1 Hayekian Dialectics

As an economist of the Austrian school, Hayek received the Nobel Prize in 1974. Yet, his perspective goes beyond the constraints of economic science. Through his integration of evolutionist theory with elements of a dialectical method, Hayek presents one of the most powerful critiques of utopianism in the history of social and political thought.

Transcending Conservatism and Liberalism

Hayek was part of a contemporary evolutionist tradition that includes theorists such as Michael Polanyi and Karl Popper. This tradition has often been characterized as conservative. John Plamenatz argues that such conservatism is neither a revolt against social change nor a desire to preserve the status quo. On a broader, philosophical level, in Plamenatz's view, a conservative

believes that the ability to make large social changes according to plan is severely limited, and that the attempt to make them ordinarily does more harm than good.¹

It is perhaps, on this basis, that Popper has expressed great affection for conservatism. His critique of utopianism is directed against all forms of “radical” politics. He denigrates such “radical” change as utopian, ahistorical, drastic, and destructive.² Popper would agree with Russell Kirk who writes that conservatism recognizes change as a “process independent of conscious human endeavor.” Kirk contends that “Human reason and speculation” are capacities that can only be utilized “in a spirit of reverence, awake to their own fallibility.”³ Based on this description, all contemporary evolutionism can be seen as a product of the “conservative mind.”
Yet there is an important distinction between Hayek and others in the evolutionist tradition. Unlike Popper, Hayek did not equate radicalism with utopianism. He recognized the important link between the radical project and evolutionist insights. He argued that utopian thought gave no such recognition. It was inherently ahistorical and noncontextual.

Hayek's dissent from Popperian antiradicalism suggests an approach that is neither conservative nor liberal. Hayek combined key elements from both Burkean conservatism and Scottish liberalism. Politically, however, Hayek opposed contemporary American conservative ideology. He condemned conservatism as "paternalistic, nationalistic, and power-adoring . . . traditionalistic, anti-intellectual and often mystical." In *The Constitution of Liberty*, for example, Hayek saw a connection between conservatives and socialists who would use coercion and arbitrary power in support of their respective values. Conservatism, for Hayek, was too fearful of change and much too fond of authority.5

Hayek's neoliberal or quasi-libertarian political and economic philosophy opposes government intervention on behalf of business or labor. Hayek saw the growth of monopoly as a corporativist by-product,

a deliberate collaboration of organized capital and organized labor where the privileged groups of labor share in the monopoly profits at the expense of the community and particularly at the expense of the poorest, those employed in the less-well-organized industries and the unemployed.6

Hayek believed that he had much more in common with progressive socialists on specific social issues than with conservatives. He agreed with socialists on most questions of value. Yet, he opposed central planning because it was both counterproductive and subversive of its own stated ultimate ends.7 In a unique synthesis, Hayek integrated a classical liberal commitment to the free market, a classical conservative commitment to evolutionism, and elements of a profoundly radical, dialectical method of social inquiry.

The classical liberal revolutions of the seventeenth and eighteenth centuries were complex historical phenomena with broad consequences. The power of the liberal worldview derived from its passionate attack on the legitimacy of the dissolving Old Order, its mysticism, quasi-feudalism and mercantilist privilege. In bolstering the development of competitive capitalism, liberalism embraced
an ideology of natural rights, individualism, limited government, and private property. It also provoked the ire of conservatives who sought to protect the traditions of the past and the stability of the status quo from the onslaught of liberal doctrine.

For Edmund Burke the excesses of the French Revolution constituted a dangerous threat to civilized humanity. Burke argued that unlike the French, the English used their past as the stepping stone to a “glorious” future, preserving monarchy and liberty alike. Burke believed that violent revolution destroyed existing institutions, substituting despotism and anarchy for communal unity and evolutionary reform. The revolutionaries, in their demands for the rights of man, proposed a rationalist design for a new society that neglected people’s religious passions, habits, and traditions. Rights are of little consequence, claimed Burke, when severed from the context of political and social continuity, essential prerequisites for the establishment of any social order. As Robert Nisbet explains:

