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'The System of Private Enterprise', an Empirio-Semantical Analysis of a Slogan

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Source: *Synthese*, Vol. 11, No. 1 (Mar., 1959), pp. 72-83

Published by: Springer

Stable URL: <http://www.jstor.org/stable/20114272>

Accessed: 07/02/2010 23:20

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HERMAN TENNESSEN

‘THE SYSTEM OF PRIVATE ENTERPRISE’,  
AN EMPIRIO-SEMANTICAL ANALYSIS  
OF A SLOGAN.

This paper outlines the methods and results of an empirio-semantic study of the expression ‘(the system of) private enterprise’.<sup>1)</sup>

The chief aims of the enquiry were (1) to chart the trends of the usages of the expression, (2) to determine which usages are most frequent within different social and political groups, and (3) to elucidate how the slogan is used or misused by such groups. Evidently the study may also be styled a ‘slogan analysis’ or a ‘socio-semantic study’ or, with respect to (3), a ‘bias analysis’.

Before undertaking the construction of a questionnaire, ‘occurencies’ (i.e., quotations) mostly taken from newspapers, in which ‘private enterprise’ was used in different contexts, were collected and classified. This was, in effect, a pretesting of the leading figures in business, in the civil administration, and in the political life of Norway. On the basis of this pretesting a questionnaire was constructed which put the following six types of question to the respondents.

*Attitude questions.* These were rather superficial ‘valence’ questions intended to distinguish ‘adherents’ of private enterprise from ‘adversaries’. For example, one question asked, ‘Would you, generally speaking, describe yourself as an adherent or an adversary of (the system of) private enterprise?’ If the respondent specified neither, but indicated either ‘question too vague’ or ‘doubt’ or ‘do not want to answer’, the interviewer was instructed to ask for further particulars.

*Synonymity questions.* Here the respondent was to suppose, for example, that he sought expressions which would enable him to avoid repetition of ‘private enterprise’ in his own writing without making any essential change in his intended meaning. The following expressions were given: ‘personal initiative’, ‘enterprising spirit of the individual’, ‘free enterprise’,

<sup>1)</sup> For greater detail the reader may consult the author’s ‘Det private initiativ’, *Filosofiske Problemer* XI (1948); (English translation, Oslo, 1949.)

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'free industry, 'free competition,' 'capitalism', 'liberalism', 'exploitation of the working people', 'principle of sane egoism', and 'system of right to private property'. The respondent indicated (a) which would serve as synonyms, (b) which especially change the meaning, (c) which are questionable, (d) whether he thought other people would prefer different synonyms and, if so, which synonyms, what people, and why the respondent believes this, and (e) the respondent's own proposed synonyms.

*Passage questions.* These were based on newspaper passages such as 'Private enterprise must get access where this would be the best way out of the difficulties', 'Private enterprise should not be allowed to profit at the expense of the community. It must be submitted to public control and regulations', 'Private enterprise is inescapably bound to a purely conservative society', and 'Private enterprise is a common human property which is expressed in every society where 'people with initiative' are to be found, regardless of the contemporary constitution'. Twenty-four passages were given with these instructions: 'Now we are going to submit some passages from Norwegian newspapers and with reference to each we shall ask: (a) Do you agree with this? (b) Is the phrase 'private enterprise' correctly used in this connection? (c) Which paper do you think the passage is taken from?' However, three other passage questions just asked, 'Is the phrase 'private enterprise' correctly used?' In these cases the respondents were given the name of a newspaper – the wrong name.

*Connotation questions.* These asked the respondents what conditions must be met for private enterprise to be exercised. After an introduction, twenty-four assertions were submitted. Some examples: 'Mr. P. can only be said to exercise private enterprise when his activity is determined by social interests, i.e., by regard for the whole society and not only for P. and his family or other interests'; '...when he himself, and those with whom he shares the responsibility and the risk, are all to be considered as private persons'; '...when his purpose is profit, economic gain, power and prestige for himself and his relations, and not to do something good for his fellow human beings'. The respondents were invited to answer the following question with reference to each assertion: 'Would you say that the assertion touches or indicates (a) a *characteristic* property of what you would call 'private enterprise' or (b) a *necessary condition* for your using 'private enterprise' in connection with the activity of P. or (c) a

*sufficient* mark to characterize P.'s activity as 'private enterprise' or (d) is the formulation *too vague* for rendering an opinion?"

