case of relinguistification,119 and so provides us with a basis to fill the theory out, I intend for the theory to expand to the societal level. In this regard, I argue that the objectivating language of systems theory can be described as a pronounced case of

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119 Alongside Gary Becker, as Parsons’s critique in Chapter 5 highlighted, and the concluding analysis furthers.
the more general systemic self-thematization in language that emanates from processes of colonization. I understand such systemic self-thematization as taking the form of objectivating language that distorts the structure of communication from within, and thus has the effect of blocking the open thematization of societal issues to which Habermas points in his account of problematization as a central facet of democratic will-formation. The obverse of problematization, relinguistified forms can be considered one of those blocking mechanisms that maintain problems in a latent sense, with which Peters was concerned. In other words, relinguistified forms can be associated with blocked thematization, as opposed to Habermas’s open thematization linked to ordinary language, and therefore consistent with a communicative account of false-consciousness.

This makes the theory of relinguistification a suitable theory to complement Habermas’s (1990, p.67) suggestion that contemporary class struggle takes the form of conflicts over definitions and that, furthermore, these battles remain latent, taking place “within the microsphere of everyday communication”. This suggestion follows the claim in the TCA (TCA2, p.392) that conflicts today are ignited by questions concerning “the grammar of forms of life”, while pushing it towards an idea of latent class struggle. I will explore this in the concluding analysis.

6.5 Conclusion

The four fragments from Habermas’s social theory just highlighted, therefore, enrich our perception of the colonization thesis in a communicative direction, while also exposing gaps that the theory of relinguistification may fill. The theoretical and substantive connection between these fragments, additionally, isolates the general space that the theory of relinguistification occupies in Habermas’s social theory, as well as providing it with a substantive basis for societal application. I turn now to bring together the insights from this chapter and substantiate the theory further in order to conclude our study. In doing so, I also illustrate the explanatory potentials of the theory of relinguistification in a paradigmatic case. For reasons of space and limitations of the current research I cannot go any further than a mere sketch.
Conclusion. Colonization as Relinguistification: A Brief Sketch

7.1 The Theory of Relinguistification

Habermas’s thesis of cultural modernity suggests that modern forms of understanding are indebted to the structure of communication being freed of religious-metaphysical constrictions. In that thesis, the rationalization of the lifeworld owes its emergence to the linguistification of the sacred, through which traditional worldviews were de-naturalized and open to critical scrutiny according to the rational potential inherent in communicative action. This allowed the prospect of a truly rational society, as one communicatively organized through reason giving and the force of the better argument, to dawn on the horizon.

The theory of relinguistification sees the capitalist system impose a fundamental limitation on the ideal of social organization based on communication free from domination. Through the process of colonization as relinguistification, the de-worlded and mediatized capitalist system of delinguistified communication disrupts the structure of communicative action, producing effects that parallel the restrictions of traditional, religious-metaphysical worldviews, while taking a distinctly modern form. The theory of relinguistification, therefore, describes a process in capitalist modernity that is something of the obverse of the linguistification of the sacred, through which the space provided for the critical testing of validity claims is narrowed from within.

At its extreme, the theory of relinguistification points towards a dystopian possibility, a society where critical testing according to validity claims is entirely snuffed out of communicative action and structurally blocked. For this to occur, communicative action itself would need to be thoroughly decomposed from within by language so heavily colonized that it does not even permit the formulation of validity claims. George Orwell’s 1984 depicts a social order in which this is the case. Contemporary political discourse, with its overt lies and corresponding cynical, manipulative, and invalid use of the category “fake news” gives us legitimate reason...
to fear such a prospect. However, the theory of relinguistification also shows that
the only way democratization could be fully extinguished today would be through a
change in the deep structure of language itself. This would have to coincide with a
de-learning of the language of validity claims on the part of social actors. In anything
short of this extreme, the possibility of movements ‘from below’ will always loom
large.