Modern political conservatism takes its origins in Burke’s insistence upon the rights of society and its historically formed groups such as family, neighborhood, guild and church against the “arbitrary power” of a political government. For Burke, individual liberty is only possible within the context of a plurality of social authorities, of moral codes and of historical traditions, all of which, in organic articulation, serve at one and the same time as “the inns and resting places” of the human spirit and the intermediary barriers to the power of the state over the individual.8

Burke was not against change. He offered instead, a principled opposition to the rationalist quest for “earthly utopias of human design.” Burke’s support for more favorable treatment of the American and Indian colonies demonstrated the reformist character of his politics.10 He maintained that social emergencies allowed for deviations from traditional principles within certain limits. While deviations from a fixed rule were necessary under these circumstances, they were not to be affected through the “decomposition of the whole civil and political mass for the purpose of originating a new civil order out of the first elements of society.” In a classic celebration of English tradition, Burke wrote: “A state without the means of some change is without the means of its conservation.” It is the English who “look upon the legal hereditary succession of their crown as among their rights, not as among their wrongs; as a
benefit, not as a grievance, as security for their liberty, not as a badge of servitude.” Such an evolutionary process is of “inestimable value” in preserving the “stability and perpetuity” of the system.\textsuperscript{11}

Burke was not alone in his reverence for the stabilizing influence of tradition. His English and Scottish liberal predecessors and contemporaries were in fact, not advocates of “atomistic” individualism. Locke for instance, never embraced such atomism, since he saw social institutions such as the family, the voluntary association, and the church as mediating human existence and providing a setting for sociability and community.\textsuperscript{12} Louis Hartz maintains in *The Liberal Tradition in America*, that in the United States, for example, there was an integration of Burke and Locke. This monolithic legacy combined “rock-ribbed traditionalism with high inventiveness,” and “ancestor worship with ardent optimism.”\textsuperscript{13} Yet, Hartz’s thesis obscures the basic continuity between classical conservative and classical liberal thought. Both were expressive of the spontaneous character of the emerging capitalist social order.

Burkean conservatism and Scottish liberalism were of the same cloth; both were distinctly appropriate and relevant to their particular social and historical context. The rising English merchant class developed a great pride in the evolutionary quality of the common law and in the social and economic institutions that protected the liberties and rights of Englishmen. Burkean conservatives and Scottish liberals stressed evolution, while the French rationalists demanded revolution. Burkean conservatives and Scottish liberals upheld the superior wisdom of tradition, custom, and habit, while incipient capitalism was bringing about a gradual dissolution of traditional social bonds. In their calls for gradual, evolved reform, the English and Scottish thinkers emphasized the importance of historical evolution to the development of social institutions. They opposed the notion that people could step outside the historical process and redesign the civil order “out of the first elements of society” through the infinite powers of their Reason.

Each of the Scottish liberals offered a variation on the theme of evolutionary order. Adam Ferguson argued that the commercial society emerges through human interaction but not through “the execution of any human design.” Bernard Mandeville suggested too, that social institutions were the unintended product of human interaction. Sir Matthew Hale claimed that the emergent order constituted a complex whole that could not be comprehended by a single mind. Both Adam Smith and David Hume wrote of the system of natural liberty in which people were led, in the words of Smith, “as

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if by an invisible hand” to serve the public interest when this was clearly no part of their intention. Hume outlined the nonrational customs and habits that were the basis of artificial rules and laws preserving the “stability of possessions.” This common law tradition showed far greater wisdom than any rationalist legal theory. Its complexity could not possibly be duplicated by the a priori maxims of designed legality.14

Hayek versus “Methodological Individualism”

The evolutionist perspective was carried on in the nineteenth century by thinkers such as Gustave de Molinari, Herbert Spencer, Frederic Bastiat, and Carl Menger. It finds its most developed form in the twentieth century in the writings of Hayek, Polanyi, and Popper. Indeed, these three thinkers have often relied on one another's contributions, constituting a distinctive contemporary evolutionist school. Hayek’s own thought in particular, exhibits a Burkean distrust of French rationalism in its “contempt for tradition, custom, and history in general.” Rationalists believe that “man’s reason alone should enable him to construct society anew.”15 Hayek opposes this exaggerated conception of human cognitive efficacy. His framework reflects a deep appreciation for organic social interrelationships and their dynamic development over time. Hayek writes:

