
Dialogue on Personal and Political Ethics

History, Reason and Hope: A Comparative Study of Kant, Hayek and Habermas

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*Every human
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In the *Critique of Practical Reason*, Immanuel Kant expressed awe and admiration for “the starred heaven above me and the moral law within me”. With reference to the heavens, Kant was struck by human insignificance in “the incalculable vastness of worlds upon worlds, of systems within systems, over endless ages”. Within this *sensible* order of cosmic proportions, man appeared to be but an “animal-like being”, condemned to return to the dust of a planet which itself is “a mere speck in the universe”. At the same time, however, Kant believed that every human consciousness contains within itself the universality of the moral law. As *intelligible* beings, we live “a life independent of animality and even of the entire world of sense”. The moral law elevates human existence into “a world . . . which can be sensed only by the intellect”. Moral self-determination, said Kant, “radiates into the infinite”.¹

Lucien Goldmann’s interpretation of Kant emphasizes the need to overcome this division between the sensible and intelligible domains. Kant conceived moral autonomy as an attribute of rational individuals, but he also contemplated a universal community, integrated through the practical Idea of human freedom—an “ethical commonwealth” and a “kingdom of ends”. Goldmann argues that the absolute necessity of realizing this totality is “the centre

¹ Carl J. Friedrich, ed., *The Philosophy of Kant: Immanuel Kant’s Moral and Political Writings* (New York: Modern Library, 1949), 261-62.

of Kant's thought".² For a solution, he looks to Kant's philosophy of history. In *The Contest of the Faculties*, Kant claimed that it is possible to have "history a priori" if "the prophet himself occasions and produces the events he predicts".³ In the French Revolution, Kant saw evidence that "man has the quality or power of being the cause and . . . author of his own improvement".⁴ Goldmann interprets Kant's view of history as opening the way to subsequent philosophies of totality in the work of Hegel, Marx and Lukács.⁵

Goldmann interprets Kant's view of history as leading to philosophies of totality.

Jürgen Habermas claims, however, that the dialectical concept of totality has today collapsed into its "*dissecta membra*".⁶ Instrumental and strategic reason have suppressed practical discourse, and economic and social "systems" objectify human subjects in accordance with systemic functional imperatives. Nevertheless, Habermas remains committed to Kant's faith in human reason. He argues that the personal and social pathologies resulting from systemic integration inevitably reproduce the human need for shared meaning and purpose. In the imperatives of language and everyday speech, he finds implicit an "ideal speech situation" which sustains the hope for human behaviour guided (in part at least) by "good reasons".⁷

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Today the concept of totality has reappeared in an unexpected quarter. Friedrich Hayek, often regarded as the spiritual father of modern conservatism, draws upon Kantian influences in accounting for the "Great Society" and "extended order" of the market economy. In the liberal ideal of voluntary market exchanges, coordinated through universal laws, Hayek thinks Kant's aspirations have been fulfilled by modern capitalism. Hayek's pursuit of totality, however, takes a new twist. Whereas Hegel, Marx and Lukács saw social reason as the ultimate determinant of human interaction, Hayek's evolutionary epistemology suggests the opposite: social evolution, both cultural and economic, turns out to be the author of human consciousness. By comparing Hayek's

Hayek thinks Kant's aspirations fulfilled by modern capitalism.

² Lucien Goldmann, *Immanuel Kant* (London: NLB, 1971), 54.

³ Hans Reiss, ed., *Kant's Political Writings* (London: Cambridge University Press, 1970), 177.

⁴ *Ibid.*, 181.

⁵ Goldmann, *Immanuel Kant*, 225 .

⁶ Jürgen Habermas, *The Theory of Communicative Action* (Boston: Beacon Press, 1981), I, 343.

⁷ *Ibid.*, 22.

work with that of Kant and Habermas, I shall argue that Hayek collapses Kant's project rather than continuing it.

1. Immanuel Kant: Reason as the Philosophical Explanation of History

For Kant, experience is inconsequential in moral judgements.