This in mind, the theory of relinguistification outlines a reflexive account of false-
consciousness, which does not negate the possibility of enlightenment and
emancipation. This is reflected in the fact that relinguistification can be understood
both negatively and positively, following the contours of our communicative circuits
outlined in the previous chapter. With regard to the colonization circuit, running
from system-to-lifeworld, relinguistification concerns the translation of
delinguistified codes into language such that the semantic substance is distorted in
the direction of the legitimation of the capitalist system. I explore this further
below. With regard to the democratization circuit, running from lifeworld-to-
system, relinguistification is also involved, but of a form that mobilizes
communicative rationality in order to thematize the system in ordinary language.
This allows the capitalist system to be moralized, perceived beyond a functionalist
order, and subjected to lifeworld demands. In this way, the theory of
relinguistification takes into account the possibility of actors decoding the language
of the system and engaging in thematization such that they may strike back and
disrupt the normative order at root of the system-lifeworld boundary. While
keeping this reflexive perspective in mind, however, I nonetheless reserve using the
concept of ‘relinguistification’ critically here, as a renewal of false-consciousness.
The focus of this dissertation is on the dynamics of blocked thematization in the
neoliberal order, through which class struggle is disabled and the level of history
closed off.

120 This dynamic is analogous to what has been explored in postcolonial literature in terms of the
language of the colonizers and the voice of the subaltern (Spivak, 1988; Said, 2003).
At its core, the theory of relinguistification is concerned with how the rational potential inherent in communicative action, released through the explication and critical testing of validity claims, is closed down from within the structure of communication itself. From this perspective, relinguistification considers how communicative action is transformed into latent strategic action. In Habermas’s formulation, the colonization thesis is already concerned with the penetration of the functionalist rationality of media steered systems into communicative domains. That thesis has been communicatively reframed in order to provide an explanatory basis for the theory of relinguistification, the latter of which deepens the diagnosis of colonization processes. Colonization as relinguistification concerns the translation of the delinguistified code of money, constitutive of communication in the capitalist economy, back into the ordinary language of lifeworld contexts. The result is the distortion of the semantic structure of communication by objectivating, relinguistified language. This language has the effect of replacing the intuitive self-understanding of a lifeworld from within, with (Habermas, 1973a, p.106) “self-reification under categories of purposive-rational action and adaptive behavior.”

In this way, relinguistification communicatively captures a form of unconscious self-deception, commensurate with false-consciousness, that legitimates a capitalistic social order latently, and thereby sanctions its continuation.

Table 7.1 summarizes key aspects of the theory of relinguistification, bringing together insights from the previous chapter and expanding beyond. This table fills out the distinction drawn between capitalistic and democratic evolutionary logics with regard to communicative circuits and types of communication. In doing so, this scheme gives substance to class struggle as it occurs in communication, allowing us to consider how cultural orientations are allowed explication and thematization – central to democratic will-formation in the mature Habermas’s theory – and how they are blocked. This communicative transformation of the theory of reification, therefore, provides a renewed basis for the theory of false-consciousness.

121 Habermas’s (1973a) early critique of technocratic consciousness is used here to inform substantive aspects of the theory of relinguistification.
The categories forming upper portion of the table have already been discussed in the previous chapter. The focus of the analysis here is on the effect of the different types of language, relinguistified and ordinary, as the basis of the theory of relinguistification. This will then be applied in an analysis focused on socialization and “the search for the self” (Touraine, 2007, p.114).

