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The Three Sources of Anti-Socialism: An Inquiry into the Normative Foundations of F.A. Hayek's Politics

Introduction

New Labour insists on 'choice' in public services. This is not a new idea. As early as 1960, Friedrich August Hayek declared that if state institutions take sole charge of certain services, then "people (...) can no longer exercise any choice in the most important matters of their lives, such as health, employment, housing and provision for old age" (243).

This is one of the examples of how influential Hayekian ideas were in the formation of the "historical bloc" of neoliberalism (Candeias 2004, 250), which is why examining Hayek's thought is of high relevance for understanding the status quo.

In this paper, I will discuss the normative foundations of Hayek's political theory.

Hayek's normative endeavour has two aims –

1. to legitimise "liberalism", a capitalist economic order with a minimal state protecting the individual's private domain and private property (1984, 363), and

2. to delegitimise socialist ideas, whereby he understands all non-liberal political orientations except for conservatism (1944, xx, 167; 1973-77 II, 147; 1984, 125).

Accordingly, he refers to himself both as a “liberal” (288) and a “radical anti-socialist” (125). He employs three argumentative strategies to achieve his aims:

1. a justification of liberal elements of the status quo,
2. a theoretical construction of ‘missing’ elements of a liberal social order, and
3. a critique of socialist ideas and strategies.

In so doing, he draws upon three incompatible strands of moral reasoning – evolutionism, utilitarianism and deontology. In contrast to him being eclectic in normative terms, his political ideology remains constant. Hence I would accuse him of anti-socialist eclecticism. Ironically, Lenin’s bon mot of the three sources of Marxism can be applied much more adequately to Hayek’s anti-socialism – albeit with the addendum that in his case, combining different lines of thought leads to inconsistency.

I have chosen to discuss Hayek on his own terrain, and to establish the contradictions and gaps of his moral reasoning. This should not be mistaken for me making normative claims. My investigation is first and foremost a critique of Hayek.

As regards my method of presentation, Hayek’s three sources will be presented in a stylised fashion. I will treat his works as a uniform whole as regards typical argumentative patterns in which these strands figure. Consequently, I will outline the patterns regardless of the comparably minor

shifts in the development of his thought. I would argue that this is justified insofar as all three ‘sources’ can be found throughout his work.

Evolutionism

The most prominent normative line of argument in Hayek is his adherence to an “evolutionist conception of morality” (1988, 10). It is based on the notion of “cultural evolution” (11) – which refers to rules of human conduct that are “handed on by tradition, teaching and imitation, rather than by instinct” (12). Thereby, civilisation has been achieved (ibid.). Cultural evolution is driven by a process of selection based on the expansion in size of successful groups (16).

(This is contra-factual; the process of westernisation of culture around the globe is accompanied by a decrease of the West’s share of the world population.)

Against this backdrop, Hayek states that “values are a product of evolution” (1960, 36), which also means that they are regionally and historically diverse, not universal or omni-historical. Consequently, any connection of the evolutionary process to a pre-given moral order can be ruled out. Hayek states that “*evolution cannot be just*” (1988, 74), whereby he implicitly subscribes to moral relativism.

Considering Hayek’s aims, it is not surprising that he does not stop here. He leaves moral relativism behind in a four-step conceptual operation, which involves a tacit shift in what he means by evolution.

- (1) Hayek states that natural instincts are collectivist, whereas evolution leads to establishment of forms of interaction opening room for individual decisions (1988, 11-12). This implies that evolution is to be juxtaposed to nature – a counterintuitive assumption at least. Moreover, Hayek refrains from giving evidence which backs up his assumptions.
- (2) Hayek gives his argument a political leaning. He equates socialism with collectivism (1988, 7), and liberalism with individualism (1984, 366), thereby implying that the former can be described as a rebellion of nature against civilisation.

There is a whole range of problems with this:

- The equation of socialism with collectivism does not do justice to the complexity of socialist thought on the relationship between the individual and society.
 - It is far from evident why individualism and civilisation should be affirmed uncritically.
 - The description of socialism as an instinct-directed set of political ideas is unconvincing. If evolution, as Hayek implies (1973-77 III, 162), is a process of social arrangements increasingly being based on acquired rules of conduct at the expense of instinct-driven ones, how could the spreading out of socialist movements in the nineteenth and twentieth century other be conceived of than as a diffusion of acquired cultural forms?
- (3) Against this backdrop, Hayek is forced to make a third move, with which he attempts to bring rationality and instinct in line with each

other. The alleged aim of socialists to construct society on the grounds of a rational plan is supposed to be a product of evolution that is nevertheless instinct-driven (cf. 1988, 7, 22). This is a counterintuitive argument insofar as it leads to the derivation of socialist “constructivist rationalism” (1984, 364) from biological instinct. (What is more is that, as we shall see later on, Hayek’s rejection of ‘constructivism’ contradicts his own attempts to consciously design a liberal order.)