*Denotation questions.* Thirty-three different situations were submitted in which 'Mr. P.' is acting and the respondents were to decide whether his activities under the different circumstances constitute private enterprise. In some cases it was also asked whether P.'s 'boss', 'Mr. R.', exercises private enterprise. Some examples: (1) 'P. suggests an undertaking to be started at his own expense with the double purpose of achieving good business and of meeting socially important needs'. (2) 'Same as (1) except that P. is without economic means. R. finances P. as managing director of the undertaking'. (3) 'Same as (2) (P. without economic means) but instead of applying to R. or to local government institutions, P. submits his idea to those who, first and foremost, are going to benefit from it (e.g., consumers of goods which P. will produce). A co-operative undertaking is formed, and P. is appointed a leader of it'. To each question the respondents could answer 'yes' or 'no' or 'do not understand the question' or 'make certain reservations'.

*Other questions.* The customary background questions about age, occupation, education, political affiliation, and the like, were multiple-choice questions, as were the questions about which newspapers the respondents usually read, etc. The remaining questions were all open-ended of which two were most useful. The respondents were asked which party they would say has done the most for private enterprise and what this party has done. Less useful were the four questions which invited the respondents to formulate definitions or definition-like expressions.

To chart the trends of the usages of 'private enterprise' a 'semantical panel' was established. The panel consisted of students of different social strata from different parts of Norway. All had passed the preliminary examinations of the University in Oslo with the best mark in interpretation and 'precization', i.e., the process of making precise. The panel faced the entire mass of material with the double task of isolating the most divergent usages which the respondents intended to follow and classifying each possible answer to the questions in accordance with the rules of usage thus delimited. The panel members were asked, 'If someone answers question number x like this: '. . .', what rule of usage do you guess he intends to follow? What would you think of the respondent's linguistic

intentions if he chose *this* possibility of answering: ‘...?’ And so on. After having classified and subsumed possibilities of answering, severally, they met to catalogue jointly.

This work enabled the investigator to proceed in the main direction of precization, the determination of the most frequent usages within different groups. Two groupings were the ‘valence grouping’, viz. adherents and adversaries of private enterprise, and the social grouping, viz. politicians, officials, and businessmen. Within each group the number of answers which were supposed to indicate one of the usages was counted. Then the frequency of answers which indicated another usage within the same group was measured.

To elucidate how ‘private enterprise’ is used or misused by different groups in their struggles for power, the same methods were used to find out how usage varied within those groups and how these variations could be expected to accord with the different goals at which the groups seemed to aim.

It should be stressed that because of the relatively small number of respondents, the correlations may lack statistical significance. Of 168 questionnaires only 120 belonged to the desired social groups: 36 politicians, 38 officials, and 46 businessmen. Of these, 78 were ‘adherents’ of private enterprise, 15 were ‘adversaries’, 24 were doubtful or said their answer would depend on what was meant by ‘private enterprise’, and 3 did not want to answer. There were 47 Conservatives, 30 Liberals, 17 Communists, 15 Labourites, and 8 Christian Democrats.

The valence and social groupings were cross-tabulated with the latter split according to political affiliation. The result confirmed the prediction that *none* of the Conservatives would describe himself as an ‘adversary of private enterprise’. However, the expectation that the Communists would include no ‘adherents’ was not verified. Their equal dispersion seemed to indicate that *classification by occupation prevailed over classification by voting*.

Gradually, on the basis of these results, other groupings appeared fruitful – the large group of what we shall refer to as: ‘rightist’ adherents and two small groups, the ‘leftist’ adherents and ‘leftist’ adversaries.

