

Functional Specialization and the Education of Liberty

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1 Introduction

In his analysis of a pure economic cycle, Lonergan identified three points where completion of the cycle (in a basic expansion and a return to a steady state at a 'higher plateau') could break down: (1) excessive spending in consumer markets during the early phases of a surplus expansion, (2) popular resentment of the non-egalitarian results of a surplus expansion, (3) efforts to sustain the profit margins enjoyed during a surplus expansion when a basic expansion should be underway.

Avoiding these pitfalls presents a number of challenges. In calling for a new political economy that could issue precepts to persons on how to respond to the various stages of the cycle, Lonergan envisioned a much larger project, which we can call the 'education of liberty.' Since the appeal is for voluntary cooperation in effecting the transitions among phases in the cycle, one set of challenges includes greater literacy in market dynamics and effective communication of the relevant precepts to large audiences. Those challenges presumably can be met just as most people can understand basic health care and risks without becoming medical professionals.

To understand is one thing, to do is another; so we can ask: How probable is it that large numbers of economically literate persons will voluntarily adapt their economic decisions to the rhythms of a market economy and the formulated precepts? In particular we can ask: What forms will resistance to a basic expansion take?

My recent paper in *The Lonergan Review* identified three obstacles to a basic expansion arising from entrenched psychological and social patterns of thinking and acting in consumer societies.¹ They are: (1) Thorstein Veblen's culture of conspicuous consumption that encourages excessive spending in the basic circuit during a surplus expansion; (2) a politics of envy that censures and would diminish the non-egalitarian results of a surplus expansion; (3) a narrow but widely accepted psychology of motivation that assumes 'rationality' in the marketplace is equivalent to the pursuit of perceived self-interest and so has no room for a principle of benevolence outside of close associations.

The earlier paper went on to identify how these three basic obstacles present challenges to the 'education of liberty.' Each obstacle has its defenders who see themselves as realists. For them: (1) market economies depend on ever-escalating rates of consumption to absorb ever-expanding rates of production, and so conspicuous consumption is a necessary evil; (2) politics is always competition among interest groups, and so the politics of envy is simply one ploy in the game of power politics; (3) the profit motive is what drives innovation and economic expansion, and so, while moral rhetoric is what a public may expect from leaders, it is not to be taken seriously as describing what actually occurs in marketplaces. These economic, political and psychological 'realisms' are not refutable by formal arguments. As Lonergan noted, the slow climb to an alternative realism and a new economic practice requires that conversion become a topic of serious conversation.

2 Applying Functional Specialization

What is to be done? This paper amounts to an invitation to fantasize about a long-term enterprise that may be the best hope for preserving an economy based on free enterprise. One possibility, of course, is that such an experiment would never be tried. Another is that it would be tried and found wanting. At least there is some incentive to make the attempt. If large numbers of citizens act like herds of cattle pushed along by screaming ads to consume as much as possible regardless of debt load and if they count on fantasies of stock market bonanzas or lotteries to

¹ "Obstacles to a Basic Expansion." *Lonergan Review*, Vol. 2 (Spring 2010), 121-29.

rescue them from their debts and to deliver a grandiose standard of living, then any serious economic contraction will leave them disillusioned, desperate and eager to follow any charismatic figure who promises a return to prosperous times.

An alternative begins by identifying preconditions for effectively overcoming the three obstacles to a basic expansion. There is the preliminary task of identifying what general audiences need to know about the rhythms of a market economy, its two circuits, its stages of development and normative flows. This task in itself is a massive project disputing conventional macroeconomic views of profit and prosperity, credit and money, and shifting the focus of macroeconomists from mathematical model-building (imitating theoretical physics) to empirical studies of local markets.

An equally massive project is to identify psychological and social patterns that impede intelligent responses to the rhythms of an economy. The recent paper contributed to that task, but much remains to be done. As noted in the Introduction, entrenched realisms are not refutable by formal arguments. The slow climb to an alternate realism and a new economic practice requires that conversion become a topic of serious conversation.

