

# CHOOSING BETWEEN CAPITALISMS: HABERMAS, ETHICS AND POLITICS\*

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## 1. Introduction

The distinction between *ethics* and *morality* – between questions about the good life for humans, and about the rules that should govern their relations with one another – has long been a central feature of Habermas’s normative meta-theory. Further, until quite recently, it seemed that he not only regarded the two as distinct, but viewed ethical considerations as having no legitimate place in political deliberation: the normative grounds for state action should be restricted to moral considerations of ‘right’ or ‘justice’ alone.<sup>1</sup>

However, with the publication in the mid-1990s of *Between Facts and Norms* (Habermas 1996; henceforth *BFN*), it became clear that Habermas no longer supported this exclusion of ethics from politics. Rather, he argued that there are certain areas of policy-making and legal regulation where ethical considerations have a legitimate and necessary role.<sup>2</sup> Thus:

“The need for regulation is not found exclusively in problem situations that call for a moral use of practical reason. The medium of law is also brought to bear in problem situations that require the cooperative pursuit of collective goals and the safeguarding of collective goods. Hence discourses of justification and application also have to be open to ... an *ethical-political use of practical reason*.” (*BFN* p. 154; italics in text).

In *BFN*, Habermas not only accepts a role for ethics in political reasoning, but also presents a distinctive view of the nature of ethical judgments and their mode of justification, one in which the concepts of identity and self-understanding figure centrally. It is this conception of ethics and its implications for the character of ethically based political deliberation that I will criticise in this paper, proposing instead an alternative of a

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<sup>1</sup> In other words, his view closely resembled that of so-called ‘neutralist’ liberal theorists such as Ronald Dworkin and John Rawls; for discussion of their views and those of their ‘perfectionist’ liberal counterparts, such as Joseph Raz, see Mulhall and Swift (1996).

<sup>2</sup> For analysis of this shift on Habermas’s part see Cooke (1997), pp. 270-279. The shift coincided with a potentially confusing change of terminology (see the Preface to Habermas 1993a): what he now calls ‘ethics’ (concerned with questions of the good) he had previously called ‘values’, and what he had previously called ‘ethics’ (as in his ‘discourse theory of ethics’) he now calls ‘morality’ (concerned with questions of the right).

broadly Aristotelian nature. The argument will proceed in two main stages. First, I will examine Habermas's theoretical account of ethical-political reasoning in *BFN* and related works. Second, I will consider how this might be applied to the ethical evaluation of economic institutions: in particular, to a political choice between different kinds of capitalism.

Habermas's account of ethical-political reasoning, in *BFN*, builds on the more general analysis of ethical reasoning presented in his somewhat earlier essay, 'On the Pragmatic, the Ethical and the Moral Employments of Practical Reason', in which the focus is mainly on ethical reflection by individuals (Habermas 1993b; henceforth PEM). So I shall begin with a discussion of this, in section 2, before going on to consider his view of ethical reasoning at the collective, political level in section 3. In section 4, I shall draw on some recent work in comparative political economy to describe some central differences between two varieties of capitalism, of which Germany, on the one hand, and the UK or USA on the other, are generally regarded as paradigmatic examples. In sections 5 and 6 I shall consider in turn what Habermas's view of ethico-political reasoning, and my preferred alternative, would imply for how an ethically based political choice between these two kinds of capitalism should be conceived.<sup>3</sup>

## 2. Ethical reasoning by individuals

Ethical reasoning is distinguished by Habermas from two other kinds of practical reason (PEM pp 8-9): *pragmatic*, concerned with instrumental questions about the means by which a given end or goal can be achieved, and *moral*, which concerns the rules or norms which should govern one's actions towards others, prohibiting, permitting or requiring one to act in certain ways. *Ethical* reasoning, by contrast, is concerned with the choice of ends or goals, and addresses questions about what is *good* or *valuable* in the life one is or might be living.<sup>4</sup>

Habermas examines the nature of ethical reasoning by considering how it operates in making important life-choices, such as deciding what kind of career to pursue; he gives as an example whether to train as a manager or as a theologian. There may be moral constraints which rule out career-choices that would otherwise be attractive, and pragmatic questions about how best to implement any decision that is made. But what makes such a decision distinctively ethical, he says, is that it is about what kind of life would be 'good (or indeed best) for me', and this is not answerable on the basis of pragmatic or moral reasoning.

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<sup>3</sup> In Keat (2006) this work on varieties of capitalism is used to challenge the neutralist liberal exclusion of ethical judgments as grounds for state action.

<sup>4</sup> This tri-partite division of forms of reasoning has its origins in Habermas's earlier theory of three different kinds of speech acts and their respective criteria of validity, presented in *A Theory of Communicative Action*, volume 1, pp 8-42 and 273-318; see Warnke (1995) for discussion of this connection. I would argue that much of what is wrong with Habermas's account of ethical reasoning stems from his mistake in mapping this onto what he calls 'self-expressive' speech acts, but I shall not explore these philosophical foundations of his position in this paper.

In the process of reflection involved in such choices, says Habermas, it becomes apparent that what is at issue is one's own identity: one has to ask oneself 'who am I and who would I like to be?' (PEM p. 4). Given the possibilities for self-deception and illusion, this may well not be an easy question to answer. But one does not have to (and might not be able to) do so unaided. Consistently with his philosophical preference for dialogue over monologue, Habermas notes the important role of interlocutors, whether lay or expert: members of one's own society, who share the form of life within which individual lives unfold, and/or therapists, who can help their clients identify and overcome failures in self-understanding.<sup>5</sup>

On the basis of this better understanding of oneself it becomes possible to arrive at ethical decisions that take proper account of the kind of person one is, what matters most to one and so on. For example, it may become clear that: "You must embark on a career that affords you the assurance that you are helping other people" (PEM p. 5). This is what is *good for you* to do; Habermas insists there is no universality implied in ethical judgments, unlike moral judgments, in which what is said to be right is something that is 'equally good for all' (PEM p. 7).

Despite the brevity of this account of Habermas's conception of ethical reflection, enough has been said to state my basic objection to it: that by focusing primarily on people's self-understanding and identity, it loses sight of what is central to ethical reflection, the attempt to judge how valuable or worthwhile various possible ways of conducting one's life might be. Instead of examining the value of the kinds of life one might live, one examines oneself, trying to understand 'who one really is' or 'who one would really like to be'. Thus ethical reasoning as an outward-looking, critical evaluation of different ways of living one's life is replaced by an inward-looking process of self-interpretation: identity description replaces life evaluation.