- (4) But why should liberalism be desired and socialism be despised? Corresponding to the ascription of constructivist rationalism to socialists, Hayek’s final move is to assign to liberals an “evolutionary interpretation of all phenomena of culture and mind and on an insight into the limits of the powers of the human reason” which is supposed to lead them to a somewhat conservative favouring of a “self-generating or spontaneous order” based on “grown institutions” (1984, 364). Moreover, he tries to invoke an intuitive sympathy for such an order by speaking of the “benefits of civilisation” and of “advanced culture” in its context (1988, 126, cf. 1960, 40). This is supposed to legitimise liberal elements of the status quo, and to delegitimise planned (as opposed to grown) orders.

This line of argument is unconvincing again. Why should civilisation be affirmed uncritically (witness that colonialism was frequently justified with reference to it)? And how is it possible to describe a liberal social order of the Hayekian type as spontaneous and self-generating (especially

considering the conscious interventions necessary to bring it about, and the fact that ‘grown’ institutions in no way have to be ‘liberal’). We can conclude that Hayek does not succeed in justifying liberalism on the ground of evolutionism.

Furthermore, the meaning of the term ‘evolution’ tacitly shifts. Having comprised all acquired forms of human interaction before, it now exclusively points to ones not brought about via deliberate design. Socialism is kicked out of the door, i.e. it is excluded from the process of evolution. This is a prerequisite for invoking intuitive sympathy for liberalism. If ‘cultural advancement’ involved the acquisition of socialist forms of conduct, there would be, from Hayek’s standpoint, no point in celebrating it. Accordingly, he alters his conceptual framework in order to make it support his politics, thereby contradicting his initial understanding of ‘evolution’. This inconsistency in his line of argument means that he fails to delegitimise socialism by invoking evolution.

Utilitarianism

We have seen the limitations of Hayek’s evolutionism in terms of achieving his aims. Even if we go along with him, his argument is not very strong. Why should we care if our rules of conduct are possibly primitive?

It is here that Hayek’s utilitarianism comes into play. In terms of explicit statements, he is ambiguous towards utilitarian arguments. In his works, we find both clear rejections of utilitarianism (1988, 99) as well as hesitant

affirmation (1960, 159, 1973-1977 II, 22). Nevertheless, I would argue that there is a utilitarian strand at work in Hayek's texts.

Following a standard definition by Will Kymlicka (1990, 9), I understand by utilitarianism a political philosophy that "claims the morally right act or policy is that which produces the greatest happiness for the members of society". This also implies that the collective utility of a social order to the people participating in it justifies its existence.

In Hayek, utilitarian justifications of liberalism can be found. He refers to the "beneficial effects" of liberty (1960, 18) and to the "inherited traditional rules" as being "most beneficial to the functioning of society" (1973-1977 III, 164).

By invoking the allegedly beneficial nature of liberalism, he reveals his eclecticism. Utilitarianism contradicts evolutionism. For evolutionists, it does not matter whether an order is beneficial, what matters is its strength and advanced nature. For utilitarians this again is not of interest; what is important is the maximisation of utility and happiness.

This produces a tension in Hayek's work. On the one hand, he attempts to justify traditional elements of the status quo and to delegitimise 'rationalist construction' of elements of social orders with reference to evolutionism; on the other hand, he invites a liberal variant of constructivism with reference to utilitarian arguments (cf. Barry 1979, 64; Gray 1984, 139; Tomlinson 1990, 55) – for example by lining out a "model constitution" (1984). We can conclude that Hayek's anti-socialism again produces inconsistency.

Deontology

So far, Hayek's arguments have proven not be convincing. If we took an evolutionist standpoint, why should it not be the case that at least within Europe the 'egalitarian' notion of redistribution of wealth should not be justified by tradition? Similarly, why should it not be possible for a utilitarian to argue that welfare states of the Scandinavian type were most conducive to maximising the happiness of all?

Hayek's consequent antisocialism, however, is demonstrated by the fact that he changes the terrain of his argumentation once again – this time in order to refute the idea of redistribution, to which the above arguments are intrinsically linked. The now evolving line of argument is centred on the assumption that freedom has to be given priority over any other value.

This contention is derived from Kantian deontology. Humans are, according to Hayek, "reasonable beings" (1960, 76) and hence must be allowed freedom: "Coercion is evil precisely because it [...] eliminates an individual as a thinking and valuing person and makes him a bare tool in the achievement of the end of another" (21). With this statement, Hayek invokes the Kantian notion of human beings being "ends in themselves" (Kant 1785/2002, 229). Hence, their individual needs cannot be overridden for achieving higher goals, which rules out utilitarian justifications of social orders. Accordingly, moral judgments refer to the motivation of individual action. Kant expresses this with his famous categorical imperative: "Act only on that maxim by which you can at the same time will that it should become a universal law" (Kant 1785/2002, 222).

