

## The end of deluded rationality?

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Simon Caulkin was in [great form in the Observer](#) this weekend:

*Ever in thrall to economics, today's management has faithfully reflected this deluded rationality. Managers have grown - and been taught - to eschew messy reality in favour of managing by computer model and target.*

*Indeed, increasingly they don't know how to manage forward from reality rather than backward from the numbers. Thus the besetting sin of mistaking the map for the territory, the scorecard for the game, the representation for reality; in any collision between humans and the numbers, it is humans who are the casualty of first resort.*

and

*Establishing a new equilibrium between individuals and broad economic forces so that markets can be made to serve social ends must be the first priority. The City no longer having a de facto veto, the stakeholding ideas, so abjectly abandoned by New Labour in the face of its disapproval, can be resurrected. That would be a huge step, breaking the stranglehold of shareholder value, reopening today's pernicious governance model and helping to put finance back where it belongs - on tap, not on top.*

Read the rest. It's so refreshing that some people get what it should be all about now.

It's a pity it seems to remain so few.