Hayek on the Role of Reason in Human Affairs

Throughout a lifetime of scholarly investigation, F. A. Hayek was concerned to explore certain epistemological issues that bear on social-science methodology in general and economic and political theory in particular. Among the more important of these issues is the extent to which human reason is capable of consciously coordinating the actions of the numerous members of any complex social order. And determining either the rules or values that should govern a society or the ends its members ought to pursue is also important. Such epistemological concerns were central to Hayek's investigations because he believed the rise of the illiberal collectivist ideologies he was concerned to refute could be attributed, in large part, to mistaken notions concerning the nature and function of human reason.

According to Hayek, the Western liberal tradition has been shaped by two distinct schools of thought—the French rationalist and the British evolutionary traditions—that embrace very different conceptions of liberty, social order, and the role of reason in human affairs. Our interest lies in the distinction Hayek draws between the two "kinds of rationalism" that he relates to the two schools.[1] Adherents to the French tradition, he claims, typically exhibit a profound (if mistaken) regard for the constructive powers of reason and tend, moreover, to attribute social order to rational design and conscious intention (views Hayek associates with what he terms "constructivist or naive rationalism").[2] The evolutionary school, which Hayek himself represents, is characterized, on the contrary, by an acute awareness of the limits to the constructive powers of reason and an understanding of social order as the un-

intended outcome of rule-governed human behavior (views Hayek associates with an "evolutionary or critical rationalism").[3]

One of Hayek's principal concerns, then, is to repudiate the "constructivist" view that man is able consciously to construct or invent social institutions such as law and morals because he possesses "reason." He argues that proponents of such "design theories" misunderstand the processes responsible for the growth of civilization and attribute unjustified authority to human reason in regard to both cultural advance and the creation of the Good Society. Hayek claims, in short, that the constructivistic political and scientific views that have prevailed since the Enlightenment embody a false epistemology which engenders legislation and public policy that must undermine the institutional foundation of the liberal order.[4] Hayek, one might say, is still doing battle with the Enlightenment. Carrying on the anti-rationalist project begun by David Hume, he is still striving to "whittle down the claims of reason by . . . rational analysis," for he believes that the preservation of liberal institutions depends upon our willingness to be governed by certain inherited rules of individual and collective conduct whose origin, function, and rationale may not be fully transparent to the reasoning mind.[5] He also believes, however, that *rational insight* into the nature and requirements of the liberal order will both commend allegiance to traditional liberal principles of limited government and the rule of law and reveal the poverty of rationalist schemes of social reconstruction. He pleads for reason—insight, comprehension, recognition—to prevail over rationalism and to do so by recognizing limits to the scope of its authority and competence. Only thus, he suggests, may we prevent the "destruction of indispensable values" that, for Hayek, is the tragic, if unintended, consequence of the Enlightenment project.[6]

Paradoxically, Hayek, the "rational persuader," spent his life seeking rationally to delineate the limits to the rule of human reason.[7] The purpose of this essay is to present an exposition and explication of those aspects of Hayek's philosophy relevant to the issue of the role of reason in human affairs. It examines his views on the characteristics of the constructivist- and critical-rationalist manners

of thinking, as well as their relationship to his views on the nature of mind, reason, rules, law, liberalism, and cultural evolution. The role of reason in human affairs has been of perennial interest to political philosophers. If Hayek is correct, however, our interest in such matters should be more than academic. For Western liberal society presently stands at a curious juncture. The authority of the moral and political traditions whose observance generated the liberal order has eroded in many quarters, and it has been suggested that we are living on the "moral capital" of an earlier era. Hayek obviously hopes that rational insight into the function served by nonrational moral and political traditions in regard to the maintenance of liberal society may supply the want of traditional authority—religion and custom—increasingly characteristic of our time.

I: Kinds of Rationalism

Constructivist Rationalism

Hayek's argument is primarily directed against certain epistemological views that he associates with the philosophy of Rene Descartes and the Enlightenment, views he labels "constructivist rationalism." For Hayek, the constructivist mentality is characterized by 1) belief in a socially autonomous human reason capable of designing civilization and culture; 2) a radical rejection of tradition and conventional behavior; 3) a tendency toward animistic or anthropomorphic thinking; and 4) the demand for rational justification of values.[8] The "core of constructivism," Hayek maintains, is "a general mental attitude, a demand for an emancipation from all prejudice and all beliefs which could not be rationally justified, [an attitude perhaps] best expressed by B. de Spinoza's statement that 'he is a free man who lives according to the dictates of reason alone.'"[9] According to Hayek, this cast of mind leads constructivists to attribute (perhaps implicitly) both the orderly structure apparent in society and the origin of social institutions to deliberate human invention or rational design. Unable to conceive of social order as the product of impersonal social forces, the constructivist, like the primitive, tends to ascribe all evident order to the design of a personal orderer and is frequently led more or less consciously to personify the concept

of "society"—to impute blame, responsibility, and purposefulness to an abstract mental construct. Such naive or animistic thinking, Hayek claims, is characteristic of all schools of totalitarian, socialist, and interventionist political thought.

The various forms of modern constructivism, Hayek maintains, derive from the rationalism of Descartes, whose "radical doubt" led him to deny the status of truth to any statement that could not be logically derived from irrefutable premises. Descartes' many influential followers interpreted his views in a manner that led them to perceive traditional values, institutions, and customs as the very embodiment of ignorance. Recognizing, of course, that such phenomena could not be rationally justified in accordance with the canons of Cartesian methodology, they concluded that inherited social institutions and conventions were more often impediments than aids to human flourishing. "If you want good laws," counseled Voltaire, "burn those you have and make new ones."[10] And it was Reason, these Enlightened thinkers proclaimed, that would liberate mankind from the ancient fetters of oppressive tradition.

The constructivists' cavalier dismissal of "irrational" tradition, then, is typically accompanied by a profound belief in the constructive powers of human reason. If mankind has created society, runs this train of thought, then it must be able to alter its institutions at will to achieve desired aims. If society is indeed our joint creation, then surely we can improve the existing order by better design. Constructivists believe, either implicitly or explicitly, that only those social institutions whose origin, purpose, and manner of operation are fully accessible to the reasoning mind deserve the approval of rational beings. Through their eyes, the spontaneous and undesigned appear as hardly more than irrational chaos. Constructivism maintains a firm hold on the contemporary mind. Intellectuals, in particular, reserve a special affection for all that is rational, conscious, or deliberate in contrast to the irrational, conventional, or seemingly accidental. Moreover, the traditional presumption in favor of established social institutions and practices has long been abandoned in favor of the more "glamorous" view that social phenomena should and can be subjected to ratio-

nal control and deliberate arrangement.[11] The insight that there are limits to our ability to consciously determine the particular manifestation of a given social order is rejected by naïve rationalists in favor of an overweening "reason" that believes itself able to create society in whatever image it chooses.