Before elaborating on the alternative view of ethical reflection implied by this objection, I will consider two possible replies to it, each of which introduces further aspects of Habermas's position. The first is that Habermas clearly insists that the process of self-understanding involved in ethical reflection is not merely "descriptive" but also "evaluative in its core"(PEM pp. 4-5), and that this process is an essentially *critical* one. Thus:

"Bringing one's life history and its normative context to awareness in a critical manner does not lead to a value-neutral self-understanding; rather, the hermeneutically generated self-description is logically contingent upon a critical relation to self". (PEM p.5).

However, the only objects of 'criticism' that Habermas specifies are *illusion* and *self-deception*, so that what is being 'evaluated' here is the adequacy of people's understanding of themselves, not their beliefs about what

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<sup>5</sup> Here, and in his frequent references to 'clinical advice', there are echoes of Habermas's much earlier work on psychoanalysis, especially in *Knowledge and Human Interests*, which I examined in Keat (1981). But see Note 14 below on the absence of these echoes in his account of ethical reflection at the political level.

would be a good or valuable way to live. This is not affected by Habermas's insistence - invoking Freud's concept of 'the ego-ideal' - that the self one is trying to understand includes not only what one is actually like ('who one is') but also one's 'ideal' self ('who one would like to be'). One's understanding of one's ideal-self is certainly subject to self-deception and illusion, but overcoming these is quite different from critically evaluating that ideal. It is one thing to ask 'is this really who I want (ideally) to be?', and quite another to ask 'would it be good (or ideal) to be this kind of person?'<sup>6</sup>

The second reply to my objection is that Habermas is well aware that there is more to ethical reflection than self-understanding, namely what he refers to as its *existential* character (PEM pp. 4, 12). Ethical reflection is not just a matter of achieving self-knowledge, he says, but of making 'existential decisions' to live in a certain way, decisions that must be recognised as one's own, and for which one takes responsibility.<sup>7</sup> However, this additional element does nothing to show how ethical reflection can be understood as a process of critical evaluation, since nothing is said about the possible grounds for making these decisions. Instead, we find Habermas appealing to an ideal of *authenticity* (PEM p. 9), to a willingness both to acknowledge who one is and wants to be, and to accept responsibility for how one decides to live one's life.

So although it is true that for Habermas, ethical reflection is more than self-understanding, it is difficult to find any element of ethical *reasoning* beyond what is involved in the latter. Indeed, his recourse here to a language of philosophical existentialism suggests that, in his view, no account *can* be given of what would be good reasons for regarding one way of living one's life as better (or worse) than another.<sup>8</sup> I shall make no attempt to engage directly with the meta-ethical issues involved here. Instead I shall sketch what I believe is a preferable alternative to Habermas's depiction of how ethical reflection by individuals should proceed.

According to this alternative, the primary focus is not on understanding oneself but on evaluating the merits and defects of various possible ways of living one's life, including the kinds of career one might pursue, the kinds of relationships one might engage in, and so on. These, after all, are what the decisions one is making are *about*, and one needs to find out what these possibilities are, to understand what they might be like, and to make some judgment about their value or worth. By doing so, one is finding out 'who one wants to be' (or at least 'what one wants to do'), but not in the sense that Habermas gives to this, where what is involved is a process of self-discovery, of finding out what one 'already' wants. Rather, one arrives at a view of 'who one wants to be'

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<sup>6</sup> More generally, the fact that one's values are part of one's identity does not imply that understanding what they are is itself an evaluative process, as Max Weber recognised when he argued that the value-freedom of social science does not require excluding people's values as objects of 'value-free' investigation.

<sup>7</sup> Cf the following comment in *BFN* where, referring to what he claims is a major shift in modern society from authoritative models of the good life towards inner-looking subjectivity, he says: "Radicalised interiority is burdened with the task of achieving a self-understanding in which self-knowledge and existential decision interpenetrate." (*BFN* p 96). Habermas seems also to regard the 'separation' of ethics from morality as itself a distinctively 'modern' phenomenon (see *BFN* pp 94-99). From an Aristotelian perspective, one might criticise Habermas for basing his conception of ethics on a historically and culturally specific aberration.

<sup>8</sup> In talking of the existential character of ethics in *BFN* (p. 96), Habermas refers to Kierkegaard, Sartre and Heidegger.

by coming to recognise the value of a certain way of living. One wants to live in this way because of the judgments one makes; one believes there are good reasons for wanting to live or be like this.

But how can one arrive at judgments of this kind? How is this process of ethical reflection to be conducted? At least part of the answer might be provided by following Habermas's 'advice', ie by 'talking to other people'. But the point of doing this is to find out more about their lives, and not, as it is for him, more about one's own. More specifically, since most of the possibilities one is considering and wanting to compare are likely to be unfamiliar, talking to others who have experienced them helps one get a sense of what they are like. Further, by explaining to others what seems valuable or problematic about the life one has been leading so far, and by listening to what they have to say about theirs, one can begin to see what reasons there might be for preferring some possibilities to others. It is by articulating and trying to justify these judgments to others, and vice versa, that one arrives at a more reflectively grounded sense of what kinds of life are worth pursuing.

Now Habermas might object to this alternative account on the grounds that, as he often asserts, one cannot detach oneself from one's identity in the process of ethical reflection. For example:

“In ethical-existential discourses, reason and will condition one another reciprocally, though the latter remains embedded in the life-historical context thematized. Participants in processes of self-clarification cannot distance themselves from the life histories and forms of life in which they actually find themselves”. (PEM p. 12)<sup>9</sup>

Taken in its strongest form, this non-detachability claim would presumably imply that the kind of dialogue I have just presented is impossible, since no-one would be able to understand what it would be like to live the life of someone else. But quite apart being arguably at odds with Habermas's view that dialogue is helpful in understanding oneself, this claim seems implausible: the capacity for imagination is as much part of what it is to be human as the particularity of individual identity and life-history, and brings with it the ability to learn from others and enlarge one's sense of ethical possibilities.

However, even a weaker version of the claim would also threaten my alternative account. According to this, even if it is possible to understand the different lives of others, any judgment one makes about their value will inevitably reflect one's own identity: they will be made from the standpoint of 'who one is and would like to be'. And this is why, for Habermas, such judgments take the form: 'this is good *for me*', ie given who I am and what I value.<sup>10</sup>

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<sup>9</sup> In this respect, he goes on to claim, ethical reflection differs crucially from its *moral* counterpart. Analogous claims are made about ethical reflection at the collective, political level in *BFN*: pp. 156 and 163.