The picture of man as a being who, thanks to his reason, can rise above the values of his civilization, in order to judge it from the outside or from a higher point of view, is an illusion. It simply must be understood that reason itself is part of civilization. All we can ever do is to confront one part with the other parts. Even this process leads to incessant movement, which may in the very long course of time change the whole. But sudden complete reconstruction of the whole is not possible at any stage of the process, because we must always use the material that is available, and which itself is the integrated product of a process of evolution.16

A transcendental view of the whole is not possible because the individual is among the elements that both constitute and are constituted by the social whole itself. An individual human being can always examine a particularized aspect of culture that gives him or her a certain perspective on the whole. But the individual’s particu-
larized vantage point emerges within the context of the culture, not external to it. Since we are unable to get a synoptic view as impersonal, detached social actors, we have it in our power to "tinker with parts of a given whole" but never to "entirely redesign it." 17

Popper, like Hayek, also opposes the utopian notion of ahistorical social change:

One cannot begin a new social system by wiping a canvas clean. The painter and those who cooperate with him as well as the institutions which make their life possible, his dreams and plans for a better world, his standards of decency and morality, are all part of the social system, i.e., of the picture to be wiped out. If they were really to clean the canvas, they would have to destroy themselves and their utopian plans. The political artist clamours, like Archimedes, for a place outside the social world on which he can take his stand, in order to level it off its hinges. But such a place does not exist; and the social world must continue to function during any reconstruction. 18

The modern evolutionists focus on internal relations within an organic, social totality. Their methodological approach shares much with the Marxian view. 19 This is a paradoxical proposition since Hayek and Popper have been characterized ordinarily as strict "methodological individualists." 20 Hayek's "methodological individualism" is expressed most clearly in his Counter-Revolution of Science, a collection of essays previously published in the early 1940s, and in his Individualism and Economic Order, published in 1948. 21 But to focus on these works to the virtual exclusion of Hayek's later writings provides a one-sided view of the Nobel Laureate's integrated method of analysis. It is no coincidence, therefore, that even Wainwright, in her critique of "the free market right," continues to qualify Hayek's approach as "dogmatically individualist." 22 Wainwright's criticisms, while significant, derive primarily from her analysis of Hayek's earlier collections. 23 Over the years, however, Hayek's views developed considerably. His comprehensive evolutionist perspective goes well beyond individualist strictures.

It is important to note however, that "methodological individualism" as such, has often been identified with atomism, reductionism, and ahistoricism. It is said to see the whole as the mere sum of its parts. It views the individual—or the part—as of primary epistemological importance, and structures the whole through an
additive analytical process. Some sympathetic interpreters of Hayek have challenged this very notion of methodological individualism while continuing to place Hayek within this very tradition. For instance, Chiaki Nishiyama explains that Hayek's method does not ignore the whole. Rather, it views the whole from the vantage point of the "interactions among its constituent factors." These relations between factors are dynamically emergent.24

In defending Hayek's approach as individualistic, Nishiyama struggles against typically atomistic caricatures of this methodology. He denies that individualism reduces all social phenomena to mere "collections of their constituent parts."25 He suggests that individualism is as much interested in grasping the whole as its holistic counterparts. But by retaining this characterization of Hayek's approach, Nishiyama reproduces the traditional polarity between individualistic and holistic alternatives. He inadvertently obscures the profoundly dialectical methodological elements that inform the Hayekian perspective.26

It is a distortion to view Hayek's approach as either individualistic or holistic. Hayek's method is fundamentally dialectical, encompassing elements of individualism and holism, while repudiating all forms of reductionism, atomism, ahistoricism, and strict organicity. This claim is at once disorienting and provocative. Indeed, Hayek's disciples on the free market right and his critics on the socialist left might view the very notion of "Hayekian dialectics" as an oxymoron. Some commentators have stated that to accuse "Hayek of 'dialectical' affectations... would make him turn around in his grave."27 And yet, a more detailed examination of Hayek's mode of inquiry suggests that the distinguished neoliberal social philosopher was highly dialectical in many significant ways.