To make conversion or displacement a topic of serious conversation could begin by diagnosing deficits or inadequate developments in thinking and acting. Already noted were the ills of conspicuous consumption, the politics of envy and a narrow view of rational agency as the pursuit of perceived self-interest. Again, various realisms rationalize these psychological and social patterns: (1) market economies will wither if consumption is not ever-escalating; (2) politics is the art of manipulating hopes and fears among competing factions; (3) persons are basically need-filled organisms pursuing satisfaction; all else is a cultural veneer obscuring this amoral reality.

A slow climb past these ills and their cover stories is a challenge to humankind. Failure to meet this challenge will have predictable outcomes. Conspicuous consumption eventually is unsustainable because of environmental limits or because of negative population growth rates in advanced societies with inadequate immigration rates. The politics of envy operates as if economic growth is a zero-sum game with every non-egalitarian outcome being purchased at someone's expense. Trapped by this assumption, persons do not envision how either

a surplus expansion or global trade might yield a higher aggregate standard of living for large populations. As a result, they endorse policies that entail lower standards of living for large populations. A psychology of narrow self-interest confines persons to a range of goods that excludes loyalty to and self-sacrifice for any higher goods. It does not expect or demand that persons develop intellectually or morally beyond immediate and palpable goods. But, then, one can predict that social crises will find many unprepared and unwilling to sacrifice short-term gains for any higher goods. In effect, all three impediments to a basic expansion ill prepare persons for the crises that economic and political orders eventually face and for the opportunities that economic take-offs make possible.

As a case in point, recall Lonergan's meaning of 'surplus profit' as income beyond what is required to maintain one's enterprise and a reasonable standard of living. A question quickly follows: Who decides what is 'reasonable'? If 'being rational' is widely held to mean pursuing one's perceived self-interest, then many will not be up to meeting the challenge of adapting to the diminishing returns appearing toward the end of a surplus expansion. Part of the education of liberty is meeting psychological and moral challenges. As in traditional accounts of virtue and of ordered liberty, one must achieve self-control if one is to achieve fuller development. How well does such a traditional view survive in a culture of conspicuous consumption? Conspicuous consumption breeds artificial neural and psychic demands that are antithetical to ordered liberty. How is effective resistance to such demands to become commonplace? The 'education of liberty' is a fantasy about widespread cultivation of attention to the inner demands of operators for intelligent and responsible decisions. Applied to economic choices, the tasks, beyond cultivating the habits of self-attention, include educating a populace about the rhythms of an economy and about intelligent ways of adapting to them.

One practical goal is effectively communicating these findings to broad audiences.² As one of the eight functional specialties, "Planning" explores the tactical possibilities that the next specialty (Communications) could implement. Ideally planning specialists are at

² Part of this task is finding a solution to Plato's quandary: What affect-laden images will evoke consent to intelligent adaptations by audiences?

home in the world of theory, recognize how their work is related to the previous six specialties and receive materials from the practitioners of the latter who are similarly attuned to explanatory inquiry and aware of their functionally related roles.³ In short, a condition for fulfilling the conditions of effective communication is to have differentiated operators focused on a common set of questions and sharing a common strategy for making progress in answering them. Concretely this means, for example, that detailed research will have identified the major texts relevant to understanding and evaluating conspicuous consumption.⁴

The assembled studies provide materials for interpreters. So, for example, interpreters will impose ‘framing devices’ on the numerous explicit references to conspicuous consumption and implicit symptoms of this psychosocial pattern. The diverse interpretations, in turn, are the materials for the functional specialty of history, understood as a report on the latest and most promising insights into some problem. Historians could provide genealogies of the emergence and spread of the diverse views of ostentatious display. But their further goal is to present the most recent analyses of conspicuous consumption and to suggest what new questions they raise and what old questions they settle.

Dialectic receives the diverse interpretations and historical reports as its materials and evaluates them in terms of how each may contribute

³ Being “at home” in the world of theory and understanding the functionally related roles of the eight specialties are the ideal. Short of the ideal will be essays such as this that describe challenges and explore possibilities for meeting them.