Kant considered the distinction between the *inner compulsion* of the moral law and the *external causality* of nature to be fundamental. The moral law transcends all particulars of time and space and is "distinct from all the principles that determine events in nature".⁸ Facts, conventions and experience are absolutely inconsequential in moral judgements: "anyone so misled as to make into a basic moral principle something derived from this source would be in danger of the grossest and most pernicious errors."⁹ A rational will acts according to the moral law out of reason's own pure interest and practical pleasure in the good. A good will is the only absolute and unconditioned good. To act on the basis of a good will is to take duty as the sole motive, with no regard to external context or personal desires. The "*autonomy* of the will is the sole principle of all moral laws", and duty is an inner "intellectual compulsion".¹⁰

Kant acknowledged that his doctrine implied "holiness of will", something which finite beings can only hope to approximate.¹¹ But he also claimed that every reasoning being is "a metaphysician without knowing it" and enjoys a priori access to the moral law.¹² Moral judgements are a matter of "common sense".¹³ If we cannot will, without contradiction, that our own maxims be universalized in their application, then we have not met the test of the moral law. Of the several formulations of the *categorical imperative* found in Kant's writings, H. J. Paton considers the following to be most significant: "So act as if you were always through your maxims a law-making member of a universal kingdom of ends."¹⁴ In this formulation Kant combined the form

⁸ Friedrich, *Philosophy of Kant*, 220.

⁹ Immanuel Kant, *The Metaphysical Elements of Justice* (Indianapolis: Bobbs-Merill, 1965), 15.

¹⁰ Friedrich, *Philosophy of Kant*, 225.

¹¹ *Ibid.*

¹² Kant, *Elements of Justice*, 5.

¹³ Friedrich, *Philosophy of Kant*, 259.

¹⁴ H. J. Paton, *The Categorical Imperative: A Study of Kant's Moral Philosophy*, 4th ed. (London: Hutchison, 1963), 129.

of the categorical imperative (universality) with the matter (ends in themselves).

“Persons”, Kant declared, “are objective ends; that is, things whose existence in itself is an end.” The supreme practical principle presupposes that “*rational nature exists as an end in itself*. Man necessarily conceives his own existence as being this rational nature. . . .”¹⁵ By the expression “kingdom of ends”, Kant referred to “the linking of different rational beings by a system of common laws”. Within such a system, “we are able to conceive all ends as constituting a systematic whole of both rational beings as ends in themselves, and of the special ends of each being”.¹⁶ Each individual is a *member* of the kingdom of ends through being subject to the common laws; each is a *ruler* by virtue of self-legislation which “is not subject to the will of any other”.¹⁷ Kant acknowledged that the kingdom of ends is “admittedly only an ideal”,¹⁸ for it required, among other things, that every member possess “unrestricted power” to act solely in accordance with the Idea of freedom in realizing the “independently existing end” of a good will.¹⁹ Nevertheless, he believed that the sublime “dignity” of reasoning beings “makes every rational subject worthy to be a law-making member of the realm of ends. Otherwise, he would have to be imagined as subject only to the natural law of his wants.”²⁰ A human being would be nothing more than a biological creature of nature.

The kingdom of ends is an intelligible totality that can be conceived by reason but never experienced. Freedom itself is an Idea of reason. Because human beings cannot achieve “holiness of will”, the categorical imperative addresses us in terms of *duties*. The duty to strive for freedom, however, implied the possibility of success. And because human beings are also natural beings, the Idea of freedom, in turn, implied the possibility of thinking of nature as if it were governed by a telos. Natural beings must pursue their intelligible ends within nature. The integrity of Kant’s thought, therefore, required a philosophical exploration of reason at work within the human experience of the sensible world.

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¹⁵ Friedrich, *Philosophy of Kant*, 177.

¹⁶ *Ibid.*, 181.

¹⁷ *Ibid.*, 182.

¹⁸ *Ibid.*

¹⁹ *Ibid.*, 185.

²⁰ *Ibid.*, 186.

Because our experience of the sensible world is our own history, Kant concluded that empirical history can be reinterpreted with reference to the a priori conclusions of pure practical reason.

Human history is spiritual and moral at the same time as it is natural.

History is the history of human action, and the idea of action presupposes the Idea of freedom. Human history is, therefore, spiritual and moral at the same time as it is natural. Kant took the meaning of history to be enlightenment, or “*man’s emergence from his self-incurred immaturity. Immaturity is the inability to use one’s own understanding without the guidance of another.*”²¹ In the *Idea for a Universal History with a Cosmopolitan Purpose*, Kant suggested that nature contrives to promote the goal of human aspirations: “*Nature has willed that man should produce entirely by his own initiative everything which goes beyond the mechanical ordering of his animal existence . . . by his own reason.*”²²

Public laws to be judged by whether they might be authored by a universal will.