<sup>10</sup> And why one should concentrate on working out both what one's identity and values are, and what they would imply in practical terms for a good life for oneself: I discuss the political-level analogue of the latter element in sections 3 and 5 below, in relation to what kind of economy would be congruent with a specific collective identity.

I believe this weaker version of the non-detachability claim is incorrect, but I shall not try to argue directly for this here. Instead I will suggest how my alternative account of ethical reflection can and should ‘make room’ for differences of identity, but in a quite different way from what is proposed by Habermas. To do this one first needs to recognise the *plurality* of human goods, and of good ways for humans to lead their lives. This is not the same as saying that there are many different *views about* what is good for humans, but that there actually are, ‘objectively speaking’, many different kinds of lives that are good, many different activities and relationships that are valuable and can contribute to a life that is worth living.<sup>11</sup>

Of course, no one individual can lead all of these good lives, nor is there any need for them to do so in order to live a life worth living. More significantly, many of these ‘humanly good lives’ will not necessarily be good *for* any particular individual, and what is good for one such individual may well be different from what is good for another. This is what is often referred to as ‘subjective variability’, variability with respect to what is good for different subjects.<sup>12</sup> An important source of such variability is ‘what kind of person’ someone is, that is, their ‘identity’; another is the point they have reached in their life (and the specific ‘route’ that has been taken to get there).

It is for this reason, I suggest, that self-understanding has a significant role in ethical reflection: one needs to know who one is to know what is good for one. But, *contra* Habermas, this is not to do with the ability to *recognise* something as good; rather, it is to do with the need to ‘tailor’ what is good, and recognisable as such by anyone, to one’s own identity, life-history and so on. What is good for you may be different from what is good for me, and vice versa. I can nonetheless recognise that what is good for you is indeed good (and not merely ‘what you regard as good’), despite its not being good for me (‘given who I am and how my life has gone so far). Correspondingly, what is good for me must be something that is good as such (and recognisable as such by others), as well as being good for me in particular.

### 3. Ethico-political reflection

Having considered Habermas’s account of ethical reflection by individuals, I turn now to its political counterpart, in which citizens deliberate and decide upon the collective goods and purposes they will aim to secure and pursue. This ‘ethico-political’ reflection differs from the *pragmatic* reasoning required to determine how such aims can effectively be achieved, and from the *moral* reasoning involved in issues of social justice,

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<sup>11</sup> On the ‘objective plurality of goods’ see O’Neill (1998), ch. 2, and Raz (1986), Part One. I would argue that the contrasts drawn by Habermas between the different ‘logics’ of ethical and moral judgments (*BFN* p. 25) fail to recognise this objective plurality.

<sup>12</sup> On ‘subjective variability’, see O’Neill (1998), ch. 3, who (following Allen Wood) distinguishes this from ‘subjective determination’, according to which what is good for me is whatever I regard as such.

where what is at issue is “the distribution of social wealth, life opportunities, and chances for survival in general...”. (BFN 165).<sup>13</sup>

As a first approximation, Habermas’s account of ethico-political reflection can be represented simply as a ‘first-person plural’ version of ethical reflection by individuals. Putting aside for the moment its *existential* character, the central focus is on *self-understanding*. Thus, deliberating as citizens about the goods we wish to secure, and the goals we wish to pursue, we find that we have to ask ourselves ‘who we are and who we want to be’, and hence to reflect upon our identity and values as members of a political community. On this basis we will be able to determine what is good *for us*; but since we recognise that, in ethical reflection, we cannot detach ourselves from our specific, historically rooted identity, we do not prescribe this for other political communities.

Given these parallels between Habermas’s accounts of individual and collective levels of ethical reflection, the basic criticism I have made of the former will, if valid, apply also to the latter: self-understanding is no substitute for critical evaluation. One can conveniently elaborate this criticism in the following way. If ‘who we want to be’ is taken as referring to the *actual* ideals or aspirations of a political community – to what might be termed its ‘cultural values’ – then achieving an adequate understanding of these, of ‘what it is that we really value’, is quite different from critical evaluating their ethical content: ‘are these good values (for us) to live by?’. Alternatively, if ‘who we want to be’ is taken to refer to the kind of community that its members might wish it to become, *consequent upon* a process of critically evaluating different ethical possibilities, one needs an account of that process that addresses the possible *reasons* for ‘wanting’ such a transformation.

This objection does not imply that there is nothing ‘critical’ in Habermas’s conception of ethico-political reflection. First, there can be criticism of a political community’s current understanding of its own identity and values, especially when this has been subject to self-deception and illusion.<sup>14</sup> Second, changes in self-understanding brought about in this way can be expected to generate criticism of existing laws and policies, to the extent that these are based on previous understandings, and are thus inconsistent with the new ones. Taken together, these constitute a recognisable version of what is often characterised as ‘immanent’ critique. But what

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<sup>13</sup>As examples of moral issues, he notes “questions of social policy, of tax law, or of the organization of educational and health-care systems”; as examples of ethico-political ones, “...ecological questions concerning the protection of the environment and animals, questions of traffic control and city planning; or ... questions of immigration policy, the protection of cultural and ethnic minorities, or any question touching on the political culture.” (BFN p. 365). Habermas also identifies a further (fourth) form of political reasoning, viz bargaining and negotiation, where one cannot achieve agreement on either ethical or moral questions.

<sup>14</sup>As noted in section 2 above, when Habermas discusses the removal of self-deception and illusion in the case of individuals, he points to the dialogical role of ‘others’, whether lay or experts. But there is no explicit parallel to this in his account of the collective case. In his earlier work, it was the ‘critical theorist’ who played the role of ‘therapist to the collectivity’, but this figure has now disappeared. With respect to lay members, the obvious analogue in the collective case would be members of other societies, but for them to play this role might imply something Habermas would be unwilling to accept, their sharing in ‘a *human* form of life’, and hence the possibility of *cross*-cultural rather than merely *intra*-cultural intersubjectivity for ethics.

is missing here is critical engagement with the substantive content of a political community's identity and values, as distinct from criticism of their being misunderstood or misapplied.<sup>15</sup>

I have so far implied that for Habermas, just as each individual has a single, determinate identity, the collective identity of members of a political community is likewise single and determinate. But in fact he denies this, and in doing so introduces what can be seen as the first of two significant differences between ethical reflection at the level of individuals and political communities. Habermas insists that in modern societies there will be a variety of different answers that can legitimately be given when citizens ask themselves who they are, what their formative history and traditions consist in, etc. Thus:

“A pluralism in the ways of reading fundamentally ambivalent traditions has sparked a growing number of debates over the collective identities of nations, states, cultures and other groups. Such discussions make it clear that the disputing parties are expected to consciously choose the continuities they want to live out of, which traditions they want to break off or continue.” (BFN 97).