⁴ Imagine the range of texts that may be relevant to this question. There are the Hebrew Scriptures with their injunctions about despoiling widows and orphans, Savonarola’s rants against vanities, Thoreau’s more mild indictments of burdening one’s life with a wheelbarrow full of possessions, Veblen’s rhetorical skewering of ostentatious display, Girard’s diagnosis of an age-old pursuit of greater being by acquiring the objects of fantasized models. For the obstacle of the politics of envy, one could begin with Nietzsche’s diagnosis of *ressentiment*. For the psychology of rational self-interest, one could begin by studying Eric Voegelin’s comments on Hobbes’ shift to the *summum malum* as the basis of social order. The range of potential texts assigned to specialists in research presents them with more complex tasks than most realize.

to a comprehensive account of the issue.⁵ One or more of the realisms mentioned above are likely to infect some of the accounts of interpreters and historians. But how does the dialectician go about classifying and evaluating the diverse accounts and their assumed realisms? What the dialectician needs is a set of ‘basic positions’ allowing for detection and diagnosis of the often obscure origins of diverse views and assumptions. While describing the differences is relatively easy work, explaining the differences is far more difficult. Comparing viewpoints will reveal similarities and divergences. Among the latter some will be irreducible while others will be complementary and perhaps reconcilable as “successive stages in a single process of development.”⁶ What of the irreducible differences? These are challenging since they usually proceed from fundamental differences in assumptions about knowledge and reality, about human nature and history, arising from the presence or absence of different horizons and displacements.

Insofar as dialecticians have an adequate understanding of different horizons and have undergone various displacements, basic positions will be part of their ‘context’ as inquirers allowing them to classify some divergences as rooted in inadequately developed horizons.⁷ Thus, to answer the question above about how to classify and evaluate diverse accounts and assumptions, the concrete contexts of the inquirers are the

⁵ Lonergan remarks that the aim of dialectic is “high and distant. As empirical science aims at a complete explanation of all phenomena, so dialectic aims at a comprehensive viewpoint.” Bernard Lonergan, *Method in Theology*, (New York: Herder and Herder, 1972), 129. Evidence of a spontaneous reaching for a comprehensive viewpoint turns up when one takes seriously the further why-questions that exceed the limits of nominal understanding and descriptive expression.

⁶ Ibid.

⁷ Note that the decision to categorize some views as deficient does amount to criticism. For instance, dialecticians do rule out views that are incompatible with already accepted levels of understanding and so not in need of careful attention. Easy examples would be astrology or alchemy as positions deserving serious consideration. Dialectic, then helps ‘narrow down’ the range of positions in need of further reflection. Ibid., 141.

basis for discriminating among stances compatible with and at odds with their basic positions.⁸

The last four functional specialties direct action by drawing upon what the first four have retrieved from the past. The general goal is the control of history. How do specialists pursue this goal in a methodical way? Lonergan's fantasy was that functional specialization could provide a controlled way of taking what was best from the past and applying it to the direction of future efforts.

The fifth specialty makes explicit what the inquirer takes to be basic positions and counterpositions. The intentional operation corresponding to foundations is the normative act of deciding. Such an act is one of assent to what one has judged to be true and good. What are the grounds for such an act of assent? The question is not one of premises but of persons. That is, the 'foundations' are not some initial set of propositions in an axiomatic system; instead, they are the inner norms of the various operators that give rise to inquiries, judgments, concepts, formulations and theories.⁹ In practice these norms can be effective in producing reliable results only if persons carefully and consistently cooperate with them. Talk of the inquirer as a 'context' anticipates the claim here that what matters fundamentally is the person engaged in any of the specialties.

⁸ In effect, dialecticians will be taking at least implicit personal stands on fundamental issues about scholarly practice and its potential reach. They will be revealing at least indirectly what they assume about the intelligibility of the fields they investigate and the historical worth of their efforts. Some may read this conclusion as endorsing a type of subjectivity as the grounds for dialectic. The issue is what one means by 'subjectivity' and whether that meaning is expansive enough to include at least the demands of the critical operator in judging.

⁹ *Method*, 269-270. This use of 'foundations' is actually anti-foundationalist. In current usage the former is usually understood to be some set of basic intuitions or first principles from which one deduces the further content of some theory. Lonergan's use of the term depends on his stand against conceptualism: concepts and theories arise from insights mediated by intentional acts that are responses to the immanent demands of the operators. A foundational question is which position corresponds to one's own performance in arriving at understanding.