Hayek argues, however, that such constructivistic beliefs blind those who hold them to perceiving the true nature of social reality. Constructivists not only wrongly assume that fully developed human reason existed prior to social experience and directed man's cultural advance, but they are susceptible to what Hayek terms the "synoptic delusion: . . . the fiction that all relevant facts can be known to one mind and that it is possible to construct from this knowledge of the particulars a desirable social order."[12] Misunderstanding both the origin of social institutions and the nature of reason, constructivists are led to advocate rules and policy inappropriate to liberal society, for, according to Hayek, the question of how our order came into being has everything to do with which kinds of laws and policy are conducive to its ongoing vitality. Hayek maintains that ignorance of the origin of law (that is, the evolved rules of just conduct that result from the articulation of pre-existing practice) leads to the erroneous positivistic conception that any rule passed by a formal legislative body is valid law. He claims, however, that the evolved rules of justice that induced and maintain the spontaneous order of liberal society possess specific attributes which legislation—the deliberate construction of rules—will only possess if consciously modeled on the law. Hayek's view, in short, is that a rationalistic misunderstanding of the nature, function, and attributes of valid law engenders misguided legislation that must destroy the abstract framework of rules requisite to the operation of the liberal order, an issue to be examined more closely below.

Evolutionary or Critical Rationalism

The liberal tradition that Hayek contrasts with the constructivist tradition and that he himself champions is rooted in the Scottish Enlightenment. According to Hayek, the liberalism he espouses derives from the discovery of a "self-generating" or "spontane-

ous order" in social affairs.[13] Spontaneous-order theory was first elaborated by thinkers such as David Hume, Adam Ferguson, and Adam Smith and significantly developed by Carl Menger and his followers in the Austrian School. Such theory endeavors to explain how social order emerges, in Ferguson's famous phrase, as "a result of human action, but not . . . of . . . human design"—how a stable abstract pattern of social relations may emerge as the unintended byproduct of human interaction. In so doing, it explores the significance of the fact that human beings are as much rule-governed as purposive agents and that systematized, explicit, articulated knowledge is but the "crowning part" of the body of human knowledge.[14]

This tradition is characterized, moreover, by an evolutionary perspective that conceives social institutions and practices—law, morals, money, the market mechanism, habits, language—not as products of conscious construction or enlightened invention but of a suprarational trial-and-error process of cultural evolution. From such a perspective, traditions, customs, and the entire panoply of human convention do not appear as mere arbitrary and irrational prejudices cavalierly to be abandoned in the quest for rational control over social forces. Not only do inherited practices embody a "superindividual wisdom" acquired through the practical experience of former generations, but, equally important, the observance of many of these nonrational conventions is indispensable to the formation and maintenance of the social order.[15] Hayek argues, then, that traditional liberal rules and institutions, as well as reason, abstract thought, and the structure of the mind itself, should be understood as evolutionary adaptations to certain irremediable circumstances of human existence (for instance, essentially dispersed knowledge, limited foresight, scarcity, and the infinite complexity of social and physical reality), selected, at bottom and over the long run, in accordance with their human survival-value. However difficult to discern, those traditional values and rules whose observance generated modern liberal society serve a function in regard to the maintenance of that kind of order, and, Hayek contends, we abandon them at the price of civilized order and perhaps survival itself.[16]

As said, the conception of reason that Hayek repudiates is that which conceives of reason as an autonomous faculty standing outside the cosmos of nature and capable of judging society and human action in general from a superior perspective. Such a conception leads not only to the "synoptic delusion," but to certain beliefs regarding the appropriateness of action, beliefs which boil down to the idea that "action, if it is to be rational, must be deliberate and foresighted."[17] The constructivist, in other words, is convinced that it is unreasonable to take any action unless one "knows what one is doing"—unless one can consciously identify the purpose of an action and both foresee and desire the consequences that ensue.

For Hayek and his intellectual forebears, on the contrary, man is more "lazy, . . . improvident, . . . and short-sighted . . ." than he is rational, deliberative, and foresighted.[18] On their view, man has been successful not because he is rational, but because he is guided in his actions by evolved rules and practices that supply the want of extensive individual rationality and foresight. Evolutionary theorists, as noted, conceive of inherited rules and social institutions as bearers of tacit knowledge, knowledge which transcends that available to the conscious reasoning mind (because the knowledge embedded in such social phenomena has been gained by many more trials and errors than any individual could gain), and not as instruments that people deliberately employ to achieve certain known goals. On Hayek's view, man does not possess the distance from rules implied by such an instrumental conception, for, as will be discussed, he conceives of the human mind as itself *constituted* by systems of rules, only some of which enter into explicit reasoning processes.

Although Hayek is highly critical of the rationalism that seeks to subject all social phenomena to deliberate rational control, he nevertheless is not a proponent of any sort of irrationalism; and he gives short shrift to demands of will, instinct, or desire. As he explains, his argument is not directed against the proper use of reason but against its "abuse." "A proper use of reason," he explains, "is one that recognizes its own limitations and, itself taught by reason, faces the implications of the astonishing fact . . . that order gen-

erated without design can far outstrip plans men consciously contrive."[19] For Hayek, a proper use of reason permits the recognition that reason is indeed man's "most precious possession," while also recognizing the limits to reason's authority. Such limits derive from *inherent* limitations of the human mind, namely, the mind's constitutional inability to comprehend the concrete complexity of the human environment, upon which all human action depends, and the fact that reason necessarily deals solely with the realm of the abstract, issues to which we return below.[20] The Hayekian critical rationalist thus values the exercise of reason in human affairs but, in contrast to the constructivist, he recognizes that reason is not omnipotent—that it is a tool, not an author; a servant, not a judge. The critical rationalist recognizes, in particular, that reason only deals with the abstract. As such, it is powerless either to determine an appropriate *concrete* pattern of distribution for a complex society or to consciously regulate or arrange the particular actions of its many members. In sum, "if the Enlightenment had discovered that the role assigned to human reason in intelligent construction had been too small in the past, [the critical rationalist is] discovering that the task which man is assigning to the rational construction of new institutions is far too big."[21]

A clearer understanding of Hayek's conception of reason's appropriate sphere of authority and competence may be gained by examining more closely various aspects of his work that bear directly on his distinction between constructivist and critical rationalism, more particularly, his views on the nature of mind, rules, law, and cultural evolution and their relation to liberalism.

II: Reason, Evolution, and Design

Reason: Its Nature and Limits

Although the concept of reason plays a central role in Hayekian philosophy, one will search in vain for a definition of reason in his work. On the whole, when Hayek speaks of reason, he seems to refer to a conscious thought process that endeavors to discern patterns in human experience and to predict and control the consequences of action. Reason, he says, encompasses the capacity to be "guided . . .

by foresight—by conscious . . . insight into the connections between . . . particular known means and certain desired ends."[22] Elsewhere, however, Hayek tells us that that rationality (he does not explicitly distinguish between either "reason" and "rationality" or "reasonable" and "rational") is "no more than some degree of coherence and consistency in a person's actions, some lasting influence of knowledge or insight which, once acquired, will affect his action at a later date and in different circumstances."[23] Hayek also maintains that behavior guided by habit, custom, and tradition is rational in the sense that such behavior is not contrary to intelligent action.[24] As he put it, "[T]here [is] . . . 'intelligence' incorporated in the [inherited] system of rules of conduct [as well as in] man's [explicit] thoughts about his surroundings."[25] It is fair to say that, for Hayek, rationality is as much an attribute of the social process, of the network of social institutions, as of the individual mind. The sort of rationality embedded within the social process, however, is different from the conscious, explicit mental activity engaged in by the reasoning intellect. As Hayek explains, "Any social processes which deserve to be called social in distinction to the actions of individuals are almost *ex definitione* not conscious."[26]

