Use of Dialectic Method in Economic Studies

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Abstract: In modern economic studies potential of economic contradictions and the whole potential of dialectic method are not used. This can result in decrease of efficiency of cognition process because development of any object is consecutive change of its contradictions. Here contradictions have dual potential-heuristic (cognition) and creative (economy, policy, state and corporative management, marketing etc.)

Key words: Dialectic method • Economic contradictions • Antinomy

INTRODUCTION

Economic contradictions became a part of political economy thanks to dialectic method: use of this method in study of product economy evolution allowed to form special-Marxist-area of economic science. Market changes in the countries of former Socialist community led to some correction of cognitive and practical opportunities of this approach, including refusal from application of different aspects of dialectic method in economic studies. [1-7]. It is very surprising, but in scientific literature only in single cases such notions are used as "contradiction", collision of opposites things", "solution of contradictions", synthesis of opposites, antinomy etc. [8-12].

Regarding above mentioned situation we believe that any artificial narrowing of methodological tools range in economic studies will result in reduction of efficiency of cognitive process and loss of significant part of transformative potential of economic policy, state and corporative management, marketing, financial-investment regulation. Throwing the contradictions away out of modern economic science researchers deliberately refuse from investigation of diversity of up-of-date forms of social-economic life-institutional traps, social conflicts, crisis situations, market and state failures etc. In the same time political economy is loosing its high status which was assigned to her by G. Hegel in his "Philosophy of law"-science which honours thought because in big number of random events it finds the laws [13].

Interesting that most logical negative judgment of dialectic method was manifested by supporters of positivism [14]. In accordance with methodology of this approach scientists should avoid broad generalization, search for objective laws and contradiction. In fact this means just presentation of combination of economic knowledge as some fixed, non-contradictory and not leading to some correction of cognitive and practical developing structure which can be compared with a book-case on the shelves of which isolated notions are application of different aspects of dialectic method in kept in strict order.

A. Buzgalin arrives at conclusion that positivism considers science as fixation and description of phenomena, without division between essence and phenomenon: it must be taken out of cognition process. Even systematization of fixed phenomena is out of its method because criteria of typification, building of some hierarchy of objects are not offered are not offered; objects do not contradict to each other, are not considered as real opposites-for example, as opposite economic relations [15].

Modern nihilism in regard to economic contradictions and other aspects of realization of dialectic method in investigation of economic relations to a great extent originates from refusal from those examples of “false dialectic equilibristic” which were well-spread in the economic literature of Soviet times. Characteristic element of such “equilibristic” can be thesis about “co-ownership” of some employees-it was used by some authors to explain why ownership feeling was not formed in many employees. However in the Soviet times false
dialectic equilibristic was adequately judged in political-economic works of those authors who possessed dialectic method and understood its real value [16].

It is worth mentioning that cognitive potential of economic contradictions was successfully realized in a number of works by national and foreign scientists published in 70-80s (V. Bibler, G. Batishchev, E. Ilyenkov, V. Kulikov, G. Lukach, V. Shcherbina and others) [16-21]. And not all of them were supporters of orthodox Marxism because they were in a kind of opposition towards Communist party and tried to separate Marxist theory from practice of real socialism.

However it is not easy to free even the best theory from the load of those negative results which were obtained during long period of its practical realization, even if we assume that the latter was not quite correct. It was close genetic and historical interrelationship of Marxist approach of economic science with practice of centralized economy in the process of transformation of this system in the beginning of 90-s which determined the following mile-stones of the process of transformation of modern economic science:

- Firstly, radical refusal of many scientists from setting and solution of outlook issues of social and economic life;
- Secondly, also very radical refusal from the use of dialectic method in economic studies.

As a result of it at the current stage of development of national economic science the analysis of the transformational crisis processes, formation of new market relations, evolution of national economy of Russia almost in all cases was done without mentioning of appropriate economic contradictions.

Science will never gain from the situation of artificial estrangement from problem fields, methods of studies and theoretical concepts. Such estrangement can only result in narrowing of heuristic and creative potential of economic study because:

- If there are no contradiction—therefore, there no real problems of social and economic development;
- Therefore, the process of development is depicted as strange, because it is not clear what makes it move, how combinations of objects move.

But in such case we should wait from the process of development quite unexpected and often negative, for economic entities, results. An example of this is Strategy of social and economic development of Russia up to 2020 which was adopted in spring of 2008: in this concept even the possibility of crisis was excluded. This fact to a great extent determined depth and duration of crisis recession in economy of Russia.

Refusal from identification, analysis and solution of economic contradictions which are really happening in dynamically changing economic life transforms economic science into the process of passive fixation of phenomena which have already happened, not able to penetrate into depth relations between phenomena, lacking strategic forecasting tools, or crisis regulation tools. In situation of so high speed and depth of transformations in development of nature and society, we have to recall Lenin's words that obligatory condition for cognition of all processes in the world in their real life is cognition of such processes as unity and struggle of opposites; development is “struggle of opposites” [12].