Since contexts vary, we expect inquirers to arrive at different conclusions. Some differences will be due to psychological variables, others to oversights of relevant questions and data; still others will reflect varying sociohistorical conditions that favor attention to some data more than to others. What are of concern to foundation specialists are differences arising from different horizons and from opposed basic positions. In such cases persons will be trying to make sense of the same phenomena but will be operating out of opposed contexts. The data may be the same, but what inquirers bring to the process of inquiry will yield contrasting results.

Recognizing this much can introduce conversion or displacement as an explicit focus of inquiry. For example, what one attends to as significant will depend on one's horizon.¹⁰ If the horizon of interiority is *terra incognita*, social psychologists may overlook the role of intentional acts or consider them epiphenomenal in accounting for conspicuous consumption. They are likely to limit their focus to psychic demands for satisfying needs. Any evidence of critical operators 'trumping' egoistic needs will not fit their horizons. They are, then, likely to ignore that evidence or to reinterpret it to fit their horizon.

Clearly, Lonergan's fantasy of functional specialization incorporates the problems of multiplicity both in theories and in their sources. How did he envision a way of sorting through intellectual and normative conflicts? His answer in part appears in the functional relation between the fourth and fifth specialties. Dialecticians presumably will manifest the differences noted above, including those arising from opposed horizons. However, one task of dialectics is to identify the roots of differences and to concentrate on differences arising from the presence or absence of various types of displacements. Dialecticians go on to work out the implications of what they take to be positions and counterpositions.¹¹ In doing this they will reveal even more clearly what

¹⁰ "The horizons that guide the performance of the tasks also guide the performance of the research. One easily finds what fits into one's horizon. One has very little ability to notice what one has never understood or conceived." Ibid., 246-247.

¹¹ Lonergan's specification of the meaning of 'position' and 'counterposition' appears at various loci in *Insight*, See *Insight: A Study of Human Understanding*, eds. Frederick E. Crowe and Robert M. Doran, *Collected Works of Bernard Lonergan*, vol. 3 (Toronto: University of Toronto

their own positions are. Both in identifying differences and in working out implications, dialecticians will be revealing their own horizons and whether or not they have experienced the various displacements.

This self-revelation proceeds in three steps. First, dialecticians are explicit in their judgments about which horizons the works they are investigating reflect. To the extent they go on to compare and contrast those works and their implications in terms of basic positions and counterpositions, they will be revealing their own positions. Lastly, if functional specialization is a dynamic collaborative enterprise, those comparisons, contrasts and positions will become materials for a new round of analysis by dialecticians. This last step is not unknown in current practice. Scholars and scientists routinely submit their findings to peer review and criticism. Suppose, then, that dialecticians ‘recycle’ their findings within the specialty. What may come of this recycling?

Through this recycling and comparing of opposed positions, dialecticians may detect their own deficiencies along with those in works they review. While the dialectical review process does not guarantee further development in the practitioners, it does have the merit of being an experimental procedure. That is, just as carefully conducted experiments may produce results that some refuse to accept or others misinterpret, so the circulation of materials among dialecticians may produce resistance and misreadings. Still, the process raises questions about basic positions and asks participants to reveal at least indirectly their own stands on these questions. It thereby provides multiple examples of peers assuming different positions and makes basic assumptions and worldviews topics of discussion.¹² In doing so, the decisions that explicitly concern foundations will become a topic of discussion, that is, what exactly one calls good and true, and why, will be the objects of reflection, perhaps leading to minor revisions or re-affirmations, but perhaps leading to major revisions and even displacements.

It is worth noting that this approach to differences is a departure from much of current practice. Dialecticians are not intent on

Press, 1992) [hereafter *CWL* 3], especially 413-414 (for positions on knowledge and objectivity), 629-630 (for positions on ethics) and 702-705 (for positions on religious faith).