The semantical panel succeeded in isolating the possible usages of

'private enterprise'. Little by little, the fiction of clear-cut usages perfectly adapted for characterization was abandoned. Moreover, it was found relevant to apply a kind of typology of usages ranging from one extreme to the opposite. These usages may be described as two outlined directions of precization.

Only a hint of the usages will be given here by calling one extremity 'the private usage of 'private enterprise'', noting that typical of this usage is its stressing of the first part of the expression. The usage emphasizes only private undertakings relatively slightly controlled by public authorities: it does not matter to what extent any enterprise or initiative is displayed. The opposite usage is in turn called 'the enterprise usage of 'private enterprise'', stressing the last part of the expression. For this usage the display of enterprise and initiative is decisive: it does not matter how private or public the activity is.

Similar to this scale from an extremely 'private' to an extremely 'enterprise' usage, a gradation was imagined from an extremely *eulogistic* (or 'plus') usage, which emphasizes only generally accepted and applauded characteristics of private enterprise activity, to an extremely *dyslogistic* (or 'minus') usage in which generally unacceptable characteristics are emphasized.

The 'private' and 'enterprise' usages were each represented by 69 possible answers, the 'plus' and 'minus' usages by 27 possibilities each, and the 'neutral' usage by 33 possibilities. The 'neutral' possibilities were such that the semantical panel could not see that they indicated any one of the four other usages. The frequency of each usage ran as follows: 'private' - 2234, 'enterprise' - 3464, 'plus' - 1569, 'minus' - 312, 'neutral' - 1993. The average number of respondents who chose a 'private' possibility was 32, an 'enterprise' possibility and a 'neutral' possibility 51 each, a 'plus' possibility 57, and a 'minus' possibility 14.

An 'index of usage' of a given class is computed from six sets of answers in the following manner. From the sum of the 'plus' and 'enterprise' answers one subtracts the sum of the 'private', the 'private' - 'plus', and the 'private' - 'minus' answers. This result is divided by the total number of answers of the given class to give the index, 'U'. ('Neutral' answers are ignored here. There were no possible 'enterprise' - 'minus' answers.) Thus the index pertains to the scale from the pure 'private'

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usage to the pure 'enterprise' usage as well as the scale from a usage wanting to make a eulogism of 'private enterprise' to a usage which tends to make it a dyslogism. An index of 2 indicates an extreme 'enterprise' and 'plus' usage, whereas an index of 0 points to a usage which is neutral in all the mentioned respects. Not least out of regard to the bias analysis below, some of the most significant usage indices will be cited. The subscripts denote classes of respondents as follows: 'r' – all the respondents, '1' – rightists (Conservatives and Christian Democrats), '2' – Communists, '3' – others (Labourites and Liberals), 'p' – politicians, 'o' – officials, 'b' – businessmen.

$U_r$  was .87, which was consistent with what was expected.  $U_1$  was 1.22. If  $U_r$  represents the average, then  $U_1$  accents the impression that rightists more than average tend to give 'private enterprise' a content which makes it into something that everybody might or even must applaud, irrespective of whether they are against public control or not. Still more interesting were the interrelationships of the subgroups of the rightists.  $U_{1p}$  was .63,  $U_{1o}$  was .60, and  $U_{1b}$  was 1.67. It is obvious that the high index  $U_1$  is due to the rightist *businessmen's* usage. The rightist politicians and officials *less than average* use the expression 'private enterprise' stressing both 'enterprise' and a eulogistic meaning. But the latter two subgroups also show contrasting usages. Thus the politicians stress the 'plus' aspect more than the officials, whereas they stress an 'enterprise' usage less. Corresponding interrelationships were found among the Communist groups.  $U_2$  was .45,  $U_{2p}$  was -1.28,  $U_{2o}$  was .25, and  $U_{2b}$  was 1.81. The contrast between  $U_{2p}$  and  $U_{2b}$  was the most bewildering result of the entire study.  $U_3$ , for the sake of comparison, was .64.