By following this thread, Hayek once again reveals his eclecticism. He attacks utilitarianism by declaring that “liberty can only be preserved [...], if it is defended not solely on the grounds of its perceptible utility in single cases, but as a foundational principle that may not be broken in order to attain certain purposes”¹ (1961, 106).

As Hayek’s argument is based on the contention that human beings are reasonable by nature, he also implicitly revokes his evolutionism. If his moral theory is based on an assumption about human nature, justifying certain modes of conduct by pointing out that they have evolved and asserted themselves over time is not possible.

But what role do deontological arguments play in Hayek’s discourse? He employs them in order to attempt to demonstrate that demands made for the redistribution of wealth on the grounds of invoking ‘social justice’ are illegitimate. Drawing on Kant, he develops four principles of justice, namely

1. “that justice can be meaningfully attributed only to human action and not to any state of affairs as such without reference to the question whether it has been, or could have been, deliberately brought about by somebody”;
2. “that the rules of justice have essentially the nature of prohibitions” preventing “unjust action”;

¹ Translation from German by myself; the original version reading: “Die Freiheit kann nur erhalten werden (...), wenn sie nicht bloß aus Gründen der erkennbaren Nützlichkeit im Einzelfalle, sondern als Grundprinzip verteidigt wird, das der Erreichung bestimmter Zwecke halber nicht durchbrochen werden darf”.

3. “that the injustice to be prevented is the infringement of the protected domain of one’s fellow men”;
4. “that these rules” have to pass the “test of universal applicability” (1984, 369-70).

Hayek views these principles as a validation of his rejection of redistributive state interventions, as these breach all of them.

1. They are based on applying the notion of justice to an order that has not been brought about deliberately (1984, 374);
2. they are not based on prohibition (372);
3. they infringe of protected individual domains (375);
4. they lead to an unequal treatment of people (373).

However, none of Hayek’s derivations are tenable. One could argue, first of all, that demands for redistribution are interested-based, and hence do not need any normative justification. Let us try, however, to assess the validity of (1) by accepting Hayek’s assumptions. Why should the concept of justice not be applicable to states of affairs not deliberately brought about? Let us make a thought experiment from a Kantian standpoint: A slave-trader has grown up in a society that does not conceive of slaves as being human. Does he then deliberately treat his slaves merely as means to an end? And should we not still reject a society based on slavery as a whole as unjust? If we accept Kant, why should we not assume that justice judgements can be applied at least to abolishable social configurations of people being treated as mere means to other peoples ends (cf. Cragg 1983, 564) – even if these have not been brought about deliberately?

Apart from that, I would argue with A.M. McLeod that the outcomes of establishing a liberal social order are brought about deliberately, because “the uneven distribution of the advantages and disadvantages of social life effected by market forces is a readily foreseeable consequence of any government decision to establish, or maintain, a large ‘free market’ sector” (1983, 578). This means that the establishment of a capitalist order without redistribution cannot be justified by claiming that no one is responsible for the inequalities caused.

Let us now assess the consequences of (1) not being viable. If that is the case, (2) is not either. Once we assume that it is useful to employ the concept of justice, there is no reason why it should not be applied to certain states of affairs. Then, however, it is not possible to restrict the enforcement of justice to the prohibition of unjust acts. Although in many cases no one is to blame, for example, for the existence of people not being able to provision for themselves, it is certainly a condition that can be changed by providing them with benefits. Why, given Kantian assumptions, should this state not be called unjust, and why should action to change it not be grasped as an act of doing justice?

Then, however, the principle of universal applicability (3) is void, too: If bringing about justice means, for example, taxing the public to pay for the people in question, the principle of taxation is not universally applicable because certain groups have to be exempted from it because of their poverty. Moreover, this then requires the protection of the individual domain (4) to be restricted, at least if we follow Hayek’s questionable assumption that “the institution of private property” is a “material part” of the “protected individual domain” (1984, 368).

We can conclude that Hayek does not supply us with a convincing refutation of redistributive state interventionism. His anti-socialist eclecticism is underlined once more by the fact that he engages in a line of argument incompatible with evolutionism and utilitarianism, and does so for obvious political reasons.

Conclusion

None of Hayek's lines of argument support his anti-socialist stance, nor are they compatible with each other. Hence, I would argue that the eclecticism underlying Hayek's anti-socialism displays the brittle theoretical foundations of such a political conviction. As he does not provide us with convincing arguments why the ideas of socialism have to be abandoned altogether, there is no reason why we should refrain from thinking about a socialist alternative to the neoliberal status quo.

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