Throughout Hayek's writings, there is a crucial emphasis on the importance of historical and systemic context, on the complex, evolving, organic unity of the social world. This understanding is not accidental to Hayek's approach; it forms the core of a sophisticated, nonreductionistic method of social inquiry. Both Hayek and Popper argue against reductionism in the social sciences since society is more than the mere sum of its parts. Reductionism relies on a "historical myth," in Popper's view, because it sees human beings as somehow "presocial." As Popper argues, "man's" ancestors were "social prior to being human (since language presupposes society). Men are if anything the product of life in society rather than its creators."28 And while Hayek recognizes the ontological priority of concrete particulars, of real, existing individuals, he views the whole

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as a relationally evolving totality that is beyond the capacity of any single individual to fully comprehend. Hayek sees the "individual," "reason," "morality," and "culture" as emergent qualities of social evolution. He maintains that there is no concept of the "individual" that is not tied to a historically and socially specific structure. Sensing an intricate reciprocity between the parts and the whole, Hayek writes:

The individual with a particular structure and behavior owes its existence . . . to a society of a particular structure because only within such a society has it been advantageous to develop some of its peculiar characteristics, while the order of society in turn is a result of . . . regularities of conduct which the individuals have developed in society.39

In this passage, Hayek stresses an organic conjunction or dual causation of individual and social factors. Each factor is both a precondition and a result of the other. Neither factor can exist without the other since each is partly constitutive of the other. Thus, in Hayek's view,

the structures possessing a kind of order will exist because the elements do what is necessary to secure the persistence of that order . . . the adaptation of the parts to the requirements of the whole becomes a necessary part of the explanation of why structures of the kind exist . . . that the elements behave in a certain way by the circumstance that this sort of conduct is most likely to preserve the whole—on the preservation of which depends the preservation of the individuals, which would therefore not exist if they did not behave in this manner.30

Hayek's framework seems to embody a circular logic, but it is illustrative of a dialectical, relational method. Hayek does not reduce a system to its individual components since the structural relationships of a society fit its individual components into a meaningful whole. Social collectivities connect individual activities by intelligible relations.31 Hayek adamantly opposes atomistic individualism. For Hayek,

the overall order of actions in a group is in two respects more than the totality of regularities observable in the actions of the
individuals and cannot be wholly reduced to them. The whole is more than the mere sum of its parts because it presupposes that the elements are related to each other in a particular manner and because the existence of these relations which are essential for the existence of the whole cannot be accounted for wholly by the interaction of the parts but only by their interaction with an outside world both of the individual parts and the whole.

To see the whole as more than the mere sum of its parts is to see it as fully integrated. The relationships within the social whole are necessarily internal, that is, the whole could not be what it is without those relations that give it meaning. Likewise, these relations are significant precisely because of their specific functions within the totality. Hayek agrees with the scientist and philosopher, Michael Polanyi, who argues that “all particulars become meaningless if we lose sight of the pattern which they jointly constitute.” For Hayek, there is an organic link between the whole and its elements. Indeed, the social totality is best viewed as “an organism in which every part performs a necessary function for the continuance of the whole, without any human mind having devised it.”

This totality shapes and is shaped by the particular relations that exist.

These dialectical insights illustrate Hayek’s debt to Austrian and German philosophy. On an immediate level, Hayek cites the influence of his mentor, Ludwig von Mises, who viewed society as an organism rather than an organization. Hayek also recognizes the similarity of his approach to autopoiesis, cybernetics, homeostasis, synergetics, and systems theory.

John Gray, in his book Hayek on Liberty, suggests that Hayek’s framework more fundamentally derives from Kant, Mach, Popper, Polanyi, and Wittgenstein. Organic functionalism however, predates each of these thinkers. It can be found even in Aristotle’s opposition to reification, his refusal to abstract the particular from its dynamic or systemic context. Such dialectical insights were more fully articulated and developed in the early nineteenth century by Hegel. Yet neither Hayek nor his disciples has formally recognized the methodological parallels with the Hegelian perspective. So too, most contemporary Marxist critics of Hayek remain deeply ignorant of his dialectical mode of analysis.

Popper, however, readily acknowledges “a similarity between Hegel, who considered reason as a social product, and Burke, who
talked of our indebtedness and dependence on our social heritage. Given this parallel between two divergent traditions of social thought, it is not surprising that both Marx and Hayek share an insight into the social and historical nature of human institutions and capacities. Both thinkers recognize the principle put forth by Hegel, that the parts are "moments of an organic unity... in which each is as necessary as the other." For Hegel, as for Marx and Hayek, such "mutual necessity" is "the life of the whole," and cannot be ignored without causing profound damage to the character—and validity—of one's analysis.