Man’s nature is his “*unsocial sociability*”. But the result of competition for honour, power and property is gradual emergence of “*a law-governed order*”.²³ Kant considered “*freedom under external laws*” to be the highest task set by nature for mankind.²⁴ The strictly intelligible Idea of freedom, as the presupposition for autonomous wills acting solely in compliance with the *inner* commands of reason, could not be realized in the sensible world. Nevertheless, the *respublica phaenomenon*, or actual political state, might approach the ideal of the *respublica noumenon*, if public laws were judged by the criterion of whether they might be authored by a universal will.²⁵ Kant believed that the social contract, itself an Idea of reason, must serve as the “*rational principle*” for judging any lawful constitution whatsoever.²⁶

In *The Metaphysical Elements of Justice*, Kant defined a constitution in terms of a common will which unites individuals in civil society for the purpose of authoring their own public laws.²⁷ Universal laws involve reciprocal obligations of legally enforceable (perfect) duties. Civil society requires “*a collective, universal (common) and powerful Will*” to produce legislation that is

²¹ Reiss, *Kant’s Political Writings*, 54 (Kant’s italics).

²² *Ibid.*, 43 (Kant’s italics); cf. 51.

²³ *Ibid.*, 44.

²⁴ *Ibid.*, 45 (Kant’s italics).

²⁵ *Ibid.*, 187.

²⁶ *Ibid.*, 83.

²⁷ Kant, *Elements of Justice*, 75.

“backed by power”.²⁸ The guarantee that power will be exercised legitimately is given by the requirement that only the “united and consenting Will of all” can legislate.²⁹ In these conditions, “each decides the same for all and all decide the same for each”.³⁰ Political institutions are “so many relationships in the united Will of the people, which originates a priori in reason”.³¹ Reason is the inner “spirit” of external laws; and the spiritual history of mankind, or the development of culture, prepares the way for “a sovereignty in which reason alone shall have sway”.³²

Kant regarded the social contract as a regulative Idea of reason, or a standard by which to judge existing constitutions. In all existing states, each individual is a legislator in deciding personal maxims in the moral realm of ends. But this practical autonomy of individual wills also requires positive law and justice to regulate external relations between persons. It is justice which enables “the will of one person to be conjoined with the will of another in accordance with a universal law”.³³ Strict justice means “authorization to use coercion” in order that each might live honourably (not becoming “a mere means for others”), do no one an injustice, and enjoy security in a society where each can get and keep what is his own.³⁴ The moral law provides the standard by which the behaviour of individuals may be judged; the “laws of freedom”—those which would result from the self-legislation of any being governed by reason to the exclusion of passion—provide an analogous standard for judging the external laws of the existing state.

For Kant, the middle term between theory and practice is always and inescapably an “act of judgement”.³⁵ The “power” of judgement alone is what enables mankind to lay down the law to nature as well as to itself in accordance with pure theoretical and practical reason.³⁶ But Kant did not believe that all citizens are equally fit to make binding political judgements or even to participate in choosing representatives. To be a citizen, in an *active*

The “power” of judgement enables mankind to be moral.

²⁸ *Ibid.*, 65.

²⁹ *Ibid.*, 78.

³⁰ *Ibid.*

³¹ *Ibid.*, 109.

³² Friedrich, *Philosophy of Kant*, 352.

³³ Kant, *Elements of Justice*, 34.

³⁴ *Ibid.*, 37 and 42.

³⁵ Reiss, *Kant’s Political Writings*, 61.

³⁶ Friedrich, *Philosophy of Kant*, 268 (Kant’s italics).

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sense, one must possess a “civil personality”.³⁷ A civil personality presupposed “civil independence”. And civil independence, for Kant, meant economic independence: an active citizen “must have some *property* (which can include any skill, trade, fine art or science) to support himself”.³⁸ Only citizens enjoying economic independence could be expected to make political judgements which might approach the requirements of justice.

Lucien Goldmann claims that Kant could not possibly see beyond merely formal equality and freedom because the objective content of his theory was the emerging capitalist market economy. Kant was compelled to recommend faith in a “future world” because the concrete totality of the kingdom of ends contradicted a civil society organized through market exchanges.³⁹ The categorical imperative commands that every individual use humanity, both in one’s own person and in the person of every other, “always at the same time as an end, never simply as a means”. But in the context of market relations, each individual necessarily becomes a *means* to satisfaction of another’s private needs and desires. The very fact that Kant considered the moral law to be an imperative, however, suggests to Goldmann the philosophical duty to reflect upon how this contradiction might be overcome.

For Hegel, the answer lay in an ontology that reduced nature to “mind asleep”⁴⁰ and allowed civil society to be mediated through the ethical laws of the state, as “the world which mind has made for itself”.⁴¹ For Marx, the solution lay in regarding human beings as implicitly the “authors and actors of their own drama”.⁴² Considering nature to be the material world which labour is entitled to appropriate for man, Marx thought totality would be established when the associated producers consciously mediated their real-life process through their own economic plan.⁴³ Drawing on both Kant and Hegel, the young Lukács

³⁷ Kant, *Elements of Justice*, 79.