¹² *Method*, 253.

constructing arguments that prove their own positions and undermine opposing views.¹³ Their tasks are to identify differences and to trace the origins of some to different horizons and opposed positions. In doing this much, they will be revealing their own level of development to astute readers. To the degree that others are responsive to the inner demands of their own operators, the self-exposure of the dialectician is an invitation for them to do likewise and so to confront their own commitments to understand comprehensively.

While dialectic identifies fundamental differences on moral, intellectual and religious questions, it is the fifth functional specialty that reveals in detail where a specialist stands on basic issues. Dialecticians take stands on basic issues, but foundation specialists focus on selecting and evaluating such stands as deficient and in need of improvement or as instances of advances in understanding basic issues. It corresponds, then, to the operation of deciding. Revisions will be possible since expanding horizons and developments in understanding remain possibilities.¹⁴

This openness to revisions in understanding and worldviews raises a question about what foundational specialists hope to achieve. Are they taking stands that are only personal beliefs? Are their commitments no more than individual preferences? If so, can they hope to advocate more than stances reflecting their own variable cultural and historical conditions?¹⁵ To these puzzles, a first response is to recall that what is

¹³ Current practice often identifies philosophy with the construction of rational arguments. Despite the limits of this model, first criticized in Plato's *Gorgias*, it continues to control the imaginations of many philosophers. In the background may linger the conceptualist ideal of an axiomatic system allowing for a rigorous deduction of conclusions from a limited set of first principles. Here is an instance of a conflict between basic positions regarding understanding and so suitable material for the work of dialecticians.

¹⁴ Lonergan lists thirty-one types of differentiated consciousness (*Method*, 272). The number of possible combinations is an indication of the scope of potential development and of the need for some intellectual humility in what we claim to know.

¹⁵ Again, there is no substitute for the subject-at-liberty who is responsive to the demands of the operators. Some may insist that there must be a criterion or measure of truth independent of concrete subjects. Proposed candidates have ranged from principles of pure reason to primitive sense data. The earlier claims about context and displacement were subversive of such proposals.

‘foundational’ is not a set of first principles, propositions or arguments but a structured pattern of operations responsive to normative demands. It is in this sense that foundation specialists can understand their work as having a transcultural basis. Of course, any formulations about their work will reflect linguistic and cultural variables and so not be transcultural. All the same, what the formulations about the operations and imperatives refer to is an understanding of the basic conditions for producing, preserving and developing any culture.¹⁶ In this sense, functional specialists may hope to achieve something of validity for more than their own times and places.

The sixth functional specialty is Policy. Its materials come from tradition (for example, the standard model of science at a given time) and from the reflections of contemporary scholars and scientists on the latest developments in their fields. New research, new interpretations, new histories will generate oppositions that dialectic will order and foundations will criticize. Thus, the materials for policy specialists are fluid.

The aim of policy is to organize both the traditional insights and the latest discoveries on some issue into a coherent and comprehensive account.¹⁷ Doing so will depend in part on the prior work of other specialties. Dialectic assembles and classifies different stances on an issue, and foundations distinguishes those that are true, those in need of further development, those at odds with fundamental positions. Policy, then, will employ both the assembled and distinguished differences to

Human authenticity is the result of responses to the demands of the operators. Objectively justified truth-claims and moral judgments are as well. Note that we are setting a high standard here. The type of subjectivity that exhibits authenticity and is the measure of objectivity appears in those who consistently cooperate with their own inner norms. In these claims, at least, are two instances of taking a stand.

¹⁶ *Method*, 282. A more succinct version of the argument here is that, while formulations or expressions of meaning are subject to correction and development, the structured operations and their imperatives are the conditions for the possibility of any correction or development.

¹⁷ Think of the ideal ‘comprehensive account’ as a complex genealogy of increasingly more adequate accounts of the relevant issue, not one plotted along a smooth time line, but one relating the ‘received’ views as contributions to a more complete understanding of the issue.

understand and to formulate a synthesis of reliable views on some issue. Any formulations will reflect linguistic and cultural variables among their authors. They will reveal the presence or absence of differentiations of consciousness and of various displacements in those authors. As well, ongoing research on an issue may provide new materials for consideration. For all these reasons, policy specialists expect their understanding to be open to revision but also to be currently the “best available opinion.”¹⁸ This expectation is unexceptional. The tension between prior syntheses and new discoveries is one result of the dynamic and historical exchanges among the functional specialties. Sometimes radical departures occur not just in individuals but also in fields. In those cases, policy will be the specialty aiming to produce new syntheses.