But Habermas provides no account of the grounds upon which such choices can or should be made. They are regarded as ‘existential’, in the sense noted in the previous section: as decisions for which responsibility must be taken by those who make them, but for which no substantive justification can be given. So although Habermas's departure from a monolithic conception of collective identity makes his view of ethico-political reflection less conservative, since it opens up a wider range of possible futures that a political community can decide between, it simultaneously makes the absence of any basis for making such decisions – other than the requirement of authenticity - all the more problematic.

The second important difference between ethical reflection at the individual and political levels, in Habermas's view, concerns an issue that, for obvious reasons, arises only at the latter level. This is the need to ensure that whatever decisions are made about collective goods and purposes must be compatible with the freedom of individuals to pursue their own, individual projects: in effect, that ethical deliberation at the collective level should not displace (or unduly restrict) its operation at the individual level. Thus: “Ethico-political discourses have as their goal the clarification of a collective identity that must leave room for the pursuit of diverse individual life projects.” (PEM 16).<sup>16</sup>

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<sup>15</sup> This is a standard feature of *relativist* accounts of cultural values. Habermas is explicit about the relativistic nature of his position (eg BFN pp. 156, 163), and his claim that ethico-political deliberation results in decisions about what is ‘good *for us*’ can be understood as a straightforward implication of this, namely that the judgments here are made by reference to ‘our’ (local) values. But note that these local standards could be used to guide the judgments by *individuals* of the ethical value of different ways of living their lives, and that Habermas could use this point to avoid my objection that his account replaces self-evaluation by self-understanding. This possibility is suggested by his account of ‘evaluation’ in Habermas (1984), pp 16-23 and 38-42.

<sup>16</sup> What justifies this constraint on collective decisions? Habermas might argue that at least in modern societies, ethico-political reflection will support this requirement, since ethical autonomy is itself one of their shared values. That he has this in mind is suggested by the following passage about ethical discourses, where he says:

Habermas refers to the ability to pursue such projects as ‘ethical autonomy’ or ‘ethical freedom’, and characterises this in terms that link his existential account of individual ethical reflection with contemporary liberal political theory. For example, he says that the private autonomy secured by the law in a modern constitutional state “...also forms a protective cover for the individual’s ethical freedom to pursue his own existential life project or, in Rawls’s words, his own conception of the good.” (BFN, p. 451).<sup>17</sup> In doing so he might seem to invite an obvious objection from at least some liberal theorists, namely that the only way in which the ethical autonomy of individuals to pursue ‘their own conceptions of the good’ can be protected is by prohibiting the political community from making *any* collective decisions on ethical grounds, ie that respecting such autonomy requires neutrality on the part of the state.<sup>18</sup> However, I believe that Habermas would be justified in rejecting this objection; by indicating briefly why this is so, I shall also be able to introduce an alternative to his account of ethico-political reflection, one that maps onto the alternative presented in the previous section.

First, it must be recognised that at least many conceptions of the good that individuals may wish to pursue are ‘institutionally dependent’, in the sense that their realisation depends on specific institutional conditions. (What this means will become clearer in section 6, through specific examples). Second, although the exercise of ethical autonomy clearly requires the availability of a number of options between which individuals can choose, it does not require an indefinite or unlimited number of these. Indeed, no such requirement could possibly be met, at least in the case of institutionally dependent conceptions of the good, since the institutional arrangements of any particular society will always be such that they present individuals with a relatively determinate, and to some significant extent distinctive, set of such options.

Finally, let us suppose that the relevant institutional conditions are (directly or indirectly) responsive to collective political action. Then one can think of ethico-political decisions as aiming to secure or establish the institutional arrangements that provide individuals with a specific set of options between which they can choose. Such decisions will involve collective judgments about the ethical value of these options, but this is perfectly consistent with the ethical autonomy of individuals. In particular, there need be no ‘illiberal coercion’

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“In these, the outcome turns on arguments based on a hermeneutic explication of the self-understanding of our historically transmitted form of life. Such arguments weigh value decisions in this context with a view toward an authentic conduct of life, a goal that is absolute *for us*.” (BFN p. 161; see also pp. 445-6).

<sup>17</sup> Likewise, he claims that legal freedom is important not only in guaranteeing rights but because “... it *enables* an autonomous conduct of life in the ethical sense of pursuing one’s own conception of the good, which is the sense associated with ‘independence’, ‘self-responsibility’, and the ‘free development’ of one’s personality.” (BFN p. 399). Habermas distinguishes *ethical* from *moral* autonomy, the latter being conceived in Kantian rather than existential terms, this distinction mapping on to his earlier one between ‘self-realisation’ and ‘self-determination’: see Cooke (1999).

<sup>18</sup> See Sher (1997) for critical discussion of this claim, and a defence of the view that individual autonomy is compatible with a non-neutralist, perfectionist politics.

here, in the sense of individuals being legally required to, or prohibited from, acting in ways that are collectively deemed good or bad.<sup>19</sup>

Conceptualising the relationship between ethical autonomy and collective decisions in this way also points towards an alternative to Habermas's account of ethico-political reflection. As in the case of ethical reflection by individuals, the basic shift is from understanding to evaluating. In both cases, this evaluation requires the critical comparison of different possibilities. For individuals, as can now be seen, these are typically the different ways of conducting their lives that are available as options in their society; in choosing between them it makes sense to talk to others who have experienced these, and to explore and evaluate their ethically relevant features in this way. For political communities, the 'different possibilities' consist in different possible *sets* of these options for individuals, made available by different institutional arrangements. Thus the crucial question for members of any such community is not 'who are we and who do we want to be?', but 'what kinds of lives can be lived in our society and are there better possibilities?' It therefore makes sense for them to look beyond their own society, to engage in actual or virtual dialogue with others so as to compare and evaluate the conceptions of the good that their own institutions make possible with those made available in other societies.