As we shall see, Marx draws his inspiration directly from Hegel, and condemns utopian thought for its abstraction of the part, human reason, from the whole, the context within which human reason gains concrete expression. By focusing on the internally related whole as an organic and historical system, Hayek suggests, like Marx, that each of us is a component part of the totality. This internality prohibits individual members from stepping outside the whole to view it from a synoptic perspective. As such, no individual or group of individuals can undertake a complete restructuring of the society. For both Marx and Hayek, this is what utopianism demands since it removes individuals from their social context, and totalizes the power of reason. Utopian theory rests on the reification of rationality. It abstracts reason from its social and historical specificity, and posits an omniscient grasp of the totality.

Internal Relations

At this juncture, it is valuable to consider the doctrine of internal relations, which is central to all forms of dialectical inquiry. A deeper grasp of internal relations, as explicated by such theorists as Brand Blanshard and Bertell Ollman, can contribute much to our appreciation of Hayek's dialectical sensibility.

There are two basic theories of social relationships: organicism and atomism. The most extreme expression of the former is the doctrine of strict organicity. In a strict organicist approach, the interdependence of social reality makes it impossible to examine any part of existence without taking into account every part of existence. Since everything must be known before anything is analyzed, this position affirms that no elements are isolable in principle. All elements are constitutive of a whole within which each of them is internally related to and dependent on the other. Strict organicity
sees the whole as greater than the sum of its parts. But it often obscures individual elements as they are completely absorbed and determined by holistic categories of explanation.

Epistemologically, organicist integration offers no criterion by which to identify those core relations that may be essential to the definition of the whole under scrutiny. Strict organicity integrates concepts in disregard of necessity, and fails to focus on the essential characteristics that define the whole. Indeed, it is unable to distinguish between “essential” and “nonessential” characteristics since it regards all elements of the whole as essential to its nature. Strict organicity drops the context of our knowledge, and ultimately depends on omniscience. Since knowledge is an open-ended process, it is, according to this doctrine, never complete. By these standards, our understanding of a whole can never be truly validated as adequate.

As we shall see, dialectics is derived from an organicist view of society. However, it differs from a strict organicist approach in one crucial epistemological sense: dialectics recognizes the organic unity of a whole without seeking to identify all of its elements. Those who use a dialectical method never assume that people can achieve complete knowledge of every constituent and interrelation within the whole. Indeed, such an omniscient grasp of the whole is impossible. Yet, this is what strict organicity demands: a metaphysical identification of the whole and all of its parts. While strict organicity implies a utopian, synoptic comprehension of the totality, the dialectical approach seeks a contextual identification of the totality that reflects the limited, historical state of our knowledge.

Atomism is the second basic theory of social relationships. Its most extreme form is the doctrine of strict atomism, in which the world is subdivided and reduced to a mere description of things. All relationships between these separable and isolable things are necessarily external. Hence, the world is constituted by elements that are strictly independent of one another. Strict atomism sees the whole as the additive sum of ever-smaller constituents. Yet, the more remote and microscopic our analysis becomes, the greater is the chance that we will be unable to grasp the interactions of the parts.

For example, seeing an individual person as nothing more than a physiological and chemical mass of cells makes it difficult to define the essential characteristics of human being. Atomism multiplies the number of concepts beyond necessity, losing its grasp of those integrative, complex, and core relations which define the whole. It
separates and isolates elements in the whole that may reciprocally presuppose each other.

The organicist-atomist distinction underlies two different modes of sociological "perception," two vastly different ways of perceiving and organizing social reality: dualism versus dialectics.

A theory of perception, writes David Kelley, must take into account the principle that "the object appears in a way that is relative to the means by which we perceive it." This is not a mere tautology. Kelley emphasizes that appearance is the product of a relation between the object that exists and the sensory means by which this object is perceived. Both the object and the subject have an identity which, in their interaction, results in the perception of an existing object in a specific form. The context of our awareness cannot be disconnected from the perception of the object, nor is it distinct from the object. It is not possible to step outside of this context, because we are internal to the process itself.