Examples may help pin down these generalities. The sixth functional specialty could take up questions about how consumers make economic decisions and whether their performance is open to improvement. Is the pursuit of perceived self-interest at the root of conspicuous consumption? Is this ‘motive’ the criterion of good performance? As what ‘moves’ consumers to decide, is it the limit of human capacity in moral deliberating and choosing? For these questions the previous functional specialties would supply relevant materials. The complexity of the issues raised quickly becomes apparent since a variety of psychological stands will be supplied, including one supporting laissez-faire policies that assume maximum social benefits are possible even if persons do not develop beyond the moral good of satisfaction. This conventional estimate of ‘rational agency’ will seem at odds with some empirical evidence of how personal relations, orientations and displacements have sometimes altered consumer choices.¹⁹ What precepts or guidelines does such evidence suggest for countering

¹⁸Lonergan described variations in the formulations of opinions under the heading of the “The Ongoing Discovery of Mind.” *Method*, 305-312.

¹⁹ Implied here is a critique of ‘rational agency’ as understood in Classical Liberalism. Are persons able to transform an initial orientation toward self-advantage into a more ‘complete’ understanding and deliberate choosing of the good of personal relations? For every Nobel Prize winner in economics who defends a narrow view of ‘rational agency,’ one can perhaps find another who criticizes it. See this author’s article “Diagnosing Economic Realism” in this issue for the defenses of Milton Friedman and James Buchanan and the critiques of Amartya Sen and Muhammad Yunus.

patterns of conspicuous consumption and a realism of self-interested actors? The seventh functional specialty, Planning, takes up this question.

Planning presupposes the materials of the earlier specialties and explores their implications for current and future practices. Consider how this might occur in regard to theories of moral development and their applications. Advances in moral education are possible because of research on past and current practices in homes, churches and schools, interpretation of their results, reports on what appear to be promising innovations, dialectical assembling of competing views and diagnosing of their origins, decisions on what in fact are best practices and judgments about what general lessons can be extracted from these practices to serve as guidelines for future practice. While it is the task of the next functional specialty, Communications, to reflect on ways of implementing these guidelines in varying locales, planning formulates the general guidelines as materials for such reflection.²⁰ That is, acquiring and formulating a general understanding of best practices would be the primary task of planning specialists.

Proposing general guidelines will give rise not only to the contrast between certainty and probability but also to the contrast between logical proof and displacements. Argumentation can be logically rigorous within a theoretical system having explicitly formulated terms, correlations among them and secondary inferences from those terms and correlations. However, the formulations of systems are not independent of the orientations of theoreticians, and their orientations vary with the presence or absence of displacements. But a displacement “is never the logical consequence of one’s previous position but, on the contrary, [is] a radical revision of that position.”²¹ So, for example, discovering the limits of nominal understanding and appreciating the “turn to the Idea” (*Wendung zur Idee*) in further why-questions can completely alter a view of educational practice as the transmission and testing of information and skills.

²⁰ Guidelines as generalities require mediating insights into local conditions before use. The diagnosis problem as it occurs in medical fields makes clear the need for such mediating insights between the generalities of medical training and the symptoms of specific patients.

²¹ *Method*, 338.

What predictably will occur is that planning specialists will generate different guidelines, some of which are incompatible with others. The response to this outcome is a return to dialectic: identify the different guidelines, classify them according to their origins, diagnose those arising from different horizons and opposed positions. From there the process continues by selecting guidelines compatible with one's foundations and by explicitly formulating one's judgments about which guidelines represent adequately developed horizons and which ones do not.²²

What does this built-in recycling of general recommendations accomplish? One should expect no more than what any science tries to achieve, namely, an incomplete, revisable understanding that is currently the best available understanding of some issue. Plans and recommendations of this quality are the materials for the next functional specialty.