In general, Hayek is less concerned to define and describe the capabilities of reason than its limits, more particularly, to show that human beings are never guided exclusively by a rational understanding of cause and effect but always also by more or less unconscious rules of conduct that have not been invented or constructed. He seems to regard reason as an indispensable tool that serves a primarily negative function: to guide or restrain action motivated by ultimately nonrational factors such as instinct, impulse, morals, and values.[27] Reason, by itself, can never determine the ends of action. It can do so only in conjunction with one of these nonrational factors and, moreover, will often only tell us what *not* to do. Reason, he says, "is merely a discipline, an insight into the possibilities of successful action," a servant of given values which it did not create and which it cannot justify.[28] Hayek does believe, however, that reason provides some guidance in the determination of human action. It enables man to identify inconsistencies and contradictions

in his thought and action, conflicts of values, and perhaps the appropriateness of means to given ends, as well as to deduce, infer, calculate, and so on. Reason is capable, moreover, of recognizing its own limitations and sphere of competence: "Surely, one of the tasks of reason is to decide how far it is to extend its control or how far it ought to rely on other forces which it cannot wholly control . . ."[29] Hayek also notes with approval the medieval view that reason mainly involves the capacity to *recognize* truth when met. Only later, under the influence of Cartesian doctrines, did the capacity to reason become identified *exclusively* with the mind's ability to "form trains of thought and deduce proofs," a conception that Hayek explicitly rejects.[30]

There appear to be as many conceptions of the role of reason in human affairs as there are political philosophers and traditions.[31] This confused state of affairs may, Hayek suggests, be related to the fact that Western philosophy has long been dominated by the "false dichotomy" between the "natural" (instinctual, biological) and the "artificial" (conventional, contrived, consciously designed) inherited from the ancient Greeks.[32] Since few philosophers could bring themselves to attribute culture exclusively to biology, they were more or less compelled to regard it as the product of rational or intelligent design. Instinct and reason appeared to exhaust the possible explanatory variables. The false choice posed by the exclusive alternatives of nature and convention, however, may have led many students of social and cultural phenomena to misunderstand the role of reason in their determination.

Cultural Evolution: The Priority of Tradition over Reason

According to Hayek, culture and civilization are neither "natural" products of biological instinct nor "artificial" products of the reasoning mind. Such phenomena are, instead, the product of another distinct human endowment—tradition. Man became all he is because he is as much a "rule-following" as a rational animal. Rule, as conceived by Hayek, is a very broad concept, defined as "a propensity or disposition to act or not to act in a certain manner," as a general disposition that governs a wide class of actions, perceptions,

or thought. The observance of rules is manifested in "regular" or patterned behavior, in what we term a practice or custom. Man flourished because he evolved a highly developed capacity to absorb and transmit such learned rules, rules that structure and govern his thought, perception, and behavior and that are embodied in his cultural traditions.

All creatures obey rules in the sense that their behavior may be described in terms of observed regularity (the temporal manifestation of rule-governed behavior). Man is distinguished, of course, by his more highly developed capacity to learn—to acquire culturally transmitted rules. According to Hayek, the acquisition and transmission of rules is effected by an essentially nonrational process of observation and imitation, a kind of sympathetic identification. Long before humans acquire language, they observe and imitate the actions of their fellows, thereby tacitly acquiring "knowledge how" to perceive and behave in accordance with prevailing cultural rules. [33] The acquisition of perceptual and behavioral rules also occurs simultaneously with the acquisition of language. We are generally little aware of the extent to which our minds and experience are structured and governed by rules acquired in such manners. Perhaps the most striking example of the human ability to absorb and act upon highly complex rules prior to the development of the reasoning mind is the child's ability to learn language—to master complicated syntactical patterns, to speak "as if" the child knew the rules of grammar, solely by means of imitation and analogy. Moreover, it is obvious to us that no one made these rules of grammar the child so unerringly observes; the body of grammar we have developed merely articulates the rules found to be governing the operation of the mind. We further recognize that our "feeling for language" (that is, our ability to follow rules we may not be able explicitly to state) remains the indispensable guide to appropriate speech and writing.

The nonrational character of the process whereby one learns to speak and master language should be emphasized because, according to Hayek, it is also the process whereby one learns the rules that structure and govern one's thought, perception, and behavior.

Just as no one learns to speak by studying a grammar text, so no one learns to think or behave by studying the rules of logic or law. Moreover, the relation between spoken language and formal rules of grammar is wholly analogous to the relation between traditional social practices and the formal rules of law. As little as the rules of grammar are the product of reason are the rules of law, an issue explained more fully below.[34]

Hayek's concern, then, is to refute the notion that human beings were somehow able to create culture and civilization because they were beings uniquely endowed with reason. Man, he explains, did not possess a developed ability to reason prior to the emergence of established traditions.[35] The true relationship between reason and culture is the reverse: man "became intelligent because there was tradition—that which lies between instinct and reason—for him to learn."[36] He says elsewhere:

> It is . . . misleading to represent the individual brain or mind as the capping stone of the hierarchy of complex structures produced by evolution which then designed what we call culture. The mind is embedded in a traditional impersonal structure of learnt rules, and its capacity to order experience is an acquired replica of cultural pattern which every individual mind finds given. The brain is an organ enabling us to absorb, but not to design culture.[37]

Hayek further argues that the mind itself should be recognized as an evolved and evolving phenomenon, a structure as adapted to the circumstances of human existence as the physical body. Such a mind could (and can) evolve only *because* there were pre-existing traditions—habitual behaviors, customs, and practices—to absorb: "It may well be asked whether an individual who did not have the opportunity to tap . . . a cultural tradition could be said even to have a mind."[38] The ability to reason, in short, is fully a product of social experience and, moreover, a relatively recent development within the vast frame of human history: "Man did not possess reason before civilization. The two evolved together."[39]

According to Hayek, man's ability to acquire and transmit cultural rules is the main "cause," so to speak, of his cultural advance. Such a capacity ensures that each generation need not begin life "from scratch," but can build upon the cumulative experience and knowledge gained by its predecessors. Moreover, Hayek maintains that those rules (both tacit and explicit) that were preserved long enough to form a "tradition" were preserved because they had proved *in practice* to contribute to the effectiveness and flourishing of the groups that observed them. Those that prevailed, in other words, served a function in regard to the maintenance of the social order, a function, however, of which no one need have been consciously aware.[40]

Hayek maintains that our inherited social institutions, morals, language, and law are the outcome of an ongoing process of cultural evolution, selected over the long run for their human survival-value.[41] Those that survived this process did so because they increased the chances of survival of those groups that observed them. Hayek argues that certain nonrational rules and practices (which may have originated as "irrational" taboos, superstitions, or religious beliefs) spread via a process of imitation and emulation because the observance of such rules unwittingly produced an overall order of activities that was capable of supporting larger and larger numbers of persons. Those groups who observed what proved in practice to be superior rules thus gradually displaced those groups who observed what proved to be less adaptive rules and practices. Hayek claims that such cultural selection is not a process guided by reason but by "success," defined as the number of persons that can be supported by the social order resulting from the observance of certain social practices and the commitment to certain values. Human flourishing is associated with increased population, individuation, and specialization, which are prerequisites for both material and spiritual advance. According to Hayek, certain groups proliferated and prevailed because they "stumbled upon" certain rules whose observance unintentionally created a social order that fostered human flourishing despite the fact that it was not designed by anyone.[42]

On Hayek's view, then, the "extended order of human cooperation," his term for the Great or Open Society that character-

izes modern Western civilization, was brought into being because its members observed certain values—private property, honesty, truthfulness, saving, respect for the individual, and so on—and not because they possessed reason. Moreover, such values remain the indispensable foundation of liberal society because the "existing factual order exists only because people accept [these] values."[43] Consequently, those who wish to preserve a free and liberal society are constrained to observe certain values, rules, and practices despite the facts that they may not comprehend their rationale or significance or even obtain happiness or pleasure in the process.[44]