Kelley defends the theory of perceptual relativity. His realist approach denies the "Cartesian quest for an infallible type of knowledge . . . a form of cognition that is free from conditions, that is not subject to any limitation placed on it." Kelley criticizes this abstract notion of perception as a "diaphanous" model whose basic presupposition is that the object itself determines the way in which people perceive it. This theory of "immaculate perception," as Nietzsche called it, is gravely flawed because it abstracts from the human subject the enormous context within which perception functions. The subject constitutes a perceptual system whose basis is a relational interaction with objects in the world around it. The object itself appears differently depending on the mode of perception.

In an analogous extension of this principle, it might be said that there are different modes of sociological perception. The connections and boundaries that we draw between and among the constituent elements of social reality will depend on the modalities which we adopt. How we see the world will strongly influence what we see. This does not mean, as Kant would have it, that our methodology is subjective, that is, that we impose subjective structures on an objective reality. Rather, it affirms the principle that vantage point influences perception.

The fact is, however, that dialectics and dualism are not strictly perceptual systems. They are fully developed conceptual methods that must be defended in terms of their functional ability to comprehend the objects of their inquiry. Various cultures and philosophical traditions conceptualize differing connections and bound-
aries between and among the constituent elements of social reality. Dialectics and dualism are two such broad conceptual schemes; their adequacy to reality must be judged ultimately by their capacity to explain the phenomena under investigation.

Dualistic methodology is inspired by an atomistic worldview. Like atomists, dualists emphasize separation, fragmentation, and division. Typically, dualism attempts to distinguish two irreconcilable spheres of social reality, though it often leads theorists to totalize one sphere to the detriment of another. In this regard, one can distinguish between genuine philosophical dualists who see two, co-equal, mutually exclusive spheres in reality, and philosophical monists, who accept the dichotomies defined by dualists, and reduce one polarity to an epiphenomenon of the other.

For the purposes of this study, I have identified two forms of dualism in social theory. Both of these forms see an irreconcilable antagonism between political and civil society, or the state and the market. The first is statist dualism which, in political practice, gives priority to the state apparatus. It promotes an instrumentalist view of the state as a mechanism that can accomplish different tasks relative to its class character. As such, statist dualism—particularly in its socialistic incarnations—views the capitalist state as an instrument of the capitalist class. A workers’ state, by contrast, would absorb the sphere of civil society and transcend the alleged exploitation inherent in market relations.

The second form is libertarian dualism. This model is as one-dimensional as its statist counterpart. It grants priority to civil society and views the state as an external intrusion on the market and its coordinative capacities. Whereas statist dualism sees the market as dependent on the state for its survival, libertarian dualism views the state as dependent on the market for its sustenance. Politics is an epiphenomenon of material forces. Libertarian dualism argues that the market can exist without the state, but that the state cannot exist without the market. The state presupposes some form of material production from which it expropriates wealth for its survival. As a contemporary political approach, libertarian dualism is best expressed in anarchocapitalist ideology.

As we shall see, there are certain libertarian dualistic elements suggested in Hayek’s framework, particularly in his distinction between “spontaneous” and “designed” order. However, Hayek concentrates far more attention on the integrative relationships within a social whole. He does not view the whole as an abstract or ahistorical totality; rather, he sees the whole as a dynamic historical
process and social movement. His method of social inquiry is fundamentally dialectical.

Like dualism, dialectics is a way of thinking. A dialectical perspective, however, focuses not on external connections between static elements, but on dynamic internal relations. These relations constitute and are constituted by the elements of the whole under scrutiny. Ollman writes:

Dialectics restructures our thinking about reality by replacing the common sense notion of "thing," as something that has a history and has external connections with other things, with notions of "process," which contains its history and possible futures, and "relation," which contains as part of what it is its ties with other relations.52

Both dialectics and dualism see relational principles at work; it is the quality of the relation which is in question. Dialectical analysis views things as internally related. Dualism views things as externally related. Having used these terms several times in this chapter, it is important to explore the contrast between internalism and externalism. Brand Blanshard explains:

A given term is internally related to another if in the absence of the relation it could not be what it is. A term is externally related to another if the relation could equally be present or absent while the term was precisely the same.53