Habermas would, of course, object that since the members of a political community engaging in such comparative evaluations cannot detach themselves from their cultural identity and values, any judgments they make can only be of what is good *for them*. But this objection can be met in the same way as it was in the case of individual ethical reflection, enabling 'good for them' to be understood in a non-relativistic manner. Thus, just as 'subjective variability' at the individual level implies that something can be recognised as good without its necessarily being 'good for me', there is variability at the societal level, such that members of a political community can recognise the value of the institutionally supported options in another society whilst deciding not to make them available in their own. This is because the set of ethical possibilities that is 'good (or best) for them' may depend partly on their history and identity, and their decisions about possible institutional change will need to take these into account.

#### **4. Institutional varieties of capitalism**

Having examined Habermas's account of ethico-political reflection in theoretical terms, and suggested what might be a preferable alternative, I shall now elaborate and illustrate the contrast between these two accounts by considering what each would imply for the role of ethics in choosing politically between two widely recognised kinds of capitalism. I will begin by providing a brief account of these, drawing mainly on the analysis presented by Peter Hall and David Soskice in their *Varieties of Capitalism* (Hall and Soskice 2001).<sup>20</sup> They

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<sup>19</sup> See Keat (2006) for an elaboration and defence of these claims, which are broadly consistent with, and influenced by, Raz (1986).

<sup>20</sup> This is largely for expository convenience: there is a large body of literature in comparative political economy in which broadly similar characterisations of these differences are presented, including Hollingsworth, Schmitter and Streeck (1994), Crouch and Streeck (1997), Whitley (1999) and Schmidt (2002). The theoretical

focus on the institutional differences between what they call 'liberal' and 'coordinated' market economies (LMEs and CMEs), taking the UK (and USA) and Germany, respectively, as exemplary cases, and on how these differences impact on the behaviour of firms.<sup>21</sup> I will describe in turn three key areas in which these different institutional arrangements obtain: ownership and finance, the internal governance of firms, and the relationships between firms.

There are major differences between patterns of share ownership, access to finance, and corporate governance, between LMEs and CMEs. In the UK, for example, the dominant shareholders are typically pension funds and similar institutions, whose holdings in any one company form only a small part of a large portfolio, and whose managers have strong incentives to switch funds in response to relatively short-term changes in company profits. In Germany, by contrast, the major shareholders are other companies and banks, whose holdings in one company form a large proportion of their total holdings, and whose concerns are often strategic as well as financial. UK companies are also more vulnerable to takeovers than their German/CME counterparts, due partly to regulatory differences. In broad terms, then, there is a contrast between the so-called 'impatient capital' of LMEs and the 'patient capital' of CMEs.

With respect to internal governance, firms in LMEs display high degrees of 'managerial prerogative' and hierarchy by comparison with more consensual forms of management in CMEs. For example, the membership of supervisory boards of German companies, which are responsible for major strategic decisions (such as dividend policy), consist of equal numbers of employee and shareholder representatives; for lower level decisions (such as redundancies), managers are required to consult with works councils. In the UK, by contrast, equivalent forms of representation and consultation are rare. Combined with other legislative differences, these varieties of governance give rise to markedly higher levels of job security in CMEs than in LMEs.

Finally, the exclusively *competitive* nature of relationships between firms in LMEs is significantly modified or complemented in CMEs by various forms of *cooperation*. In Germany, the main institutional support for this is provided by formally organised, industry-based associations, which play a central role in education and training, and in research and development. Thus in the German system of vocational training and apprenticeships, employers' organisations and trade unions negotiate agreements on skill categories and training protocols. The result is a high level of *industry-specific* skills and knowledge (ie applicable across different firms in the same industry). In the UK, by contrast, formal public education, which focuses mainly on *generic* skills and knowledge (ie applicable across different industries), is combined with training conducted by individual firms.

In the case of research and development, in LMEs this is primarily conducted within individual firms competing with others, the winner then protecting its technological superiority by the use of patents;

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and methodological disagreements in this literature that would be important in other contexts need not be addressed here.

<sup>21</sup> Japan represents, in effect, a different sub-type of CMEs from that represented by Germany, and I shall exclude consideration of this here: see Keat (2008a) on the ethical significance of these different sub-types.

technology transfer (ie the diffusion of new developments across an industry) takes place through licensing arrangements, the movement of employees between firms, or company takeovers. In Germany, by contrast, a good deal of research and development takes place through cooperation between firms, and the industry associations which facilitate this are also involved in technology transfer and the specification of technical standards. In LMEs, the weaker role of industry associations is reflected in the relative absence of such standards, and inter-firm collaboration is more difficult to achieve because of legislative regulation such as the USA's anti-trust laws.

Finally, Hall and Soskice emphasise the *complementarities* between the various elements in each set of institutions, such that the specific behaviour by firms that each element facilitates or requires is at least compatible with, and generally reinforces or supports, the behaviour required or facilitated by other elements. For example, firms in LMEs will often be under pressure from shareholders to rectify short-term declines in profitability, and cost-cutting measures such as shedding labour will be facilitated by managerial prerogative. For firms in CMEs such measures would be less easy to take, given the need to negotiate with workers' representatives, but their relationships with shareholders are less likely to require them. It is therefore easier for them to make what Hall and Soskice call 'credible commitments' to employees, and likewise to suppliers and clients. This is closely related to the tendency for CMEs to operate with a 'relational' understanding of contract, by contrast with its predominantly 'classical' form in LMEs.

## 5. Habermas and ethico-political choice between capitalisms

I will now sketch out how Habermas's conception of ethico-political reflection might be applied to a choice between these varieties of capitalism. Before doing so, some preliminary points need to be made. First, what I am going to suggest is in no way intended as an account of what Habermas himself has claimed; rather, it is an attempt on my part to work out what his theoretical account of ethico-politics would imply for how the nature of this kind of political choice should be conceived.<sup>22</sup> Indeed – and this leads to the second point – it might be argued that, given Habermas's well-known distinction between 'system' and 'lifeworld', and his allocation of 'the economy' to the former category, his theoretical position rules out the possibility of describing forms of capitalism as 'ethical' in character. But apart from registering my disagreement with his view of the economy as 'system', I shall put this issue aside.<sup>23</sup> Finally my focus here (and in the next section) on an ethically-based choice between these kinds of capitalism does not imply that ethical criteria provide the only relevant basis for such a choice. Issues of economic performance and of social justice, with which most discussion of the merits

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<sup>22</sup> But note that in some of Habermas's post-*BFN* publications on European 'identity' and the need for a European constitution (Habermas 2001; Habermas and Derrida 2003) he says there are important *ethical* differences between neo-liberalism and the European 'social model'. I discuss this claim in Keat (2007).