<table>
<thead>
<tr>
<th>Evolutionary Logic</th>
<th>Capitalistic</th>
<th>Democratic</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Value-Commitments</strong></td>
<td>Exchange-values</td>
<td>Use-values</td>
</tr>
<tr>
<td><strong>Communicative Circuit</strong></td>
<td>‘From above’ Colonization as Relinguistification</td>
<td>‘From below’ Democratization</td>
</tr>
<tr>
<td><strong>Type of Communication</strong></td>
<td>Latent Strategic Action</td>
<td>Communicative Action</td>
</tr>
<tr>
<td><strong>Form of Language</strong></td>
<td>Objectivating language (relinguistified)</td>
<td>Ordinary language</td>
</tr>
<tr>
<td><strong>Function of Language</strong></td>
<td>Translates from and into specialized codes</td>
<td>Translates between specialized codes</td>
</tr>
<tr>
<td><strong>Effect of Language</strong></td>
<td>Pre-schematizes and maintains taken-for-grantedness Establishes particularistic horizon of meaning Reifies capitalist system and existing normative order as a ‘second-nature’</td>
<td>De-naturalizes and exposes to thematization Establishes universal horizon of meaning Decodes capitalist system and existing normative order as a normative order</td>
</tr>
<tr>
<td><strong>Corresponding Form of Socialization</strong></td>
<td>Neoliberal individualism</td>
<td>Radical individuation</td>
</tr>
<tr>
<td><strong>Associated Level of Moral Consciousness</strong></td>
<td>Conventional</td>
<td>Post-conventional</td>
</tr>
</tbody>
</table>

*Table 7.1 Key Aspects of the Theory of Relinguistification*

### 7.2 Relinguistification and Socialization

In diagnosing reification pathologies in the colonization thesis, Habermas focuses on communication in the areas responsible for cultural reproduction, social integration, and socialization. His argument is that because these areas are intrinsically linked with the symbolic reproduction of the lifeworld, steering media cannot replace mutual understanding for the coordination of action without producing social
pathologies. Such pathologies take the form of the colonization of the lifeworld by a functionalist rationality carrying systemic imperatives.

The four fragments in Habermas’s social theory examined in the previous chapter allow us to extend the colonization thesis communicatively, such that we may diagnose and explain colonization as relinguistification. These four fragments point towards two forms of communication. First, there is a non-pathological and de-reified form, constitutive of communicative action. This must be understood as linked with cultural reproduction, social integration and socialization positively, insofar as it is facilitates learning and progressive change through the critical testing of validity claims. This form of communication is carried in ordinary language. Second, there is a reified and distorted form of communication, constitutive of latent strategic action. This must be understood as linked with cultural reproduction, social integration, and socialization negatively, insofar as it blocks learning through unconscious self-deception.\(^\text{122}\) Latent strategic action is therefore commensurate with false-consciousness. This form of communication is carried in objectivating language. Using this distinction we can now substantiate the theory of relinguistification significantly.

As part of the process of communicative action, the lifeworld is stripped of its quasi-naturalness and is opened to thematization and critique. Because of its form, as we have seen, ordinary language is central to this process of de-naturalization, establishing a universal horizon of meaning for the thematization of issues affecting society as a whole. Through ordinary language communication, constitutive of communicative action, the capitalist system and existing social order may therefore be decoded as a normative order and subsequently subjected to demands for democratization.

\(^{122}\) This is an important point. The focus of the theory of relinguistification is on the juxtaposition of communicative action and latent strategic action as \textit{types of communication}. In this regard, the latter is understood as unconscious self-deception in communication, commensurate with a communicative transformation of the problem of false-consciousness. The theory is not concerned with the juxtaposition of communicative action and strategic action as \textit{types of action orientation}, with the latter understood as overt and conscious manipulation.
By contrast, we may consider relinguistified language as maintaining the taken-for-grantedness of the lifeworld context, and immunizing it from critique. The reifying form of objectivated language has the effect of pre-schematizing the situation, closing the horizon of meaning to within a capitalistic-particularistic register. Relinguistified language communication, constitutive of latent strategic action, reifies the capitalist system and the existing social order as an objectified ‘second-nature’ to which the individual must adapt. This has the effect of legitimating the existing structure of domination and, further, inducing demands for greater effectiveness, increased competition, and superior adaptive capacities, that is, demands aligning with the functionalist rationality of the capitalist system.