The Possibilities of Reason

Although Hayek emphasizes the significance of nonrational tradition, inarticulate rules, and custom to human experience, we have seen that he does not denigrate the importance of rational reflection or reason properly conceived. His aim, he says, is to make reason as effective as possible and this, he contends, requires recognition of reason's proper sphere of authority.[45] For Hayek, then, reason does have a crucial role to play in human experience, and he is concerned to maintain the conditions he regards as indispensable to the further evolution of human rationality. More particularly, because the mind is an evolving structure that develops only through its encounter with the realm of concrete experience, *freedom of action* is indispensable to the growth of rationality. Man became and becomes rational through experiencing the consequences of his actions; he does not and cannot learn solely in the abstract. The development of rationality depends upon man's ability to experience for himself the disappointment and fulfillment of his expectations.[46] Hayek's point is that the growth of rationality requires more than freedom of thought, opinion, and speech, a value generally cherished in modern liberal culture. As he says, discussion though essential "is not the main process by which people learn. Their views and decisions are formed by individuals *acting* according to their own designs; and they profit from what others have learned in their individual experience."[47] For Hayek, knowledge is preeminently practical, embodied in concrete tools, customs, and habits,

as well as in abstract rules, symbols, and inarticulate "techniques of thought."[48] His views on the growth of rationality are close to Karl Popper's views on the growth of scientific knowledge: both "must be conceived as an interpersonal process in which everyone's contribution is tested and corrected by others."[49] Like scientific hypotheses, the products of reason must be considered tentative and provisional, conjectures that can be refuted but never proven or conclusively demonstrated. Moreover, reason, like science and like civilization itself, advances only by grappling with the unknown and the unpredictable. Consequently, "the only environment wherein reason can grow and operate effectively . . . [is the] indispensable [realm] of the uncontrolled and non-rational."[50]

If human action were somehow to be restricted only to that in accord with some preferred conception of what is rational, we would, Hayek argues, smother the spontaneous trial-and-error process whereby reason and civilization advance:

> We might conceive of a civilization coming to a standstill, not because the possibilities of further growth had been exhausted, but because man had succeeded in so completely subjecting all his actions and his immediate surroundings to his existing state of knowledge that there would be no occasion for new knowledge to appear.

The endeavor to rationalize the social order—to subject the social process to deliberate conscious control—must induce the stagnation and ultimately the decline of both human intelligence and civilized society. Reason, Hayek warns, "is like a dangerous explosive which, handled cautiously, may be most beneficial, but if handled incautiously may blow up a civilization."[51]

III. The Primacy of the Abstract

Hayek is impressed by the fact that the human mind is very limited. Man cannot foresee the future with any degree of certitude. He may not clearly recognize his own values, purposes, or ends, ends which must, moreover, continually change in response to changing

circumstances. Worst of all and most significant to Hayek, man is incurably ignorant of most of the concrete facts and circumstances prevailing in his environment—his mind is simply incapable of grasping reality in all its infinite concrete complexity.[52] Yet, despite these facts, he must somehow determine "how to act" and "what to do" within this complex environment. How is this accomplished? According to Hayek, man survived and flourished because he evolved a mind adapted to the kind of environment in which he dwells, a mind that operates to classify (and thus perceive and manipulate) phenomena according to certain abstract aspects. Abstractness, Hayek explains, is not exclusively a property of conscious thought or mental concepts. It is, rather, "a characteristic possessed by all the processes which determine action long before they appear in conscious thought or are expressed in language. . . . Whenever a *type* of situation evokes in an individual a *disposition* toward a certain *pattern* of response, that basic relation which is described as 'abstract' is present."[53] Abstractness thus conceived is a property of all thought, perception, and action.

Abstractness, moreover, is not a quality produced by means of induction or inspection of concrete phenomena: we do not *abstract from* a myriad of concrete phenomena and subsequently derive abstractions such as truth, justice, danger, happiness, and so on. Hayek suggests, on the contrary, that abstractness or generality is "primary" to the experience of concreteness (the secondary or derived phenomenon).[54] As he puts it:

> Abstraction is not something which the mind produces by processes of logic from its perception of reality, but rather a property of the categories with which it operates—not a product of the mind but rather what constitutes the mind. We never act, and could never act, in full consideration of all the facts of a particular situation, but always by singling out as relevant only some aspects of it; not by conscious choice or deliberate selection but by a mechanism over which we do not exercise deliberate control.[55]

This mechanism, Hayek maintains, is the outcome of a process of evolutionary selection. The capacity to structure experience by means of abstract concepts and rules is an adaptation that allows man to orient himself in a world most of whose concrete particulars must remain forever unknown to him. It is an evolved solution to problems that stem from the fact that man's mind is incapable of fully mastering or comprehending the infinite complexity of concrete phenomena that comprise the human environment. As Hayek put it, abstract concepts are a "means to cope with the complexity of the concrete which our mind is not capable of fully mastering."[56]

Moreover, reason and abstraction are inextricably entwined: "when we say what all men have in common is their reason we mean their common capacity for abstract thought." Reason is only competent in the realm of the abstract. Reason and abstraction do permit us to achieve a degree of mastery over experience, a mastery that extends, however, only to certain *general* or *abstract* features of our environment and experience, which is why a complex society depends crucially upon the enforcement of only *general or abstract* moral and political rules. Abstract concepts extend the range of reason's competence because they "help reason go further than it could if it tried to master all the particulars." But our constitutional inability to foresee all the extended ramifications of our actions or to take into account all the concrete circumstances that determine their outcome necessarily restricts the degree of rational control we can exercise over the concrete manifestation of the social order. The use of abstraction extends the scope of phenomena that we can master intellectually. It does so by limiting the degree to that we can foresee the effects of our actions, and therefore also by limiting to certain *general or abstract* features the degree to which we can shape the world to our liking. Liberalism, for this reason, restricts deliberate control of the overall order of society to the enforcement of such general rules as are necessary for the formation of a spontaneous order, the details of which we cannot foresee.[57]

The nature of abstraction has been discussed at some length because, according to Hayek, the refusal to recognize that reason, by itself, is powerless to determine concrete particulars and thus to

devise an appropriate concrete pattern of distribution for a complex society lies at the heart of constructivism. Hayek's fundamental contention is that reason cannot, by itself, either consciously coordinate the concrete affairs of the inhabitants of an advanced society or determine particular concrete ends that persons should collectively pursue.