<sup>23</sup> I would broadly endorse the incisive criticisms of the system-lifeworld distinction (Habermas 1987) presented in Berger (1991) and Breen (2007); see also McCarthy (1991). In Keat (2008b) I argue that although Habermas tried to exclude (what he would now call) 'ethics' from his critique of colonisation, his critique in fact depends on ethical concepts. Forbath (1998) argues persuasively that Habermas fails to recognise the significance of different kinds of capitalist/market economies, but is concerned with their implications for democracy rather than ethics.

of different capitalisms have been concerned, are clearly also important: in Habermas's terms, pragmatic and moral reasoning will also be relevant.

To see what Habermas's account of ethico-politics might imply for how a choice between these varieties of capitalism should be conceived, it will be helpful to begin with some comments he makes about ethics and law, in an essay written at about the same time as *BFN*, 'Struggles for Recognition in the Democratic State' (Habermas 1994). There he says that even in modern constitutional states, where the system of laws secures universally valid rights grounded in moral reasoning, there will nonetheless be differences that express the specific ethical values of each political community. Thus: "...every legal system is also the expression of a particular form of life and not merely the reflection of the universal content of basic rights".<sup>24</sup>

One might put this by saying that, for Habermas, there are 'ethical varieties of the constitutional state'. By analogy, one could then think of there being 'ethical varieties of capitalism' which, whilst sharing certain defining features of capitalism, differ legally and institutionally in ways that reflect the historically rooted identities and values of each political community. So, for example, it might be said that the UK's liberal market economy expresses a tradition of individualism that is hostile to (what are seen as) intrusive forms of regulation, attributes a high degree of responsibility to individuals, and values the freedom from unwanted commitments provided by classical contracts (Marquand 1985). Or in the case of Germany's coordinated market economy, attention might be drawn to the historical continuities between contemporary forms of apprenticeship and the medieval guilds, evidencing the high value placed on a craft-based conception of industrial skills (Crouch 1993).

This does not yet provide a Habermasian conception of ethically based political choices between varieties of capitalism, but only of situations in which, as it were, 'an ethically expressive economy' is already in place. But this limitation can easily be removed. For example, one can imagine situations in which, due to some major historical rupture, a political community has the task of reconstructing its economic system more or less *ab initio*,<sup>25</sup> and chooses between different kinds of capitalism on the basis of which of these is most congruent with its answers to the question 'who are we and who do we want to be?'. Or to take a different kind of situation, it might be that an existing economic system has been externally imposed on one nation-state by another, and is seriously at odds with a citizenry's sense of its identity and values, which would be better expressed by a different system, so that when the opportunity arises, the latter system is chosen in preference to the former.

In both these kinds of case alternative economic systems are evaluated in terms of their congruence with the ethos of a political community, and a clear sense can thus be given to the Habermasian conception of ethico-political choice as involving judgments about what is 'good (or best) for us'. In other cases of a different kind, there might instead (or also) be a focus on the adequacy of a political community's self-understanding, so that

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<sup>24</sup> Habermas (1994), p. 124; in a similar vein he says: "... every legal community and every democratic process for actualising basic rights is inevitably permeated by ethics", p. 126. Both passages come from a section entitled 'The Permeation of the Constitutional State by Ethics'.

<sup>25</sup> Germany and Japan after World War II, or Eastern Europe in the 1990s, might be actual cases in point.

what is initially questioned is the character of the ethos itself; if illusion or self-deception are revealed, existing economic institutions that expressed the ethos as previously understood might then need to be replaced by others that better reflect this new self-understanding.

Finally, in more complex cases, one might find that the accounts of ‘shared’ identity and values that emerge from such attempts at self-understanding are markedly diverse and highly contested, so that decisions then have to be made about which of these is to be adopted as the basis for evaluating the different kinds of capitalism at issue. As an example, consider what might be seen as the institutional transition from a coordinated to a liberal market economy in the UK during the 1980s. A notable feature of the political rhetoric supporting this transformation was the appeal to supposedly long-standing British values of individual enterprise, self-help and responsibility, to the ‘Victorian values’ from which the nation had been led astray during the post-WW2 period of welfare dependency and collectivism. In response, however, critics argued that ‘Victorian values’ would better be interpreted as those underlying the provision of public goods, the rise of mutual societies and the growth of professionalism, and that the post-WW2 welfare state expressed a deeply rooted sense of social solidarity.<sup>26</sup>

What would then be required here is a decision about *which* ‘version’ of these traditions and values is to be endorsed and which rejected. However, if the analysis that I presented of Habermas’s conception of ethico-politics in the previous section is correct, no justification for such a decision can be provided. The political choice between different capitalisms must be authentic, but this requires only that the rival versions of identity be fully recognised and that responsibility be taken for the decision that is made. Thus, in the only kind of case where what is at issue is ‘which values’ the chosen form of capitalism is to be based upon - as distinct from questions about the congruence of such forms with a political community’s understanding of its values, and about the adequacy of that understanding itself – it seems there is no place for reasoned debate and judgment about the substantive merits of those values.

## 6. Comparative institutional ethics

Having suggested how Habermas’s account of ethico-politics might be applied to the choice between varieties of capitalism, I shall now do the same for the alternative account that I proposed in sections 2 and 3. According to that alternative, ethical reflection is not primarily a matter of self-understanding but of evaluating the desirability of different ways of living one’s life. So when a political community are faced with the task of choosing between different kinds of capitalism (and more generally, between different economic systems), it will do so not by assessing their congruence with its actually shared, or existentially chosen, identity and values,

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<sup>26</sup> Consider, for example, the contrasting views of Lord Young (Minister of Trade and Industry in the Thatcher government), and of the social historian Harold Perkin, in Heelas and Morris eds (1992), pp 29-35 and 36-60.

but by reflecting critically on the different kinds of lives that each variety of capitalism makes it possible for people to lead.<sup>27</sup>

What is needed first, then, is an understanding of the different possibilities that are presented by these different kinds of capitalism. To indicate how this might be achieved I shall take up the remarks made towards the end of section 3 about the institutional dependence of (at least many) conceptions of the good, and explore some of the ways in which the institutional character of each variety of capitalism differentially favours or disfavors the realisation of certain conceptions of the good, and hence more generally the kinds of life that people can lead. Some examples of how this might be shown can be provided by returning to Hall and Soskice's analysis of liberal and coordinated market economies. It should be emphasised, however, that the use I am now making of their analysis is quite different from the uses to which they (and other comparative political economists) put it: there is nothing in what they say that would support or 'sanction' this use of it.