This makes relinguistification not only a threat to prospects for deeper democratization, but also a threat to neoliberal democracy as it already exists. In carrying a capitalistic rationality in pursuit of greater functionalist efficiency, relinguistification comfortably aligns with tendencies towards authoritarian “wish-complexes”, to use Parsons’s phrase. Relinguistified language redefines practical questions as technical ones, and, in doing so, hollows-out the moral basis of a democratic social order. As well as having a marked effect of de-politicization, the functionalist rationality of relinguistified language implicitly aligns with anti-democratic impulses and movements towards de-democratization. In this regard, it is no coincidence that the ‘surprise’ 45th President of the United States, Donald Trump, is both a businessman cultivating the persona of the self-made entrepreneur, and an authoritarian personality. The former is to attest to his shrewd understanding of, and ability to adapt to, the functionalist logic of the capitalist economy, and the latter his capacity for executive decision-making and ability to impose his will without compromise or negotiation, in short, without anything

123 Giddens’s argument on the concept of reification is instructive here, even if coming from a position outside Critical Theory. He (Giddens, 1984, p.180) states: reification “should not be understood simply to refer to properties of social systems which are ‘objectively given’ so far as specific, situated actors are concerned. Rather, it should be seen as referring to forms of discourse which treat such properties as ‘objectively given’ in the same way as natural phenomena. That is to say, reified discourse refers to the ‘facticity’ with which social phenomena confront individual actors in such a way as to ignore how they are produced and reproduced through human agency... The ‘reified mode’ should be considered a form or style of discourse, in which the properties of social systems are regarded as having the same fixity as that presumed in laws of nature.”
consistent with the substance of communicative action. Trump, therefore, fulfills both capitalistic and anti-democratic demands emanating from a deeply colonized neoliberal political culture, such that his authoritarian personality itself can be seen as emerging in response to a deeply irrational social order (Gordon, 2016).

The theory of relinguistification concerns monetary coding entering the structure of language itself such that communication is distorted from within. Understanding the cognitive construction of normativity (O’Mahony, 2013) to take place via schematization in language, relinguistified language may be thought of as systemic self-thematization that is pre-schematized and reifying. This has the effect of blocking the normative schematization associated with ordinary language, effectively eliminating moral-practical questions through the proliferation of normatively closed concepts in everyday communicative contexts. In this way, we can start to see how a repressive hegemony such as the neoliberal social order is legitimated, even in the face of radical democratic opposition. Relinguistified language performs this legitimation function latently, streamlining communication in everyday contexts to within a one-sided capitalistic register.

In Habermas’s diagnosis, colonization has pronounced pathological effects on communication in the domains of cultural reproduction, social integration, and socialization. Key to the symbolic reproduction of the lifeworld, these domains facilitate the communicative construction of culture, society, and personality. Following our distinction of types of communication, we know that ordinary language, facilitating communicative action, impacts these domains positively, while relinguistified language, consistent with latent strategic action, impacts them negatively. This in mind, I now consider a paradigmatic case of relinguistification, with particular concern for socialization and the search for the self. This makes a case for the latent legitimation of the neoliberal order through distorted communication, renewing the theory of false-consciousness.

124 There are interesting studies of Nazi German (Michael & Doerr, 2002) and the language of the Third Reich (Klemperer, 2013) from just this perspective. These are consistent with the concerns of 1st generation Critical Theorists, which, of course, feed into the theory of relinguistification elaborated here.
The lower two rows in Table 7.1 expand the theory of relinguistification towards application with regard to distinct forms of socialization in neoliberal society. This suggests that there are two forms of socialization today that correspond to our two types of communication. These forms, in turn, facilitate the construction of conflicting versions of the self. From this perspective, latent strategic action promotes neoliberal individualism as an affirmative form of socialization. This is consistent with the commitment to exchange-values carried by technocratic cultural orientations. This form of socialization is conducted through relinguistified language. By contrast, communicative action facilitates radical individuation as a critical form of socialization. This is consistent with the commitment to use-values carried by the broadly radical-pluralist and new social movement cultural orientations. This form of socialization is conducted through ordinary language.

While both forms of socialization are communicatively constructed cultural schemes for self-realization that make claims towards the modern institution of individualism, they can, using Habermas’s (1979, p.69-94) development of Lawrence Kohlberg, be critically evaluated with regard to their associated levels of moral consciousness: conventional and post-conventional, respectively. From this perspective, what is interesting about neoliberal individualism is that while it is conventional with respect to the normative order of neoliberal society – responding to what Honneth (2004b) has observed as the institutionalized demand for individualization supporting that order’s legitimacy – it masquerades as post-conventional self-realization. In this regard, neoliberal individualism usurps radical individuation and dialectically inverts it, turning the search for the self inside out. This occurs through relinguistified language being deployed in application to the self.