"The Market" and the Demand for Rational Control

In this regard, Hayek identifies two methods whereby the actions of individuals and groups within a society may be coordinated: 1) the "automatic" and spontaneous coordination effected by the "market mechanism,"[58] and 2) the conscious and deliberate arrangement effected by directing the particular actions of individuals and groups in accordance with a preconceived "plan," the method of socialism and its variants. The "market" of course, is a metaphor for a complex of social relations, institutions, and practices. Hayek maintains that such phenomena are evolved solutions to the "central problem" any advanced society must solve: how to generate, utilize, and coordinate knowledge that *only and always* exists fragmented and dispersed among the numerous members of any complex society.[59] Indeed, the "price system" should be conceived as an evolved "medium of communication" that serves both to bypass man's ignorance of most of the facts that determine the success of his actions (the concrete circumstances prevailing throughout society) and to integrate the actions of individuals and groups into a coherent overall order.[60]

Hayek argues that the cultural achievements of Western civilization are not the product of superior knowledge *per se* but of the fact that Western society evolved a method of coordination "the market" that encourages the generation and utilization of more knowledge than any other method yet discovered. No mind or group of minds could consciously assimilate or coordinate the vast knowledge and information that daily enters the social process *via* the market mechanism. Indeed, much of the knowledge and information that enters the market process is of a kind that *cannot* be consciously communicated or articulated. Knowledge is a broad

term for Hayek. It consists not merely in explicit, systematized, theoretical knowledge but in the inarticulate knowledge embodied in techniques of thought, habits, dispositions, and customs, as well as in the fleeting local knowledge of time and place whose utilization is so essential in a complex social order. The "automatic" coordination achieved via the spontaneous ordering process of the market is, in short, far superior to any method based upon conscious direction. Conscious direction ("planning") must necessarily restrict the knowledge employed to that possessed by a few limited minds and thus prevent that flexible adaptation to ever-changing concrete circumstances whereby the order as a whole maintains itself. For Hayek, the constructivist perspective he repudiates is characterized by an inability or unwillingness to recognize the "astonishing fact . . . that order generated without design can far outstrip plans men consciously contrive."[61]

For two hundred years, the ideas inherited from the Age of Reason seized the imagination of political theorists and reformers of various persuasions, while the more sober and modest insights of the evolutionary theorists were largely ignored. To "organize . . . society as a whole," rationally to construct a new and better world, to replace or correct the allegedly chaotic and irrational market process by the scientific or rational distribution of resources—at long last consciously to direct the course of human evolution—such have been the characteristic ambitions of social reformers throughout the modern era.[62] According to Hayek, all forms of modern totalitarianism and collectivism—from the crudest communism to Fabianism to the "hot" socialism and Fascist corporatism of the '20s and '30s, through the recurring demands for "social justice" and contemporary calls for "controlled competition," "bailouts," and the like—derive their inspiration from the belief that reason and conscious direction can produce a more "rational" and thus superior allocation of resources than that achieved by the automatic and spontaneous forces of the market.

Hayek argues, however, that the demand for rational, conscious ("political") control of the concrete particulars of social life is based upon a misunderstanding of the process of cultural evolution and

on a hubristic and dangerous overestimation of the capacity of the conscious reasoning intellect. As we have seen, Hayek contends that civilization is not the creation of the reasoning mind, but the unintended outcome of the spontaneous play of innumerable minds within a matrix of nonrational values, beliefs, and traditions. The desire of modern constructivists to "make everything subject to rational control" represents for Hayek an egregious "abuse of reason" based upon a failure to recognize the limits to reason's sphere of competence.[63] Such limits, again, stem from the fact that reason is confronted by an immovable epistemological barrier: its irremediable ignorance of most of the particular, concrete facts that determine the actions of individuals within society. The constructivist's main error is the refusal to recognize that reason is only competent in the realm of the abstract. Hayek observes that the "rationalist . . . revolt against reason is . . . usually directed against the abstractness of thought [and] against the submission to abstract rules" and is marked by a passionate embrace of the concrete. He sums up the constructivist error in this way: "constructivist rationalism rejects the demand for the discipline of reason because it deceives itself that reason can directly master all particulars; and it is thereby led to a preference for the concrete over the abstract, the particular over the general, because its adherents do not realize how much they thereby limit the span of true control by reason."[64]

Liberalism and the Limits to Reason

Hayek contends that "all institutions of freedom are adaptations to the fundamental fact of ignorance." Classical liberal principles and institutions should be conceived in this light, for liberalism's reliance on guidance by abstract principles and the restrictions this places on the content of law and policy stem from the inherent limitations of the human mind we have discussed. Abstract liberal political principles and rules of justice (limited government, individual liberty, private property, contract, equality under the law, and so on) are, like abstract moral rules in general, adaptations to man's permanent epistemological predicament—to the fact that the human mind cannot comprehend all the detailed

complexity of human society. For, according to Hayek, "the fact of our irremediable ignorance of most of the particular facts which determine the processes of society is . . . the reason why most social institutions have taken the form they actually have."[65]

Liberal political principles, Hayek further argues, should be regarded as evolved "moral rules for collective action."[66] Such principles, like moral rules in general and like reason itself, serve an essentially negative function: to tell us what we must refrain from doing if we wish to prevent undesirable consequences (such as the destruction of the social order; perpetual conflict or chaos; violence; the inability to adapt to changing circumstances or to make long-range plans; suppression of knowledge; stagnation; the subjugation of the individual; and so on). He also maintains that inherited moral rules, such as the attribution of free will and responsibility, are "devices" man has stumbled upon to make the limited rationality he does possess as effective as possible. We hold persons responsible because we hope to influence their behavior in the future, to encourage them to "act more rationally than they otherwise would."[67] Similarly, we allow persons to reap or bear the consequences of their actions so they will rationally attend to the particular circumstances over which they do have some control. Hayek maintains, in short, that many of the evolved social institutions and conventions of Western civilization are adaptations that both extend man's limited rationality and foresight and buffer the more severe or dangerous consequences of their inadequacy.

Although liberal principles and rules of law were not the products of conscious construction or enlightened invention, Hayek claims that reason (in the sense of rational insight) can comprehend the function such evolved phenomena perform in regard to the preservation of the liberal order. He believes that experience, observation, and rational argument—science, in short—can inform our conscious understanding and commend allegiance to liberal rules and institutions. Hayek does not argue that it is more rational (in an absolute sense) to observe abstract liberal principles in our collective conduct than collectively to pursue concrete objects via the planned society. It will only be rational to do so if we

desire to preserve the liberal order. Only if we value that kind of order, in other words, will Hayek's appeal to rational understanding fall on fertile ground. Reason, for Hayek, is always a servant of ultimately nonrational phenomena such as the values embodied in the free society as historically achieved in the West.

Rational Deliberation, Law, and Policy

Hayek's position runs counter to a well-established tradition in political theory which, though not as explicitly constructivistic as socialism, nevertheless shares its belief in the constructive powers of reason. Those who believe politics to be an intrinsically ennobling and civilizing activity often argue that both the substantive content of liberal law and the common ends of political action should be determined by widespread participation in rational discussion and "reasoned debate."[68] Hayek insists, on the contrary, that no amount of rational dialogue can generate the knowledge requisite to the accomplishment of such tasks—and this for two reasons.