As I noted in section 4, Hall and Soskice are concerned to show how the institutional differences between LMEs and CMEs impact on the organisation and conduct of firms. These latter differences, I now want to suggest, may reasonably be expected to affect significantly the relative ease or difficulty with which individuals can pursue certain conceptions of the good related to the work they do, since it is firms that provide the immediate institutional contexts for the possible realisation of these.<sup>28</sup> I shall consider three examples of this, whilst noting that the ethically relevant differences they point to are not the only, nor necessarily the most important, ones.

First, an important feature of people's working lives is the character of the social relationships that are involved. Consider, say, someone whose conception of 'a good life at work' includes relationships of *trust* (and loyalty, commitment etc). One might argue that CMEs are more conducive to these than are LMEs since, according to Hall and Soskice (2001, pp 31-33), it is easier for firms in CMEs to make 'credible commitments' to their employees. Of course, individuals may persist in acting trustingly even when there are high costs in doing so, but for most people, the risks will discourage this. Thus what is involved here (and in other cases, as will be seen) is not a stark contrast between possibility and impossibility, but the differential favouring and disfavouring of conceptions of the good by institutional arrangements.

As a second example, consider the relative ease or difficulty with which conceptions of the good involving different kinds of work-satisfaction might realistically be pursued. Here it could be argued that CMEs are more conducive than LMEs to the achievement of 'intrinsic', as distinct from 'extrinsic', satisfactions. There is a good

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<sup>27</sup> According to this alternative conception of ethics, any ethical evaluation is inherently comparative: one judges an existing or possible way of living by comparing its merits and defects with other possibilities.

<sup>28</sup> There are methodological difficulties for the kind of argument I present here, some of which are discussed in Keat (2008a). Implicitly the argument uses a form of 'rational choice institutionalism', which I would prefer to replace by a more fully institutional and social understanding of 'conceptions of the good', as suggested by Raz's (1986) view of 'social forms', or by MacIntyre's (1981) account of social practices and internal goods.

deal of evidence that intrinsic satisfactions are most readily experienced when the work that people do combines high levels of skill with opportunities for initiative and the absence of close supervision.<sup>29</sup> That such satisfactions are more likely to be available in CMEs than LMEs is implied by Hall and Soskice's argument that firms in CMEs are more likely than those in LMEs to display features that make them well suited to what they call 'incremental innovation'. Amongst these features, described in the following passage, are precisely those that would also be conducive to intrinsic work-satisfactions:

"It will be easier to secure incremental innovation where the workforce (extending all the way down to the shop floor) is skilled enough to come up with such innovations, secure enough to risk suggesting changes to products or process that might alter their job situation, and endowed with enough work autonomy to see these kinds of improvements as a dimension of their job. Thus, incremental innovation should be most feasible where corporate organization provides workers with secure employment, autonomy from close monitoring, and opportunities to influence the decisions of the firm, where the skill system provides workers with more than task-specific skills and, ideally, high levels of industry-specific technical skills, and where close inter-firm collaboration encourages clients and suppliers to suggest incremental improvements to products or production processes." (Hall and Soskice 2001, p.39).<sup>30</sup>

The reference here to industry-specific skills and inter-firm collaboration points to a further, third, example of the different conceptions of the good likely to be favoured by these varieties of capitalism. In CMEs, I suggest, it will be relatively easy for people to conceive of the work they do as engagement in a specific form of productive activity, or 'practice', that is shared with others in the same industry. For this and related reasons, CMEs can be seen as conducive to a certain conception of a person's *career*, in which what counts as success, and contribution, makes essential reference to the development and exercise of knowledge and skills in a specific kind of productive activity with its own standards of excellence.<sup>31</sup>

This conception of a career, it would seem, is more difficult to sustain in the institutional context(s) provided by LMEs where, as Hall and Soskice argue:

"Financial market arrangements that emphasise current profitability and corporate structures that concentrate unilateral control at the top deprive the workforce of the security conducive to their full cooperation in innovation. Fluid labour markets and short job tenures make it rational for employees to concentrate more heavily on their personal career than the firm's success and on the development

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<sup>29</sup> For extensive analysis of relevant empirical studies, see Lane (1991) Part VI.

<sup>30</sup> The distinction between 'incremental' and 'radical' innovation plays an important part in Hall and Soskice's theory of 'comparative institutional advantage', through which they explain why national economies differ in the relative strengths of their various production sectors. The way in which I use their analysis might be seen as a theory of comparative institutional advantage for different conceptions of the good.

<sup>31</sup> See Keat (2000a) and (2008a) for discussion of the possibilities for production as a MacIntyrean 'practice' in capitalist economies.

of general skills rather than the industry- or company-specific skills conducive to incremental innovation.” (*ibid.*, p. 40)<sup>32</sup>

This institutional context, I suggest, favours a significantly different conception of a career, and hence of the kind of good(s) that it can provide. It will be one in which what counts as success is defined without reference to the judgments of contribution or achievement within any particular form of productive practice, but instead, for example, in financial terms; further, the skills and abilities needed to achieve this are (likewise) suitably ‘portable’, as the ‘property’ of the individual concerned.<sup>33</sup>

Despite the schematic character of these examples, they should provide some indication of how institutionally defined varieties of capitalism might be compared in terms of the conceptions of the good whose realisation they differentially favour or disfavour, and hence of the kinds of lives they make more or less easily available. Knowledge of such differences would clearly be crucial for members of a political community engaged in the kind of ethical deliberation about economic institutions envisaged here: there is a need, that is, for what might be called a *comparative institutional ethics*. But this is not all that is needed, since in order to make ethically based political choices between these different kinds of capitalism, citizens must also make judgments about the *value* of the kinds of life they facilitate or impede.<sup>34</sup>

Suppose, for example, as suggested above, that CMEs are more conducive than LMEs to the experience of intrinsic satisfactions in the workplace. For this to be regarded as a reason for preferring CMEs to LMEs, some judgment must be made about the value of such satisfactions, and more generally about the significance of intrinsically satisfying work for the overall quality of people’s lives. In making this judgment what may also have to be considered is the value to be accorded to such work relative to that of other sources of well-being, including that of the income derived from work and the various uses to which this may be put through consumption. This judgment about the relative value of ‘goods of production’ and ‘goods of consumption’ would be especially important if it turned out that CMEs are more conducive to the former than the latter, whereas LMEs are more conducive to the latter than the former.<sup>35</sup> Nor are such judgments confined to the

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<sup>32</sup> ‘Industry-specific’ refers mainly to Germany, ‘company-specific’ to Japan.