In social inquiry, an internalist perspective views every aspect as integral to the context such that it cannot be truly conceived or understood apart from this context. Every aspect of the totality is what it is "in virtue of relations to what is other than itself." These relations affect each other in differing degrees. Hence, no investigation will reveal completely the nature of any aspect until the theorist exhausts its relations to all other aspects.54 Thus, Blanshard defends the doctrine of internal relations. For Blanshard a thing's elements are engaged in manifold interactions, by way of attraction and repulsion with things around it, and these almost certainly determine its shape down to the last detail. This particular shape, like this degree of malleability, is not externally related to its other characters; they are bound up with these causally and therefore . . . necessarily.55
However, Blanshard concludes that "every character counts, but not all characters count equally." He is crucially aware of the need to assign greater significance to certain factors within the whole so as to avoid the problems of strict organicity. Blanshard argues:

An organism or a mind is a whole whose parts are more obviously inter-dependent than those of a cloud, but no thing or individual stands by itself; it is what it is in consequence of lines of determination—causal, logical, or both—running out into an illimitable universe.

Blanshard states here, in epistemological terms, what Hayek argues sociologically. The individual, in Hayek's view, cannot stand by himself; he is invariably an actor in a specific historical and cultural context. For Hayek, there is a limit beyond which we are unable to articulate the rules, customs, and habits that govern our lives. We are internal to these rules and cannot take an external, transcendental role. Even our consciousness operates according to rules of which we are not conscious, since these rules are internal to the operation itself.

Hayek maintains that the mind is inscribed in a cultural setting. It is wrong to apply one-way causal notions to either. The human mind and culture developed concurrently. They are internally related, such that each is a precondition and result of the other. "It is probably no more justified to claim that thinking man created his culture," argues Hayek, "than that culture created his reason." Nonetheless, many thinkers have represented reason as "the capping stone" of human evolution that helped people to design culture. But this notion of reason is highly abstract and rationalistic. It obscures the interpersonal, social process in which reasoning people both absorb and transmit cultural values. Hayek states, in almost Marxian fashion, that social theory must start "from men whose whole nature and character is determined by their existence in society." Social interaction creates effects that are greater than any individual mind "can ever fully comprehend."

This view reached its apex in Hayek's book, The Fatal Conceit. Hayek reaffirms his conviction that civilization arises not from human design or intention, but spontaneously, as people conform to certain traditions, rules, and moral practices. For Hayek, these customs stand "between instinct and reason," since, from a logical, psychological, and temporal viewpoint, they are neither the direct result of instinctual patterns nor of reasoned delibera-
tion. The mind is a product of cultural evolution and as such, its reasoning capacity has developed concurrently with all other aspects of culture. "It is not our intellect that created our morals," writes Hayek, "rather, human interactions governed by our morals make possible the growth of reason and those capabilities associated with it."60

Hayek maintains that while human beings are purposeful actors, their behavior is rule-governed. Civilization itself, developed out of the human capacity to follow rules.61 In Hayek's view, "culture is a tradition of learnt rules of conduct which have never been 'invented' and whose functions the acting individuals usually do not understand."62 Even an individual's cognitive capacity advances on the basis of social tools of learning embodied in a particular culture's language. Each language supplies us with "a framework of our thinking within which we henceforth move without being aware of it."63

That Hayek's viewpoint borders on social determinism is certainly a viable objection. In Chapter Two I argue that, on balance, the Hayekian framework is nondeterminist. Hayek views the social order as a constellation of both human intentions and unintended social consequences.

Hayek's framework has been criticized too, for its "relativism."64 Yet, if viewed as an outgrowth of Hayek's assumptions about the organic interrelationships within social reality, his "relativism" translates into relationism. Hayek states that "the rule one ought to follow in a given society and in particular circumstances in order to produce the best consequences, may not be the best rule in another society where the system of generally adapted rules is different."65 As Gray observes, Hayek is not invoking the macroscopic evolutionary process as a standard for resolving moral dilemmas. He is, however, recognizing our moral values as the outcome of social evolution, custom, and tradition.66 These values are cultural artifacts.