The contemporary language of personal branding offers something of an exemplary case of relinguistification with regard to neoliberal individualism. Through this

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125 The concept of individualism has a long and complex history in sociology, ranging from the idea of a pluralization of forms of life through individualization at the societal level, to the idea of an increase in personal autonomy through individuation at the level of personality. See Honneth (2004b) for an interesting entry to this debate. For reasons of space, I cannot take up this discussion here.
language, the stipulations of socialization into neoliberal society intersect with the naturalization of a social order based on what Bourdieu (1998) calls “pure market logic”. In this order, the individual, and her personality, are interpreted in terms of a capitalistic enterprise and evaluated according to criteria of marketability and potential profitability in society understood entirely as a marketplace. Socialization is thus conceived in terms of investments in the self in anticipation of future return, in the acquisition of various skills in order to attain competitive advantage in the labor market. This is captured eloquently in Foucault’s (2008, p.226-233) observation that neoliberalism is consistent with the idea of *homo oeconomicus*, not as partner in exchange, but as entrepreneur of the self. In this regard, the self now constitutes capital, with the individual her own self-producer. The task is then to cultivate a marketable self by reinterpreting authentic aspects of one’s personality from the perspective of the capitalist economy.

Nowhere is this more blatant than in Gary Becker’s (1993) theory of human capital – from which Foucault draws – wherein he extends the so-called “economic approach” to social analysis to the area of self-development through education. The concept of ‘human capital’ is itself an exemplary case of relinguistified language. This terminology closes the horizon of meaning for education to within that which is conducive with capitalistic profitability, and pre-schematizes self-development strictly in terms of capital investment. Since its first inception in 1964, this concept has extended beyond the professional field of economics to occupy everyday contexts. In the preface to the third edition, Becker (1993, p.xix) notes how the term “investing in human capital” featured in discussions on education in the then recent U.S. presidential campaign, and how the theory of human capital has gained acceptance “not only in economics, but also in other disciplines and among the general public”.126

126 Another exemplary case of relinguistification, again indebted to neoliberal economics, is the terminology of ‘incentives’. In *What Money Can’t Buy*, Michael Sandel highlights the rise of the language of incentives in parallel to a change of focus in economic thought during the neoliberal period. Sandel (2012, p.85) points to the fact that, historically, the word “incentive” did not enter economic discourse until the twentieth century and only became prominent during the 1980s and 1990s. He then (Sandel, 2012, p.87) dates the verb form “incentivize” to 1968, defining it via the *Oxford English Dictionary* as “to motivate or encourage (a person, esp. an employee or customer) by...”
The language of personal branding constitutes an everyday extension of this specialist knowledge of neoliberal economics with regard to human capital and *homo oeconomicus* as entrepreneur of the self. Career and success coaches, as gatekeepers of socialization into the neoliberal sphere of work, are the primary carriers of this language. These gurus identify the personal brand as central to corporate success, both internally and externally, identifying strong personal branding as the hallmark of powerful CEOs, and CEO reputation as a source of corporate market value (Erskine, 2017). The language of personal branding therefore features heavily in contemporary career-aligned learning platforms and blogs online, as well as in self-help literature of a business orientation.

