

The Challenge of the Current Global Systemic Crisis: Epistemological Issues on Economics

Theodoros V. Stamatopoulos*

Abstract

I discuss possible reasons why as economists we can not forecast so great economic phenomena as the current global systemic crisis, which is added to other economic impasses making people in so many countries suffer needlessly. First, I highlight the epistemological problem we ought to face in Economics, that is, we don't deny substituting heterogeneous, unique or even undetermined human behaviour with the "objectiveness" of our models with dummy entities similarly understanding from all of us. The epistemological revolution of physical sciences starting with laws of relativity did not pass through Political Economy. Second, this gap may be originated in ontology, that is, even though Economics is classified into Ontological part of Social Sciences, as economists we do not pay much attention on the ontological knowledge of human behaviour as vehicle of economic value. This is probably because (Karassis, 2010) our research methods are almost fully dedicated to causal relationships (so as to know the economic act "as it is"), while to achieve ontological knowledge of economics we also need assessable reasoning (knowing the act "as worth it is"). Third, the latter lack may explain that philosopher Yannaras (1989) called as the real and imaginary in Political Economy. Fourth, this deviation may be explained, by theoretical gaps of the economic epistemology, which is concern in much more than market failures, which have been proved, for instance, by Greenwald and Stiglitz (1986), because our methodology of positivism presupposes "freeze pictures" of the uncertainty of human relations' dynamics. Hence, it emerges that we need new measures of economic performance assisted by anthropological support. In this direction a challenging work for classical GDP issues, quality of life, and sustainability is what Stiglitz, Sen and Fitoussi (2009) have proposed. However, even this one it's based on utilitarianism, hedonic philosophy, rationalism and materialism, which seems to exclude the possibility to achieve the ontological knowledge of economics.

Keywords: epistemological problem of economics, ontological knowledge of economics, systemic global crisis, economic impasses, real and imaginary version in political economy.

JEL Classification: A12, A13, B41, I30, N00, P16.

* [Technological Educational Institute](#) (T.E.I.) of Crete, Hellas (Greece), University of Piraeus, Hellas, and [D.E.F.I. Mediterranean University of Aix-Marseille II](#), France. Correspondence address: Ass. Professor Theodoros V. Stamatopoulos, T.E.I. of Crete, School of Management and Economics, Dept. of Accounting, 71500 Stavromenos, Crete, Hellas (Greece), tel. +30 2810 379601, fax. +30 2810 379625. Email: stamth@staff.teicrete.gr.