Many will find the innovative proposals of planning specialists baffling and just adding to the confusing multiplicity of recommendations already available. They will have what-questions in abundance: What do these guidelines mean? What results will they have? Which of them will fit our local conditions? Such questions pose the central challenge to the eighth functional specialty. Meeting the challenge will be a matter of increasing understanding, of answering the relevant what-questions about what can be done. Since the answer to one question may give rise to further questions, the work of communication specialists is ongoing.

Specialists in communications labor both to report recent achievements of the preceding specialties back to those distinct but interdependent fields and to adapt the guidelines they receive from planning to local conditions. In both labors the eighth functional specialty is concerned with data. First, in reflecting on local conditions, implementing detailed plans and monitoring their consequences, it is generating new data; second, it returns a new flow of data from its findings to the other specialties for a renewal of their operations.

This second function 'completes' the cyclic operations of the specialties much as acting on a decision completes an inquiry that began with attention to some problem one wanted to solve. Since predicted

²² Ibid., 347.

consequences and actual outcomes often diverge, attention to and collection of the data flowing from implemented plans renew the cycle by supplying new data for research. A new cycle of inquiries can begin with different specialists attending to empirical results, interpreting their significance, assessing them in relation to alternatives as promising developments or disappointments and then deciding which reforms or experiments yielded results compatible with foundational positions.

What may come of this ordered series of investigations? In completing and renewing the cycle among the specialties, communications contributes to the emergence of common understanding, shared judgments and common purposes. Insofar as functional specialists understand and accept the worth of their division of labor, they will be increasing the odds of reaching common understandings and judgments. But such shared meanings are the stuff of which communities are made.

Part of the fantasy of functional specialization is that institutional practices in academia and at research centers could become increasingly communal, collaborative enterprises as opposed to individual research projects. Imagine a group of specialists understanding their distinct aims, committed to explanatory understanding in their own fields, convinced that functional collaboration is the best use of their diverse talents, believing that such collaborative efforts are a way of making history better.²³

What does it mean to speak of “making history better”? We can begin by describing history as the accumulation of meanings which intentional acts, with all their types of determinants, produce. A first order of reflection on the acts and their products occurs in the spontaneous recalling of a tribe’s history by its elders and the telling of the tale to the next generation. A second order of reflection emerges later

²³ There is, of course, a further set of difficult tasks, namely, persuading others outside the circle of functional specialists to apply their explanatory findings to public practice. Lonergan noted the difficulties: “There is the far more arduous task (1) of effecting an advance in scientific knowledge, (2) of persuading eminent and influential people to consider the advance both thoroughly and fairly, and (3) of having them convince practical policy makers and planners both that the advance exists and that it implies such and such revisions of current policies and planning with such and such effects.” *Ibid.*, 366-367.

as historians take on the tasks of separating fact from fiction and producing critical accounts of the past. A third order of reflection appears when thinkers focus on the second-order works in an effort to understand and to evaluate what their authors were doing and what objectives they were pursuing.

What if we think of functional specialization as both a product and an ongoing exercise of third-order reflection on history? That is, as a series of interdependent functions, the eight specialties form a methodological scheme of recurrence organizing third-order reflection in a more efficient way. The first four specialties are deliberate attempts to retrieve and to pass along what was best in the past; the next four deliberately use what they receive to make history better.²⁴ So the foundations specialists expect to learn from dialecticians what some of the best readings of the past are. From among those classified and evaluated answers, the former go on to choose answers compatible with their basic positions. Drawing on the affirmed answers formulated as general policies, planning specialists can proceed to construct a genetic sequence of answers or views on how to improve history in some area. Such a genetic sequencing of views would be a hierarchical ordering of previous answers. Just as foundations specialists take stands on basic questions about morality, knowledge and spirituality, so planning specialists take stands on what views are most progressive.²⁵

Just how remote, even fantastical, is all this? What might be the result of pursuing this fantasy in the study of the rhythms of an economy and the obstacles to a basic expansion? Will the experiment be tried? First of all, do we believe it is worth trying?