System of economic knowledge deprived of its own contradictions which are reflection of real contradictions of economic life is restricted to dead combination of isolated notions which is not able to move. For such combination any increment in economic knowledge is just new superstructure above the basis of the previous knowledge which is indifferent to its basis and not able to transform it.

Analyzing results obtained by different authors now we are going to estimate the place and role of contradictions in general system of dialectic method in regard to process of economic study.

First of all, division of a single object into connected with each other opposites and further cognition of interaction of such opposites is the core, essence of dialectic method [22]. Each object of evolutionary process has its own internal contradiction. In the same time, at which stage of object development it will be possible to identify and disclose its internal contradictions?

For the purposes of this study we choose the position of V. Kulikov: possibility of disclosure and identification of internal contradictions of some object depends on its state: the level of development achieved by him. While the object is in the stage of its formation and its functions and structural elements are not divided yet, there are no distinctly manifested relations between them.
The relations inside the object are not stable. That is why in conditions of formation of the object the focus is not on internal but on external for it contradictions and first of all, contradictions between it and the object which is going to substitute it. Such “shift of accents” significantly complicates finding out of internal contradictions of forming object [16].

Of course, the objective economic contradiction itself has no built-in mechanism of its solution. If economic entities have some potential for formation of necessary result (the product of contradictions’ synthesis) then the mode of interaction between contradictions is changed and the contradiction itself become more active. V. Kulikov arrives at conclusion that if the form of organic meeting of opposites is not found the contradictions will turn into conflicts [9]. The example of such transition of contradictions into a conflict state is a situation of lockout when new variant of agreement between employers and employees must be found and both parties incur significant losses because of this counter-productive way of interaction.

Conflict or crisis situation is polar way of interaction of the opposites which can be qualified as counter-productive because resources of interaction are spent without return in the framework of so called expensive variant. Evolution process, as a rule, avoids such polarization striving for establishing of productive interaction modes which create conditions for efficient synthesis of the contradicting parties.

Solution of contradiction does not mean at all that the process of development has overcome the division of the integrity into opposites; contradiction is overcome, is eliminated in one form in order to appear in the other, more developed form. Thus, development of any object is sequential change of its contradictions. At every development stage the search for the form of motion takes place which will enable opposite parties of the object to realize themselves.

A. Buzgalin and A. Kolganov base their approach to economic contradictions on the idea that any specific integrity, moreover, organic system exists, functions and develops only because it contains contradictions inside, market transformation has nothing changed in this regard. Life process of modern Russian economy must be viewed as constant process of deployment, solution and reproduction of specific for this process contradictions. Here prolonged formation of market economy in Russia determines dependency of internal processes in economy on external contradictions, including contradictions of global capital [23].

Appropriate efforts on actualization and adaptation of dialectic method were applied by O. Mamedov who emphasizes such contradictory processes of modern economic life as re-bureaucratization of Russian economy, growth of social indifference of corporate capital, modernization of the main capital, human factor and institutions [9]. Here Mamedov widely uses heuristic potentialities of contradictions in analysis of transitional, intermediary forms of relations which are so characteristic for economy of modern Russia.

Unfortunately mentioned above results of analysis of the economic contradictions’ motion can be classified as one-off, far from ‘main stream” of scientific research. That is why the potential of economic contradictions and the whole potential of dialectic method are not used.

We shall try to summarize critical analysis of a number of scientific results obtained by different scientists in the process of disclosure of internal contents and practical realization of potentialities of economic contradictions as the "core" of dialectic method. Generalization of the mentioned results allows to identify the key characteristics of economic contradictions as specific tool of scientific analysis and disclose a number of cognitive and practical opportunities of their study:

- Objectively, contradictions are specific integrity of interrelated opposites-sides of really existing object in the focus of scientific interests of the researcher;
- In terms of cognition a contradiction in theoretical definitions of the subject is, first of all, the fact which is constantly reproduced by motion of science; here any science having found contradiction in theoretical definitions of the same subject wants to solve it in order to form new contradiction; and this process can last forever;
- Having found contradiction for the first time a researcher perceives it as antinomy-a conflict form of opposition and fixation of non-compatibility of the opposites; here this form has special heuristic potential because it initiates the search for the way of solution of this contradiction, making a researcher to address innovative approaches and tools of analysis;
- Search for the way to solve a contradiction determines the necessity in deeper theoretical study and disclosure of those necessary intermediary links without which productive interrelation between opposites is not possible;
- Solution of contradiction is achieved by synthesis of opposites which stops their opposition and in the same time keeps them, providing their integration in
an object of a higher level of development. Further motion of this object determines formation and solution of new, more complex and specific contradictions;

- Objective reality of economic life is always developing through appearance of specific contradiction inside it which finds its solution in creation of brand new and higher form of relations.

Since the contradictions of economic science are reflection of corresponding contradictions of objective economic reality and economic theory must offer to economic practice real tools for solution of their problems, then economic contradictions have dual potential-heuristic (cognition) and creative (economy, policy, state and corporative management, marketing etc.).

REFERENCES