On behalf of the bias analysis the 'valence index', 'V', of the same ten classes of respondents will also be cited. The V for a given class is computed thus: from the number of 'adherents' one subtracts the number of 'adversaries'; the result is divided by the total number of respondents in the given class; and this result is multiplied by 2.  $V_r$  was 1.11,  $V_1$  was .91,  $V_{1p}$  was 2.00,  $V_{1o}$  was 1.66,  $V_{1b}$  was 1.87,  $V_2$  was .00,  $V_{2p}$  was -1.43,  $V_{2o}$  was .00,  $V_{2b}$  was 1.67, and  $V_3$  was .69.

On the basis of the above data some conclusions with respect to the use and misuse of 'private enterprise' in the current political debate will now

be discussed. The bias analysis deals primarily with the reasons, linguistic (or technical) and psychological (or ethical), for the use of 'private enterprise' in such a way that, under certain circumstances, the exchange of opinions in debate becomes futile.

In this outline only a few of the more striking results of the study can be considered. It was predicted that the explicit verbal agreement within the large heterogeneous rightist group very often disguised an implicit non-verbal, or real, disagreement. The  $V_1 = .91$ , which indicates a nearly unanimous acceptance of private enterprise, might be dubious against the background of the varieties of  $U_1$ . A high  $U$  index shows a tendency to dilute and sweeten the concept of private enterprise so that it is more palatable but also renders no effect. It will therefore be ineffective to argue against any kind of public control by referring to ill effects on private enterprise, since 'private enterprise' is used with such stress on 'enterprise' and commonly applauded features that the  $U$  index falls between 1 and 2. On these grounds it will obviously be possible to expose the agreement of the rightists as a 'mock agreement' or, in a term of Arne Næss, a 'pseudo-agreement'. (It should, however, be stressed that the given examples of 'mock agreement' will *not* satisfy Næss' criteria of 'pseudo-agreement'.)

Here are two examples of mock agreement in the form of imagined discussions consistent with the results of the study.

I. All the rightists: 'We must go in for private enterprise'. 'Rightist' politicians: 'We must go in for private enterprise so we have to make an effort to abolish all those government regulations which are clogs to private enterprise'.

'Rightist' entrepreneurs: 'On the contrary, today private enterprise could only be displayed if submitted to government control and regulations'.

II. (All rightists and rightist politicians as in I.) Rightist entrepreneurs: 'There is no reason why private enterprise cannot be shattered even in a completely nationalized society'.

Rightist politicians: 'Enforcing control of new investments would be sufficient to shatter the private enterprise in a society'.

Both subgroups in these examples were eager 'adherents' ( $V_{1p} = 2$ ,  $V_{1b} = 1.87$ ), but the politicians give 'private enterprise' a more 'burning', 'mordant' meaning than the entrepreneurs. It was hypothesized, with



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the support of the entire study, that mock agreements of the type exemplified were due to the described ambiguity of 'private enterprise'.

A corresponding mock agreement was found within the Communists where the politicians and businessmen formed the most extreme contrasts with regard to both V index and U index. These two groups, which disagreed so markedly on the meaning of 'private enterprise', showed, however, a striking uniformity in agreement and disagreement with the newspaper quotations. Their reactions to the questions concerning correct or incorrect usage were greatly dispersed.

One might say that if private enterprise were a pie, the Communist politicians would include only those ingredients which would burn and bite every tongue, whereas if Communist businessmen were the confectioners their pie would be eaten with relish by everyone. If the groups were asked, 'Do you like pie?', one would answer 'No', the other 'Yes', the former taking 'pie' in the sense of 'politician pie', and the latter taking 'pie' in the sense of 'business pie'. If a 'business pie' were put before the politicians, they would snatch at it. On the other hand, the businessmen would be wholly incapable of digesting the 'politician pie'. A dialogue might run like this:

Politician: 'As a matter of course, we Communists are adversaries of private enterprise'.

Businessman: 'On the contrary. Isn't it true that we have recently gone in for production committees and advisory bodies to make the workers more directly interested in their work and with that to strengthen the private enterprise of the great body of people?'