First, Hayek contends that the rules that structure liberal society are not the product of rational argument and debate but are determined by the "rationale" and requirements of the liberal "system as a whole."[69] Although we may debate whether or not we desire to live in a liberal society, once we are committed to that kind of order, our choice of rules is severely circumscribed, for Hayek believes "there may exist just one way to satisfy certain requirements for forming an extended order," such as modern liberal society.[70] "The aim of jurisdiction," Hayek tells us, "is the maintenance of an ongoing order of actions." He thus reminds us that all law tacitly presupposes the existence of and refers to an ongoing factual order of activities, a comprehensive background order which, although it results from the regularities of the actions of individuals, is distinct from them. The order to which Hayekian theory refers manifests itself in the matching or coincidence of plans and expectations across persons who are necessarily ignorant of most of the concrete circumstances prevailing throughout society and of the concrete aims pursued by their (mostly unknown) fellows. The existence of such order is what accounts for the fact that the means we require to re-

alize both our transitory ends and enduring values are made available by strangers (the "market") who have no explicit knowledge of our concrete needs and wants. It is such an order the activities of millions of person who do not and cannot know one another's concrete circumstances and intentions to "dovetail" or mesh rather than clash or conflict, and this despite the fact that most persons are only tacitly aware of its existence and do not deliberately aim to produce it.[71]

Law in the sense of enforced rules of conduct is coeval with society, for the de facto observance of common rules is what constitutes even the most primitive social group. Prevailing rules will not necessarily be recognized or explicitly treated as rules but will manifest themselves as habitual perception or behavior, as customs and conventions. Again, those who practice certain inherited customs may not be aware that in so doing they contribute to the maintenance of the social order—they may merely "know" that certain actions are taboo or "just not done." Yet those whose task it is to articulate the enforceable rules will be guided, more or less consciously, by an awareness that the rules "refer to certain presuppositions of an ongoing order which no one has made but which nevertheless is seen to exist."[72] The rules that structure modern liberal society, then, refer to certain presuppositions and requirements of that *kind* of social order, presuppositions and "inchoate rules" that are closely related to the "sense of justice." Once again, an analogy drawn from language may assist understanding. As one's "feeling for language" enables one to recognize the appropriateness or inappropriateness of the spoken or written word without explicit knowledge of the rule applicable to the case at hand, so one's "sense of justice" enables one to recognize an inappropriate (or "unjust") rule or action without necessarily being able to articulate the rule that has been violated. As the task of the grammarian is to articulate the general rule that governs a particular linguistic usage, so the task of the judge or jurist is to articulate the general rule that (implicitly or explicitly) governs the case at hand. The rules of both grammar and law are part of that abstract structure of rules "found" to be governing the operation of the mind.[73] The task of the judge is thus

not to invent or construct good law but to bring to conscious awareness the general principle or rule which, when once expressed, will be recognized as just (or at least not unjust)—which means, more or less, as being in conformity with the implicit rule that has customarily guided spontaneous interaction in a given society. The law that emerges from the law-finding efforts of judges or jurists (such as the English common law) always emerges, in other words, as a result of "effort[s] to secure and improve a system of rules which are already observed." All valid law, including the law that structures the spontaneous order of liberal society, is, according to Hayek, of this nature.

Hayek is concerned, then, to show that evolved social phenomena such as law and language exhibit certain similarities. First, law, like grammar, refers to a factual overall order (or abstract pattern)—an objective order which is the unintended result of human perception and behavior yet which is distinct from that behavior—of which actors and speakers are, in general, only tacitly aware. Second, the rules whose observance generated liberal society were as little the product of rational design, deliberate invention, or reasoned debate as were the rules of grammar. They emerged, instead, through the ongoing efforts of judges to articulate, develop, and interpret the implicit and explicit rules that structured a pre-existing order of actions. The development of law, in other words, always proceeds within a *given* framework of values, rules, and practices, the observance of which generates the overall social order. The task of the judge or jurist, although certainly an intellectual task, is not one that entails the exercise of deductive reasoning or syllogistic logic. In resolving disputes, the judge is, in effect, asked to clarify which one of several conflicting expectations is to be treated as legitimate. And that depends, in turn, on both customary practice and the requirements of the overall social order and not on his or anyone else's preferences, rational or otherwise.[74]

Second, Hayekian theory places irremovable substantive limits to discretionary governmental policy within liberal society, limits that again derive from the epistemological issues explored above. More particularly, Hayek emphasizes that we do not possess and

cannot acquire knowledge of the innumerable and ever-changing facts and circumstances that we would need to know in order to determine concrete ends that all members of society "should" pursue. Regardless of how disinterested, just, intelligent, and altruistic we all may be, we can never rationally design a non-arbitrary hierarchy of concrete ends, for the ends that persons "should" pursue depend upon concrete facts and circumstances—relative values and scarcities—that no human mind or group of minds can grasp. A "rational" concrete pattern would be one based upon comprehensive utilization of all the knowledge of particular conditions dispersed throughout a society, knowledge which is simply unavailable as a whole to anyone. "Rational" concrete patterns can only be continually rediscovered as persons employ their (tacit and explicit) knowledge to adapt to the peculiar circumstances encountered within their local environments. Moreover, there exists no general principle by which we may objectively determine the relative importance of conflicting concrete ends.[75] Hayek argues that no amount of rational discussion can produce agreement on the particular concrete manifestation a complex social order "should" assume if such agreement is not present at the outset of discussion. To compel persons to serve some hierarchical scale of concrete ends in the name of "rationality" can only mean that "common ends are imposed upon all that cannot be justified by reason and cannot be more than the [arbitrary] decisions of particular wills."[76]

Hayek further contends that all we truly have in common with our fellows in a Great Society is knowledge of certain *abstract* features of our social and physical environment. We share knowledge of the *kind* of clothing we wear, the *kind* of food we eat, the *kind* of entertainment we enjoy, and so on. Most of the particular facts and circumstances that determine the concrete shape of our fellows' lives in the spatially extensive modern liberal order are and must forever remain unknown to us. Abstract rules prevailed precisely because they served to bypass these epistemological barriers and thus allowed the formation of an extended order that utilizes and coordinates more knowledge and information than is surveyable or accessible to any individual or group. To ignore these epistemologi-

cal considerations is, on Hayek's view, to ignore or misunderstand the "whole rationale" of liberal institutions.[77] Again, for Hayek, the institutions of the free society—law, markets, money, morals—are adaptations to the fundamental fact of ignorance, to the necessary limits of the human mind. If we somehow knew the "best" concrete manifestation a Good Society would assume, Hayek suggests, the case for liberal institutions would vanish.[78] If indeed there existed omniscient entities who could direct each person's activities toward his own and others' best fulfillment, we would not require the trial-and-error process whereby we discover the pursuits that fulfill our values (and what, in fact, those values are). Fulfillment—the good of all—cannot be planned in the abstract. Only those who have succumbed to the "synoptic delusion" could, Hayek argues, overlook this fundamental fact.

"Immanent Criticism" and the Justification of Values

Although Hayek insists that inherited values and institutions may not be abandoned merely because we do not fully comprehend their purpose or significance, he does not believe that tradition itself is sacrosanct or beyond criticism.[79] He argues, in fact, that those who aim to understand both how a society functions and how it may be improved, have the right to criticize, examine, and judge all the values of that society. Again, his argument is not directed against what he considers the proper use of reason but against the abuse of reason—the endeavor to subject everything to rational control. If, however, as Hayek claims, inherited traditions embody knowledge which transcends that available to the conscious reasoning mind, how may one determine when critical evaluation of social institutions is in order and when it is merely an expression of rationalistic hubris? The only explicit guidelines Hayek offers are to be found in his doctrine of "immanent criticism," which he defines as

> a sort of criticism that moves within a given system of rules and judges particular rules in terms of their consistency or compatibility with all other recognized rules in inducing the formation of a certain kind of order of actions.[80]

> Though we must constantly re-examine our rules and be prepared to question every single one of them, we can always do so only in terms of their consistency or compatibility with the rest of the system from the angle of their effectiveness in contributing to the formation of the same kind of overall order of actions which all the other rules serve.[81]

> All we can do is confront one part [of civilization] with the other parts . . . [and] test each and every value about which doubts are raised by the standard of other values, which we can assume that our listeners or readers share with us.[82]