<sup>33</sup> In MacIntyrean terms, LMEs favour the pursuit of external goods, detachable from specific practices, as against internal ones. This is not to say that LMEs favour conceptions of the good that are ‘more self-interested’ than those favoured by CMEs; rather, they differ in the kinds of (self-)interest that they favour.

<sup>34</sup> So comparative institutional ethics – which belongs to *moral* (or *ethical*) economy, conceived as a field of social scientific enquiry analogous to *political* economy – is limited to making what Ernest Nagel (1961) calls ‘characterising’ judgments, as distinct from the ‘appraising’ judgments made by citizens in evaluating these ethical ‘characteristics’. I defend this view of the relationship between social science and value-judgments (which is clearly at odds with Habermas’s) in Keat 2008b, drawing on Keat 1981, ch. 2.

<sup>35</sup> See Lane 1991 for a powerful criticism of what he claims is the tendency of market economies to prioritise consumption over production. Part of his argument is that there is considerable empirical evidence to show that intrinsically satisfying work is a more important determinant of ‘overall life-satisfaction’ than is income (above a certain level). Although such evidence is highly relevant to the kind of ethical deliberation envisaged here, I argue in Keat (2000b) that Lane pays insufficient attention to the specific character and value of the various kinds of consumption made possible by income.

kinds of goods (and ills) made available in the economic domain, since any ethical evaluation of economic institutions needs also to take account of their impact on various forms of social activity outwith the economic domain, including the character of personal relationships and hence the nature and availability of goods such as friendship, love and affection.

What is implied by these brief remarks about the sorts of considerations that will be relevant in this alternative view of ethical-political reasoning is that members of a political community will find themselves engaging with just the kinds of issues about human well-being and its various sources and dimensions that have been central to what Habermas terms ‘classical’ ethical theory, a tradition that includes Aristotle as a founding figure, and MacIntyre (1981, 1999) and Nussbaum (1990, 2000) amongst its contemporary exponents. Habermas is strongly opposed to this classical conception of ethics as a theory of human flourishing and the good life, and sees no place for its claims in ethical-political deliberation. By contrast, the alternative proposed here would make it quite natural and appropriate for the conduct of ethical reflection to be informed by such theoretical claims, without thereby according them an authoritative status.<sup>36</sup>

Of course, Habermas might argue that the outcomes of this kind of ethical-political debate would in fact, and inevitably, reflect the underlying ‘ethos’ of the political community concerned (and that the judgments made will hence be based, whether consciously or not, on what are essentially ‘local’ criteria), since its members cannot detach themselves from their cultural identity and values. But not only does this underestimate the potential for ‘detachment’ – something which is aided precisely by learning about, and from, societies with different institutions and ‘ways of life’ – but Habermas in any case accepts that unitary and determinate identities rarely obtain in political communities, so that decisions must be made about which versions or interpretations of these identities are to be endorsed. In the absence of any criteria for making these decisions, recourse to the concepts and concerns of classical ethical theory has obvious attractions. And since any defensible version of classical theory will recognise the plurality of possible good lives, and the need to make judgments about what is ‘good for us’, as well as being ‘good as such’, this still leaves room for political communities to differ in the specific goods they favour or prioritise, and hence their choice of economic institutions: it is not implied that every political community, provided that it ‘reasons correctly’, must make the same choice.<sup>37</sup>

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<sup>36</sup> For Habermas’s view of classical ethical theory see e.g. Habermas (1993c). Closely related to this is his view that Marx’s humanistic critique of alienation has no proper place in ethical-political reflection: see Keat (2008b) for criticism of this. I am not suggesting here that citizens should spend all their time reading Aristotle and Marx: as I argue in Keat (2000c), what matters more is the availability of novels, films and TV soap operas which engage imaginatively with ‘classical’ questions about human goods.

<sup>37</sup> Such differences between ‘good for us’ judgments are more likely when the ethical character of the economic institutions being compared differ more significantly than do LMEs and CMEs. It is nonetheless conceivable that, say, citizens of the UK might decide that while recognising the ethical merits of CMEs, this is not the right choice ‘for them’, given the specific character of their history and established institutions, the particular ‘point in time’ at which this choice is being made, and so on.

This alternative account of ethical-political reasoning also leaves room for the exercise of choice by individuals: the nature and grounds of the collective decisions that are taken in this way are thus compatible with Habermas's conception of ethical autonomy.<sup>38</sup> This can be seen by returning to the example he provides of ethical reflection at the individual level, namely of deciding what career to pursue ('to train as a manager or a theologian'). Clearly, and by contrast with some economic systems, in neither LMEs nor CMEs is there any centralised or authoritative allocation of individuals to particular occupations: this is a matter for individual decision. But if my argument earlier in this section is correct, the institutional differences between LMEs and CMEs may be expected to affect the overall ethical character of the various particular careers between which individuals may choose - the kinds of rewards and forms of recognition that are readily available, the criteria by reference to which the success of any career is judged, and so on.<sup>39</sup> Ethical-political decisions at the collective level are about which of these is to be preferred, and institutionally supported. And decisions of this kind, I suggest, are better made if political communities focus more on the sources of human well-being than on their own identities.

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<sup>38</sup> In his discussion of different 'legal paradigms' in *BFN*, Habermas argues that 'welfarist' systems of legal regulation such as Germany's are problematic for the ethical autonomy of individuals: see Cooke (1999a) for discussion of the gender dimensions of this, which figure prominently in Habermas's own analysis. In contrasting the ethical character of LMEs and CMEs I have not referred to their welfare systems, focusing instead on their production systems: see Estevez-Abe et al (2001) on the relationship between these.

<sup>39</sup> So the ethical possibilities associated with the careers of 'manager' and 'theologian', and hence what is involved in choosing between them, may differ significantly in these two kinds of capitalism.

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