The focus of personal branding is on conscious management of the self in “a personal program of continuous improvement” (Robinson, 2016) that directs the search for the self in accordance with the precepts of corporate branding. This is in response to a labor market conceived in terms of a commodity market – “A strong personal brand is essential in today’s job market” (Purkiss, 2012). The language of personal branding thus confronts individuals with the demand that they “market themselves” as an imperative to “get ahead” (Purkiss, 2012). This is consistent with the neoliberal elimination of collective structures and atomization of workforces by the logic of the market, pointed to by Bourdieu (1998). What is perhaps most destructive about the language of personal branding, however, is the depth to which

| Appearance of “incentivize” or “incentivise” in major newspapers |
|----------------------|------------------|
| 1980s                | 48               |
| 1990s                | 449              |
| 2000s                | 6159             |
| 2010-11              | 5885             |

These coaches even offer professional branding services aimed at constructing, promoting, and maintaining an online presence. This personal branding makes strategic use of various social media, blogs, and contemporary online resources in order to promote the individual as an apparent leader in her industry such that career opportunities are amplified. See: https://brandyourself.com/personal-branding-services.
it penetrates into the construction of the self, and the ubiquity of contexts to which it applies.

The personal brand is described as “communicated to others on a continuous basis” (Robinson, 2016). It is “in your conversations” and “how you communicate”, it is “in the questions you ask and the ideas you share” (Parsons, 2016). It is, in fact, in “every conversation you have with another person” (Robinson, 2016). In all situations of communicative action, therefore, the individual is compelled into a presentation of self in terms of an accomplished neoliberal subject. This leads to the trend, within private lifeworld contexts, that Gordon (2016) characterizes as “the replacement of ideology by a simplified language of self-promotion”. In the public sphere, this trend in turn feeds into the commodification and aestheticization of politics such that “politicians themselves are scrutinized less for their policies than for their so-called “brands”” (Gordon, 2016).

In order to find the personal brand within the self, the individual is encouraged to perceive herself “objectively” (Tannahill-Moran, 2016), to interpret her subjectivity from the objectivistic perspective of the capitalist system. Because of the omnipresence of self-branding opportunities, she must then give her ‘brand’ “relentless attention” (Robinson, 2016), and “never, ever stop managing it” (Parsons, 2016). That the personal brand is presented “through the way you speak, write, dress and behave” (Purkiss, 2012), encourages the individual to internalize this capitalistic mode of being wholesale, and transform her entire self in accordance with its precepts. This makes personal branding an especially effective neoliberal version of what Foucault (1998) describes as technologies of the self. This is also consistent with Honneth’s (2008) theory of reification, which describes a form of internalized capitalistic praxis that sidelines, overwrites, and distorts anthropologically deep-seated needs of recognition. The theory of relinguistification, therefore, links this micro-sociological level with Habermas’s
That personal branding involves “the manner in which you present yourself” (Robinson, 2016) puts a critical spin on Goffman’s (1990) theory of the presentation of self, whereby the “impression management” Goffman describes now concerns the development of a personality befitting the dictates of the neoliberal order. This is consistent with Kohlberg’s “good boy-nice girl” (Habermas, 1979, p.77) interpersonal orientation, situated at the conventional level of moral consciousness. This involves an “orientation to approval” and “conformity to stereotypical images” of majority behavior (Habermas, 1979, p.77; 79-80). In this regard, Purkiss’s (2012) quote from Jeff Bezos, founder of Amazon, which describes personal branding in terms of “what people say about you when you are not in the room” is pertinent. Robinson (2016), similarly, describes the personal brand as something that is “incorporated in others’ vision of who you are” (Robinson, 2016). This implies that personal branding aligns with a conformist individualism that merely responds to the institutionalized demands of the social order, whatever they may be. This is consistent with Gordon’s (2016) contemporary re-reading of The Authoritarian Personality, which highlights how Adorno did not adhere to the straightforward analysis of a pathological personality type as the root of fascism, but instead understood the direction of causality in the obverse, with this personality type emerging in response to a pathological social order: “Adorno insisted that an authoritarian “character” be seen as the introjection of an irrational society.”

Neoliberal individualism does not present itself as conformist, however. The most damaging aspect of this form of socialization is the way in which it poses as radical individuation, and in doing so inverts it.