Hayek's view, then, is that specific aspects of a culture must be judged or critically appraised only within the context of that culture and not from any transcendental perspective. For Hayek, there is no such perspective: "The picture of man as a being who, thanks to his reason, can rise above the values of civilization, in order to judge it from the outside . . . is an illusion."[83] For Hayek, morals, values, and reason are entirely natural phenomena, evolutionary adaptations which have enabled man to survive and flourish in his particular kind of world. Those social institutions that have survived the evolutionary process did so because they serve human needs and because they generate a superior overall order of activities. Values and moral rules, in other words, serve a function in regard to the generation and maintenance of a given social order and may not be manipulated or discarded merely because their rationale may not be transparent. Hayek suggests, moreover, that we still have much to learn regarding the relationship between values, morals, and legal rules, on the one hand, and, on the other, such ignorance reinforces our dependence upon tradition: "We do not really understand how [our moral system] maintains the order of actions on which the co-ordination of the activities of many millions depends . . . And since we owe the order of our society to a tradition of rules which we only imperfectly understand, all progress must be based on tradition."[84] Moreover, Hayek attaches great significance to the fact that every person is born into a *given* value framework and a

given working social order which no one created and which no one has the power or authority to alter at will. The fact that the present social order exists only because people honor certain values limits (both morally and pragmatically) the extent to which we can deliberately reform or change existing rules.[85] Thus the necessity of "immanent criticism"—criticism of "particular rules within standards set by . . . the aggregate structure of well-established rules."[86]

For Hayek, the rules of morality and justice are the same as they were for David Hume: conventions that have emerged and endured because they smooth the coordination of human affairs and are indispensable, given the nature of reality and the circumstances of human existence, to the effective functioning of society.[87] For Hayek as for Hume the rules of morality and justice are not the products of reason and they cannot be rationally justified in the way demanded by constructivist thinkers. And since our moral traditions cannot be rationally justified in accordance with the demands of reason or the canons of science, we must be content with the more modest effort of "rational reconstruction," a "natural-historical" investigation of how our institutions came into being, which can enable us to understand the needs they serve.[88]

Hayek claims that the values and rules whose observance generated Western liberal society can not be proved or conclusively demonstrated to be superior to all others. What he argues, however, is that the preservation of that kind of society is crucially dependent on a particular set of rules and values, however imperfect and in need of improvement, rules and values we abandon at our peril. Hayek's plea for Western civilization is eloquent: what is at stake, he tells us, is the continuation of:

> the kind of open or 'humanistic' society where each individual counts as an individual and not only as a member of a particular group, and where therefore universal rules of conduct can exist which are equally applicable to all responsible beings. Moreover, it is only if we accept such a universal order as an aim, that is, if we want to continue on the path which since the ancient Stoics and Christianity has been characteristic of

Western civilization, that we can defend this moral system as superior to others—and at the same time endeavor to improve it further by continued immanent criticism.[89]

Linda C. Raeder
Palm Beach Atlantic University

1 F. A. Hayek, "Kinds of Rationalism" in *The Counter-Revolution of Science: Studies on the Abuse of Reason* (Glencoe, IL: The Free Press, 1955), 82-95. Hereinafter *Counter-Revolution*.
2 F. A. Hayek, *Law, Legislation, and Liberty*, vol. 1, *Rules and Order* (Chicago: University of Chicago Press, 1973), 8–34. Hereinafter *Rules and Order*. Among the "constructivists" identified by Hayek are J. J. Rousseau, Voltaire, Condorcet, Jeremy Bentham, the Millses, Auguste Comte, G. F. W. Hegel, Karl Marx, and Thomas Jefferson.
3 Ibid. Representative thinkers within this tradition include Bernard Mandeville, David Hume, Adam Ferguson, Adam Smith, Edmund Burke, T. B. Macaulay, Lord Acton, William Gladstone, Alexis de Tocqueville, Immanuel Kant, Friedrich von Schiller, Wilhelm von Humboldt, and, in America, James Madison, John Marshall, and Daniel Webster.
4 F. A. Hayek, *The Constitution of Liberty* (Chicago: University of Chicago Press, 1960), 231–3. Hereinafter *Constitution*; also, *Rules and Order*, 32–3. Hayek's classical liberalism should be distinguished from such rationalistic strains of liberalism as contractarian and rights-based theories, both of which, on Hayek's view, attribute unjustified authority to human reason in suggesting that social institutions have been or should be constructed for a determinate purpose.
5 *Constitution*, 62 & 69.
6 *Rules and Order*, 6.
7 Sir Arnold Plant, "A Tribute to Hayek—the Rational Persuader," *Economic Age* 2 (Jan/Feb 1970): 4–8.
8 *Rules and Order*, 8–11, and F. A. Hayek, "The Errors of Constructivism," in *New Studies in Philosophy, Politics, Economics, and the History of Ideas* (Chicago: University of Chicago Press, 1978), 3–22. Hereinafter "Errors" and *New Studies*.
9 "Liberalism," *New Studies*, 120.
10 F. A. Hayek, *The Fatal Conceit* (Chicago: University of Chicago Press, 1988), 25. Hereinafter *Fatal Conceit*.

11 *Rules and Order*, 9.
12 Ibid., 14.
13 F. A. Hayek, "The Principles of a Liberal Social Order," in *Studies in Philosophy, Politics, and Economics* (Chicago: University of Chicago Press, 1967), 162. Hereinafter *Studies*.
14 Adam Ferguson cited in "The Results of Human Action but Not of Human Design," *Studies*, 96; *Constitution*, 33.
15 *Constitution*, 110; 61–3.
16 Loosely, those "repressive or inhibitory" rules of conduct associated with the Judeo-Christian and classical liberal traditions (*Fatal Conceit*, 18).
17 *Fatal Conceit*, 71.
18 *Constitution*, 61; "The Legal and Political Philosophy of David Hume," *Studies*, 114.
19 *Fatal Conceit*, 8.
20 *Constitution*, 69; *Rules and Order*, 12–3.
21 F. A. Hayek, *Law, Legislation, and Liberty*, vol. 3, *The Political Order of a Free People* (Chicago: University of Chicago Press, 1979), 176. Hereinafter *Political Order of a Free People*.
22 "Errors," *New Studies*, 6–7.
23 *Constitution*, 77.
24 Ibid., 34.
25 *Political Order of a Free People*, 157.
26 *Counter-Revolution*, 87.
27 "Values," Hayek tells us, "are the ends which reason serves but which reason cannot determine . . . . Like all other values, our morals are not a product but a presupposition of reason, part of the ends which the instrument of our intellect has been developed to serve" (*Studies*, 87; *Constitution*, 63).
28 *Rules and Order*, 32. Hayek notes that "one of the lexical meanings of [discipline] is 'systems of rules of conduct,'" a meaning close to his view, (*Political Order of a Free People*, 160).
29 *Rules and Order*, 29.
30 "By reason, however, I do not think is meant here the faculty of the understanding which forms trains of thought and deduces proofs, but certain definite principles of action from which spring all virtues and whatever is necessary for the proper moulding of morals," (John Locke, cited in "Errors," *New Studies*, 19). "Reason, which had included the capacity of the mind to distinguish between good and evil, that is between what was and what was not in accordance with

established rules, came to mean a capacity to construct such rules by deduction from explicit premises. The conception of natural law was thereby turned into a 'law of reason' and thus almost into the opposite of what it had meant," *Rules and Order*, 21.

31 Cf. Alasdair MacIntyre, *Whose Justice? Which Rationality?* (South Bend, IN: University of Notre Dame Press, 1988).

32 *Rules and Order*, 20.