Politician: 'To be sure. But then you evidently mean something quite different from what we mean by 'private enterprise'. To us private initiative is something firmly bound to a purely conservative society'.

Businessman: 'What peculiar usage! We too, of course, abhor any conservatism. But we for our part think of private enterprise as a common human property. . . .'

Politician: 'Yes indeed. We too would favour private enterprise in that strange sense of the term'.

Thus far the technical linguistic cause of misunderstanding, the ambiguity of 'private enterprise', has been chiefly dealt with. It was hitherto simply assumed that those taking part in discussions accept the same pattern of

successful exchange of opinion and that every deviation from that pattern runs counter to the wishes of the participants. But this is not always a certainty. Perhaps the participants have norms which they esteem higher than that of successful exchange of opinion. Perhaps they hold that the higher ends are better served by deviating from the pattern and using the ambiguity of the slogan to reach mock agreements or disagreements. Space does not permit a complete survey of the origin of the ambiguity of 'private enterprise' and the purposes for which it is more or less consciously used in the current political debate by different social groups. However, with regard to the rightist group something may be said.

The slogan 'private enterprise' originated as a standard of the liberals, and gradually it has become the standard of the rightist in his fight against state control. However, it might be queried whether those who created the phrase, and with brilliant intuition fused the words 'private' and 'enterprise' into such a crafty catchword, also veiled and glossed over much of the more exact meaning intended. Indeed, this often proves to be tactically ingenious, for it is advantageous to keep open the possibility of 'elastic' usage. Initially, attention may be drawn to some obvious ill consequence of some regulation or enterprise of government. 'That is the consequence', one says, 'when nationalization paralyzes what I would call 'private enterprise''. Perhaps the user of the slogan has been trying to find a vivid, attractive, and vigorous expression. On the other hand, we may imagine that he more or less consciously tries to draw the attention of his audience to certain 'difficulties of subsumption'. That is to say, the hearer never distinguishes (1) what the speaker means by the new expression from (2) (if (1) is detected) whether or not the facts which the expression by definition is applied to, are really included.<sup>1)</sup>

Instead the hearer conceives the above remark partly as an illustration of what the speaker means by 'private enterprise'. At the same time this prevents him from holding a critical attitude toward what he takes to be the real content of the remark, for he also partly conceives it as an assertion pertaining to government enterprise versus free competition or the like.

This is clearly an advantage to the rightists who adopted 'private enter-

<sup>1)</sup> Some research seems to confirm this theory. Cf. Arne Næss, *Interpretation and Preciseness* Oslo, 1953, pp. 267-9, and the author's 'The Fight against Revelation in Socio-semantic Studies', *Synthese* VIII (1951), pp. 225-34.

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prise'. By confusing what the expression means with claims of what private enterprise is due to and leads to, the rightist group can be extended and consolidated. Proselytes may be attracted by the prospect of strengthening an undoubted social good. Potential renegades may be deterred by being told that, by opposing private enterprise, one consequently promotes some social evil. In short, to consolidate or even increase the 'rightist' group, it is necessary to increase the V index of 'private enterprise' and this is easily done by increasing its U index. But the ideological leaders of the 'rightists' are then faced with the following dilemma. On the one hand they want to counteract the public regulation of industry. In order that regulation should have consequences for private enterprise, 'private enterprise' must have a rather 'private' and not particularly eulogistic connotation, i.e., the U should be close to 0 and never higher than .60. On the other hand the 'rightists' want a powerful banner which can attract as many people as possible, which indicates increasing U toward 2. The latter will make 'private enterprise' well adapted for consolidating and recruiting, but unsuitable for discouraging public regulation if it covers something exercised 'by a professor as manifestly as by a salesman, by the president of the Price Control Board as manifestly as by the managing director of 'Hydro' ' (from one of the passage questions).