128 This aspect of the theory also addresses Berger’s (1991) critique of Habermas effectively sideling micro-sociological relations of power that are embedded in situations of communicative action with his focus on achieving consensus.
One of the crucial reasons the individual is impelled to develop a personal brand is “to stand out” (Purkiss, 2012; Parsons, 2016). Work towards one’s brand is therefore presented as offering “a wonderful way to be found and noticed” (Parsons, 2016). This encourages individuality and uniqueness, but only of a surreptitiously capitalistic and marketable form. For the personal brand to attract attention, Purkiss (2012) suggests, “it must be distinctive”. Because of this, the individual is encouraged to “be authentic” (Purkiss, 2012). This authenticity is channeled in order to explore talents and values (Purkiss, 2012), but only with a view to extending the personal brand “deeper” than “buzzwords” (Parsons, 2016). In this respect, the individual is encouraged to be “unapologetic” about their strengths and weaknesses but, crucially, with an eye towards how this presents a unique marketable brand, a “brand of YOU!” (Parsons, 2016).

From this perspective, personal branding penetrates the critical form of individualism that I here equate with radical individuation. This form of individualism developed during the postwar period before galvanizing in radical-pluralist and new social movement cultural orientations that continue to have force today. 129 This form of individualism sees personal identity as subject to experimental self-discovery such that individuals may realize authentic selves (Honneth, 2004b, p.470). This is a conscious and reflexive form of individualism that Touraine (2007, p.86) defines as “the demand for oneself… of a creative freedom that is its own end.” It is this form of individualism that Daniel Bell (1976) saw as coming to conflict with the work-ethic demands of the capitalist economy such that he proposed a growing cultural contradiction within capitalist society (Honneth, 2004b, p.471). Neoliberal individualism overcomes this contradiction, however, in synthesizing the demands of the search for the self with the dictates of the neoliberal economy. While there have been several examinations of how the neoliberal turn effectively co-opted the radical individualist orientations of the new social movements such that their transformative potentials were cut short 130, the

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129 On the development of this new form of individualism see Honneth (2004b, p.468-471).
130 Boltanski & Chiapello’s (2005) New Spirit of Capitalism is perhaps the most well known. Honneth’s (2004b) study of paradoxes of self-realization also explores this dynamic. More recently, Nancy
theory of relinguistification critically-explains this inversion at the level of linguistic communication and so provides a framework for analysis of this problem in contemporary society.

The authenticity encouraged by neoliberal individualism, captured in the language of personal branding, is a form of pseudo-individuation that does not exceed the boundaries of the stereotypical images of majority behavior in the neoliberal order. While it encourages individuals to self-realize – and in this way disguises itself as radical individuation – this is limited to that which is possible within the prescribed confines of a deeply capitalistic society. An authentic self is welcome, once it aligns with the demands of the contemporary labor market, prescribes to stereotypical images carried in existing forms of social media and, yet more so, can be realized through patterns of consumption. Through neoliberal individualism, consumption is inverted as productive activity, interpreted from the system perspective as work towards a unique self that increases the individual’s human capital. Through consumption, the individual exercises choices, manifests preferences, and cultivates tastes, all as projects in the development of her personal brand’s unique selling point.

And so it is with neoliberal individualism that the individual is permitted to turn inwards in search of the self, but that search must be conducted through the objectivating functionalist rationality of the capitalist system. In viewing the now alien contents of her own subjectivity through the self-reifying lens of personal branding, the individual is therefore compelled to only find a self that attains the “nice-girl” approval of the neoliberal social order.

What, then, of the prospects for radical individuation, post-conventional morality, and deeper democratization? The theory of relinguistification is intended as a reflexive account of false-consciousness, after all, and not as a one-sided and

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Fraser (2013), drawing on Polanyi’s idea of a double movement, has developed an interesting argument concerning contemporary crisis politics that touches on this same general problem.

131 Foucault (2008, p.226) recounts Gary Becker’s theory of consumption in these terms, as in a sense redefining consumption as a form of production with regard to human capital.
totalizing critique focused exclusively on domination. Here, Touraine’s (2007) concept of “the subject” is instructive.\(^\text{132}\)

The subject captures a form of emancipatory individualism (Touraine, 2007, p.83-87), consistent with the concept of radical individuation here, that comes about when individuals become conscious of their situation, cease to be victims, and speak out. The subject, therefore, reflects the search for the self that was spearheaded by the new social movements, evoking reflexivity and the search for self-presence and authenticity. Touraine (2007, p.102) sees the concept of the subject as evoking the substance of contemporary struggle, whose content today is different than the past, and so, is directed inwards, in a “summons to self” that resists the seducements to be complicit in structures of domination.