Ever the social scientist, Hayek is less interested in moralizing and far more interested in reconstructing cultural and moral traditions so as to understand their functional capacities. These traditions fulfill important social needs. They

serve an existing factual order which no individual has the power to change fundamentally, because such change would require changes in the rules which other members of the society obey, in part unconsciously or out of sheer habit, and

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which, if a viable society of a different type were to be created, would have to be replaced by other rules which nobody has the power to make effective. There can, therefore, be no absolute system of morals independent of the kind of social order in which a person lives, and the obligation incumbent upon us, to follow certain rules derives from the benefits we owe to the order in which we live.\textsuperscript{67}

Despite Hayek's view of the finite powers of reason, he argues that revisions in morality can be made only through immanent rational criticism, in which recognizable defects are altered by "analysing the compatibility and consistency of their parts." Through such piecemeal analysis, Hayek admits a certain limited role for the use of reason in the definition of morality. As Hayek explains, human "reason may, although with caution and in humility, and in a piecemeal way, be directed to the examination, criticism and rejection of traditional institutions and moral principles."\textsuperscript{68}

What Hayek objects to is the rationalist impulse to recast the whole of our cultural and moral system. In Hayek's view, this would require a gargantuan study of many complex historical and social factors. Though we may be aware of the relevance of our values to the culture in which we live, we are often ignorant of "the particular conditions to which the values we hold are due." Particular values could be explained only if we knew all those relevant historical facts which have coalesced in a unique fashion to produce a particular moral configuration.\textsuperscript{69} Hayek doubts the feasibility of such a reconstruction for the same reasons that he dismisses all utopian theorizing.

Though Hayek and Blanshard share a commitment to internal relations, there is a distinctive difference between them. The Hayekian perspective avoids explicitly the pitfalls of strict organicity. As an Absolute Idealist, Blanshard takes cognizance of Hegel's famous description of the development of the bud into a flower. Blanshard explains:

Consider the growth of a flower. Within the bud there is a certain pattern or arrangement of parts; a week later when the bud has burst into bloom, the arrangement is very different; sepals, petals, and stamens are now developed and distinct. Here the first system has evolved into the other, but it is evident that the process is not one of adding part to part while the original nucleus is untouched. It is general and correlated.
change. Every change among the stamens is balanced by one in the sepals and petals, so that a botanist who was expert enough could tell from the stage of development of any of these precisely what to expect in all the others. At every stage in the process the parts are so related that a change in any one of them is reflected throughout the whole. Here is a type of system whose development clearly proceeds by degrees.70

Like Blanshard, Hayek grasps that even a subtle change in a single aspect of a system will redound throughout the whole, and that a gradual change in the whole will be reflected in the network of its constituent parts. But unlike Blanshard, and unlike many internalists, Hayek emphasizes certain strictures on our capacity to know. Blanshard admits that internalists "usually . . . hold that everything, if we knew enough, would turn out to be internally related to everything else"71 [emphasis added]. Hayek never assumes that we can know precisely the relational constitution of a social whole. Nor does he assume that we can fully assess the complex changes that emerge as the unintended consequences of our social actions. For Hayek a recognition of systemic interdependence does not culminate in Absolute Idealism. Such a recognition does not imply that one can grasp exhaustively the specific nature of constituted relations. Ultimately, Hayek's understanding of the sophisticated network of internal, social relations leads him to eschew any institutional interference with the network. The attempt to fully know and master the social whole is at the core of modern constructivist rationalism.

It is in his critique of rationalism that Hayek has uncovered a profound paradox at the foundation of utopian theory: a simultaneous dependence on both the internality of strict organicity and the externality of a dualistic worldview. Utopians seem to recognize that the social totality is composed of infinite internal relationships. Since their vision of change is totalistic, utopians would have to possess perfect knowledge of every internal relationship and organic link within the totality in order to reconstruct the society. Hayek emphasizes that such strict organicity is dependent on an illusory omniscience.

And yet, if utopians presume they can acquire knowledge of a strictly organic totality, their own synoptic viewpoint is necessarily exempted from this totality. In seeking to grasp and transform the many internal relations within an organic whole, utopians act as if they are externally related to that whole. They refuse to recognize
their own contextuality, and ultimately embrace crude constructivism as a social panacea. In twentieth-century politics, such constructivism is exemplified in the social-engineering state, in which the dualistic polarity of state and civil society is resolved one-dimensionally, by statist brutality.