3 A Proposal

Of the three identified psychological obstacles to a basic expansion, I assume the underdeveloped understanding of ‘rational agency’ condones

²⁴ “The challenge of history is...progressively to restrict the realm of chance or fate or destiny and progressively to enlarge the realm of conscious grasp and deliberate choice.” *CWL* 3, 253.

²⁵ Note that, while functional specialization is not a hierarchical ordering of the specialties, within the specialties themselves there will be rankings of data, interpretations, developments, positions, guidelines, options and ends.

and promotes the other two.²⁶ Thus, one experiment in functional specialization could focus on this rudimentary challenge to the education of liberty. What follows is a sketch of how the different specialties might contribute to understanding and meeting this challenge. In this early stage it is no more than a ‘laundry list’ of questions in need of expansion and refinement before becoming a strategic tool for distributing tasks in a collaborative project.

A. Research: assembling texts about ‘rational agency’

1. What have been the different meanings of ‘rational agency’ over the centuries? What are the different formulations found in major texts?
2. What are the original sources for the contemporary psychology of rational agency?
3. Where did the language of self-interest first appear in the literature?
4. What texts in economics first employed this language?
5. What are the primary texts today that assume this view of rational agency in the marketplace?

B. Interpretation: making sense of the assembled materials

1. What ‘framing devices’ are adequate for understanding the diverse meanings of rational agency?
2. What meanings of rational agency do the identified texts propose? Are they part of explanatory or descriptive accounts?
3. How do the different authors defend their views of the psychology of rational agency?
4. What meanings and defenses are similar?
5. What meanings and defenses are dissimilar?
6. Which views and defenses are most prevalent?

²⁶ When persons believe being rational is a matter of pursuing one’s perceived self-interest, the practices of conspicuous consumption will seem consistent with advancing one’s interest in having status, winning recognition or proving one has competed successfully against other pursuers of competing interests. Those practices, in turn, tend to provoke the politics of envy.

C. History: detecting significant shifts in understanding rational agency

1. How have the interpretations of rational agency changed over time?
2. What patterns are detectable in the history of interpretations of rational agency?
3. What questions about rational agency seem settled?
4. What questions remain in dispute?
5. What recent works, if any, have marked advances in understanding rational agency?
6. Why might they be advances?

D. Dialectic: testing one's self-understanding and horizons

1. What are the most promising of the received interpretations of rational agency? Why do they seem so?
2. What are the less promising interpretations of rational agency? Why do they seem so?
3. What do the most promising views have in common? What differences do they exhibit?
4. What are the origins of these commonalities and differences?
5. What differences originate in dialectically opposed horizons? Which have other grounds?
6. Why do I think some differences are traceable to positions and others to counter-positions?
7. How would I develop interpretations compatible with positions?
8. How would I correct interpretations rooted in counter-positions?

E. Foundations: explaining oneself

1. With which conclusions of the dialecticians do I agree?
2. Why do I agree?
3. With which conclusions of the dialecticians do I disagree?
4. Why do I find the latter defective?
5. What is my understanding of rational agency and why do I affirm it?

- F. Policy: synthesizing the best of the received accounts
 - 1. What genetic-historical ordering of these accounts of rational agency reveals patterns of development in understanding what it is?
 - 2. Of the received views, which ones contribute to the best current understanding of rational agency?
 - 3. How well does this synthesis approximate a comprehensive understanding of rational agency?
 - 4. What questions about rational agency remain unsettled?
- G. Planning: envisioning further developments in understanding and in practice
 - 1. How might the preceding synthesis make a difference in future theorizing about rational agency in psychology, economics and politics?
 - 2. What changes should be made in how theorizing about rational agency occurs in those fields?
 - 3. What general guidelines for improving future practice can be formulated?
 - 4. How are these guidelines compatible with positions and corrective of counter-positions?
- H. Communications:
 - 1. What is the diagnosis of the specific situation we are facing?
 - 2. How are the planning guidelines relevant to this situation? What purposes will they serve?
 - 3. What options do we have in applying the planning guidelines to our situation?
 - 4. Which options should we adopt and apply?
 - 5. What results can we expect?
 - 6. How will we monitor results and make needed adjustments?
 - 7. How will we communicate our findings?

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