The subject is bound up with the idea of rights and with the individual as the bearer of rights. Emerging largely in resistance to the extension of the neoliberal market logic to all domains of social life, the subject asserts the individual’s right to be the author of her own existence, to assert her cultural rights and language. Crucially, however, the subject only takes shape if the individual (Touraine, 2007, p.11) “consciously enters into conflict with the dominant forces that deny it the right and possibility to act as a subject”. In this regard, the subject is (Touraine, 2007, p.102) “the conviction that inspires a social movement”. This conviction emerges from the self-affirmation by the individual of the right to be an individual, capable of self-assertion in opposition to the impersonal forces of the social order (Touraine, 2007, p.106). The subject therefore captures a form of individuation that goes beyond individualism, becoming the basis of collective action that is transformative.

The identity consumerism associated with neoliberal individualism, broadcast pervasively by advertising and media, represses the subject within each individual

\(^{132}\) Touraine’s social theory is oriented around the central idea of historicity as a society’s capacity for self-transformation. This social theory focuses on social actors and social movements as sources of transformation. Touraine (2007, p.117) therefore develops the concept of the subject, on the central assumption: “A sociology of actors cannot exist if the world is populated by victims trapped in false-consciousness.”
but it does not extinguish it. From this perspective, radical individuation consistent with the emergence of the subject can be seen to unfold at the societal level in public discourses. The #MeToo movement presents the most striking example of such at the contemporary moment. Though not mobilized in opposition to the neoliberal marketization of everyday life, this movements orientation against sexual domination deeply embedded in the modern lifeworld itself represents a significant guiding light for deeper democratization today. With #MeToo we witness the objects of sexual harassment and assault assert their rights as subjects, and in doing so problematize a power structure that to now maintained its quasi-legitimacy only latently. This coincides with a public problematization of what were hitherto considered private issues. Through ordinary language communicative thematization, #MeToo removes the taken-for-grantedness of sexual domination as a ‘natural’ order and in turn de-naturalizes its implicit claims as a submerged normative order. This exposes the legitimation of the order of power to communicative justification such that critical testing according to validity claims can take precedence. The result is the democratization of a latent normative order with more general far-reaching consequences for social organization yet to be seen. As Bohman (1990, p.105) has pointed out, both “capitalism and patriarchy are inconsistent with democracy in that both organize society in radically in-equalitarian ways, down to structures and patterns of communication.” If #MeToo can successfully thematize and hold contemporary forms of patriarchy to account, there is hope that a social movement may yet emerge to put neoliberal capitalism on the stand.

7.3 Conclusion
There are two main conclusions to be drawn from this brief sketch of the theory of relinguistification.

Theoretically, the critical analysis of the final chapter points towards the need for a much more advanced theoretical understanding of public communication within which to house the theory of relinguistification and its claims. I identify a suitable framework in the cognitive social theory that has been developed by Strydom and O’Mahony over recent years, a theory extrapolated from within the Habermasian
frame. The next step for the theory of relinguistification is to take it towards sophistication and expansion in a cognitive sociological register.

As well as this, however, the theory requires rigorous empirical application to put its critical-explanatory potentials to the test. I envisage such application as taking the form of a social-theoretically informed deep critical discourse analysis. This approach would aim to connect the analysis of distorted communication with the analysis of macro cognitive structures and societal differentiation processes constitutive of the evolution of society as a whole. This type of empirical analysis would draw inspiration from the orientation towards applied research in the early Frankfurt School, an orientation that shows a mere glimmer of its potential in (Adorno, et. al., 1982) *The Authoritarian Personality*.

What is presented herein, therefore, is a statement to date of large work in progress, rather than a conclusive theory. I only hope that it will suffice as such, for now at least.
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