33 Hayek sometimes employs Gilbert Ryle's terminology—"knowing how" and "knowing that"—to express the distinction between tacit and explicit knowledge ("The Primacy of the Abstract," *New Studies*, 38).

34 *Rules and Order*, 19; "The Primacy of the Abstract," *New Studies*, 46–8; and *Studies*, 86–7.

35 The capacity unconsciously to acquire and transmit rules necessarily operated long before man possessed language, let alone the capacity to reason. The ability to reason—to identify relations of "cause and effect," to deduce, infer, calculate, "critically analyze," and so on—could not have developed prior to the habitual observance of certain nonrational traditions and rules. Prolonged habitual response was requisite even to the formation of a neurological structure capable of perceiving an environment sufficiently "regular" to suggest the existence of stable relations among phenomena. "Learning how to behave is more the source than the result of insight, reason, and understanding. . . . It is not our intellect that created our morals; rather, human interactions governed by our morals make possible the growth of reason and those capabilities associated with it. Man became intelligent because there was tradition . . . for him to learn, a tradition . . . [which] originated not from a capacity rationally to interpret observed facts but from habits of responding. It told man primarily what he ought or ought not to do under certain conditions rather than what he must expect to happen" (*Fatal Conceit*, 21–2).

36 Ibid., 21.

37 *Political Order of a Free People*, 157.

38 *Fatal Conceit*, 23.

39 *Political Order of a Free People*, 156, 160; "Errors," *New Studies*, 3–4. "This [the issue of the priority of reason or civilization] is, in a way, a 'hen or egg' kind of question—nobody will deny that the two phenomena constantly interact" (*Studies*, 86).

40 *Fatal Conceit*, 23.

41 *Constitution*, 57.

42 *Fatal Conceit*, 157; *Political Order of a Free People*, 166; *Counter-Revolution*, 87.
43 "Errors," *New Studies*, 21.
44 *Mirage*, 27. "There is in fact no reason to expect that the selection by evolution of habitual practices should produce happiness" (*Fatal Conceit*, 64).
45 *Constitution*, 69.
46 Ibid., 30.
47 Ibid.
48 Lavoie, 45.
49 *Counter-Revolution*, 61.
50 *Constitution*, 69.
51 Ibid., 38 & 94.
52 *Rules and Order*, 13.
53 Ibid., 30.
54 "The Primacy of the Abstract," *New Studies*, 35–49.
55 *Rules and Order*, 30.
56 Ibid., 12 & 29.
57 Ibid., 30–33.
58 *Fatal Conceit*, 19.
59 *Constitution*, 25.
60 As discussed, Hayek contends that the use of abstraction enables man to overcome his inability to master the infinite complexity of the environment. The price system is one of those evolved social institutions that serves to bypass the inherent limitations of the mind and permits persons to orient themselves in a world most of whose concrete detail they cannot know. Cf. *Mirage*, 113 & 116: "Modernity is the result of man's increasing ability to communicate abstract thought." The "market"—the "negative feedback" mechanism "steered" by the information precipitated in prices—is the means whereby such communication is effected, "Competition as a Discovery Procedure" (*New Studies*, 187, and *Mirage*, 125). Prices, Hayek tells us, are the indispensable guide to action. Without such guidance, persons could not know how to employ their efforts in a manner compatible with the plans and actions of their fellows. Without the guidance of prices, human activity would have to be directed by conscious command (our need for "things" would not disappear if the market were to disappear). Only the evolution of the price system, in other words, permitted persons to choose the direction of their efforts. Moreover, we cannot know how resources "should"

be employed without the guidance of undistorted prices that reflect the reality of current circumstances. Ibid., 69-72. See F. A. Hayek, *Individualism and Economic Order* (Chicago: University of Chicago Press, 1948).

61 *Fatal Conceit*, 8.

62 *Rules and Order*, 9; *Constitution*, 53 & 55.

63 *Studies*, 93.

64 *Rules and Order*, 32–3.

65 *Constitution*, 13 & 30.

66 Ibid., 68.

67 *Rules and Order*, 29 & 76.

68 Cf. Laurent Dobuzinskis, "The Complexities of Spontaneous Order," *Critical Review* (Spring 1989): 253–4 and Brian Lee Crowley, *The Self, the Individual and the Community: Liberalism in the Thought of F. A. Hayek and Sidney and Beatrice Webb* (Oxford: Clarendon Press, 1987).

69 The "rationale" of the liberal order is, for Hayek, essentially an epistemological one: liberal institutions encourage the generation and utilization of knowledge (explicit, inarticulate, practical, and which only and always exists in a dispersed and fragmented form). Cf. *Mirage*, 9; *Rules and Order*, 101.

70 *Fatal Conceit*, 17.

71 "Errors," *New Studies*, 9.

72 *Rules and Order*, 74, 96, & 98.

73 Both the "feeling for language" and the "sense of justice" can thus be explained in terms of Hayek's theory of the mind. As discussed, Hayek contends that all behavior and perception are governed by the abstract system of rules that constitutes the mind. These rules govern behavior regardless of whether they have been recognized or expressed in words. Some persons may be better at successfully articulating the rules that underlie social interaction in a given culture, but rules of both grammar and justice govern the operation of the mind long before they have been explicitly stated or discursively described. This is why Hayek says that rules are "found," not made: "The important point is that every man growing up in a given culture will find in himself rules or may discover that he acts in accordance with rules—and will similarly recognize the actions of others as conforming or not conforming to various rules" (Ibid., 19).

74 *Rules and Order*, 76–8, 96, 98, 115, 119–20, & 123. Also, "[T]he rules of just conduct which emerge from the judicial process . . . are

discovered in the sense that they merely articulate already observed practices or in the sense that they are found to be required complements of the already established rules if the order which rests on them is to operate smoothly and efficiently" (Ibid., 123). Even the very first rules "discovered" by the earliest counterpart of the judge were not the product of reason, but of an effort to articulate a rule which had long been honored in action as evidenced by the customary practices of the people (Ibid., 76–8).

75 Hayek repeatedly refers to Kant's observation that "[w]elfare has no principle, neither for him who receives it, nor for him who distributes it, (one will place it here and another there); because it depends on the material content of the will, which is dependent upon particular facts and therefore incapable of a general rule" (Immanuel Kant, *Kant's Political Writings*, ed. H. Reiss; trans. H. B. Nisbett [Cambridge: Cambridge University Press, 1970], 183); cited in *Fatal Conceit*, 75.

76 *Rules and Order*, 32.

77 *Mirage*, 9, 11–2.

78 *Constitution*, 29–30.

79 Ibid., 25. "Recognizing that rules tend to be selected, via competition, on the basis of their human survival-value, certainly does not protect those rules from critical scrutiny. This is so, if for no other reason, because there has so often been coercive interference in the process of cultural evolution" (*Fatal Conceit*, 20).

80 *Mirage*, 24.

81 *Political Order of a Free People*, 167–71.

82 "Errors," *New Studies*, 22.

83 Ibid., 20.

84 *Political Order of a Free People*, 167.

85 "Errors," *New Studies*, 21.

86 Norman P. Barry, "The Liberal Constitution: Rational Design or Evolution?" *Critical Review* (Spring 1989): 279.

87 "The Legal and Political Philosophy of David Hume," *Studies*, 106–21.

88 *Fatal Conceit*, 66-70.

89 *Mirage*, 27.