Special interests have been drawn to the business groups of both 'rightists' and Communists. If one wonders why they show high V and U indices, the answer, with respect to the 'rightists', seems to be the following. The businessmen, especially the leading figures interviewed, were actually not so displeased with the public regulation found in Norway in 1948 as they ought to be according to the 'rightist' politicians or other ideologists. But still they want to conform with these leaders and the programs of their party, i.e., they like the bakers, but dislike some of their pies. One thing can be done: fill the pies with more palatable ingredients and use the catchy battle cry of olden days, 'Eat more pies'.

No less interesting are the reactions of the 'leftist' groups to the popular slogan 'private enterprise'. The Communists are in a dilemma similar to that of the 'rightists'. Two alternatives are open. On the one hand they can depreciate private enterprise. For this purpose it is useful to give 'private enterprise' a signification against which dislike can easily be stirred up. The Communist politicians follow this avenue. ( $V_{2p} =$

— 1.43,  $U_{2p} = -1.28$ ) The other alternative is to give it a eulogistic signification which the 'leftists' especially, and to a slight extent the 'rightists', are likely to favour. They join the chorus, 'Eat more pies', but the pies are filled with delicacies which are especially made for 'leftists', whereas the 'rightists' can hardly stomach them. This is reflected in the indices of the Communist businessmen. ( $V_2 = 1.67$ ,  $U_{2b} = 1.81$ ) Different explanations of the differing indices of Communist politicians and businessmen are possible. It may be worthwhile to keep in view that the Norwegian Communist Party, which before the war obtained 2.2% of the total vote, had after the war increased its share to 11.9%. Most likely the politicians belonged to the old stock, but the others, especially the businessmen, convey the impression of being fairly new but enthusiastic proselytes. Thus it might be quite reasonably expected that adherence to bourgeois slogans should be greater among businessmen with whom 'private enterprise' has had a prominent place and an attractive sound for a long time.

*New topics treated in this study.* It seems that this sort of empirio-semantic study has not been carried out before. (1) As a 'slogan analysis' the study tried to (a) chart the trends of the usages of an expression and (b) determine how these usages occur within social and other groupings. (2) As a 'bias analysis' the study attempted to indicate, on the basis of these facts, (a) how the expression can be used for expediency in debate and (b) the symptoms of unethical motives and techniques behind the choice of usage. (3) As a 'subsumption analysis' the study considered the frequently overlooked difficulties which confront any investigator in trying to form classes of more or less free answers under different categories. Study of the coding of open-ended questions especially emphasizes the difficulty of the investigator in giving a detailed account of the auxiliary hypotheses which presumably led him from the observation of the data to the final subsumption.

*New techniques.* Among the new procedures were (1) the use of synonymy questions, passage questions, connotation questions, and denotation questions, (2) the use of pitfalls to measure the definiteness of intention, and (3) the use of a semantical panel for the coding of open-ended questions.

*Main results.* (1) The striking extent of positive attitudes toward what is

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held to be private enterprise, not limited to 'rightists' and business groups. (2) The very different attitudes within the Communists: the undoubtedly negative attitude of the Communist politicians, the clearly positive attitude of the Communist businessmen, and the neutral attitude of the Communist officials. (3) The pseudo-agreement among the rightists. (4) The pseudo-disagreement among the leftists. (5) The exposure of the systematic misuse of 'private enterprise' by different social groups in their fight for power in modern society.

*Effects of such studies.* If carried out more extensively, the effects of such studies, here styled 'empirio-semantic', might be several, of which two will be mentioned. (1) In logical analysis, semantics, or any kind of social research the investigator might become a little more careful and sceptical. In particular, the investigator might be expected to become more conscious of some of the auxiliary hypotheses used in coding open-ended questions in order to subsume free answers under certain categories or in order to subsume occurrences of an expression under rules of usage. (2) Finally, studies like this might have some influence on political debate. Maybe they could make it easier to comply with commonly accepted patterns of discussion and more difficult to misuse language for propagandistic purposes, because people would gradually become more sceptical of slogans and stereotypes of any kind. Such 'propaganda against propaganda' might enable political debate to become a little more straightforward and a little less crooked and biased.