³⁸ Reiss, *Kant’s Political Writings*, 78 (Kant’s italics).

³⁹ Goldmann, *Immanuel Kant*, 169.

⁴⁰ T. M. Knox, ed., *Hegel’s Philosophy of Right* (Oxford: Oxford University Press, 1967), 279.

⁴¹ *Ibid.*, 285.

⁴² Karl Marx, *The Poverty of Philosophy* (New York: International Publishers, 1963), 98.

⁴³ Richard B. Day, “Hegel, Marx, Lukács: The Dialectic of Freedom and Necessity” in *History of European Ideas*, XI, 1989, 907-934.

complemented Marx's materialism by explaining how the final barrier to totality, the reification of proletarian consciousness, would be swept away by the true consciousness of proletarian revolution.⁴⁴ Goldmann believes that the alternative to these "optimistic" interpretations of Kant is "a pessimistic and reactionary philosophy of history".⁴⁵

2. Friedrich Hayek: Nature as the Historical Explanation of Reason

In the writings of Friedrich Hayek, Goldmann would see confirmation of his thesis. Kant's critical philosophy relies upon the intelligible world as the ground for judgements of the sensible world. To find "the end of the real existence of nature itself", Kant declared in *The Critique of Judgement*, "we must look beyond nature" to an "intelligent cause". Friedrich Hayek's evolutionary epistemology removes Kantianism's critical sting by denying any point of view from which the present might be critically judged. Hayek's departure from Kant comes when he reinterprets the primacy of practical reason to mean what he calls the "primacy of the abstract".

All human action, according to Hayek, is governed by abstract "rules of which we are not conscious".⁴⁶ Hayek thinks human beings respond to "stimuli" from the "external world" by relying upon "a system of rules of action". These rules are not Kantian maxims, or "actions of the mind", but something that "happens to the mind".⁴⁷ Human thought is said to be constituted by a "supra-conscious mechanism" and "meta-conscious rules";⁴⁸ the environment determines conduct through "rules which operate us".⁴⁹ All meaning is within the established order, with the consequence that the order itself "cannot have meaning because it cannot have a place in itself".⁵⁰ The rules are habits and traditions which operate through "voluntary conformity" and "habit rather than reflec-

⁴⁴ Georg Lukács, *History and Class Consciousness*, (London: Merlin, 1971), 83-222.

⁴⁵ Goldmann, *Immanuel Kant*, 210.

⁴⁶ F. A. Hayek, *New Studies in Philosophy, Politics, Economics and the History of Ideas* (London: Routledge and Kegan Paul, 1978), 38.

⁴⁷ *Ibid.*, 43.

⁴⁸ F. A. Hayek, *Studies in Philosophy, Politics and Economics* (Chicago: University of Chicago Press, 1967), 61; cf. *New Studies*, 48.

⁴⁹ Hayek, *Studies*, 62.

⁵⁰ *Ibid.*, 61.

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tion".⁵¹ Reason cannot, therefore, be its own judge, for "all rational thought moves within a non-rational framework".⁵²

The totality of Friedrich Hayek's extended order and "Great Society" denies the Kantian distinction between Ideas and the mere conventional experience of history. For Kant, the power of judgement imparts unity to thought by respecting the distinction between experience and idea. Ernst Cassirer writes that "to assert the unity of reason in and through this distinction . . . can . . . be described as the most comprehensive task set by the critical system".⁵³ The unity of reason involves a responsibility to judge both what is "out there" (objective empirical judgements) and what is "in here" (acts of personal will) according to the categories and ideas of reason itself. Hayek, in contrast, denies the power of practical reason to make universal a priori judgements. For him, moral values are "part of a process of unconscious self-organization of a structure or pattern".⁵⁴ Civilization arose from "unintentionally conforming to certain traditional and largely *moral* practices . . . which . . . spread by means of an evolutionary selection—the comparative increase of population and wealth—of those groups that happen to follow them".⁵⁵

Characterizing Hayek as a "sceptical Kantian", John Gray comments that "One of the most intriguing features of Hayek's political philosophy is its attempt to mark out a *tertium quid* between the views of justice of Hume and Kant."⁵⁶ It is difficult to see how either Gray or Hayek might consider this to be a viable undertaking. Kant believed the justice of public laws enforces the reciprocal duties of rational beings in order that they might act autonomously on the categorical imperative. Hayek sees Hume's accomplishment, on the other hand, in showing that "certain abstract rules of conduct come to prevail because those groups who adopted them became as a result more effective in maintaining themselves".⁵⁷ For Hume, moral beliefs are not "a deliberate in-

⁵¹ F. A. Hayek, *The Constitution of Liberty* (Chicago: University of Chicago Press, 1960), 66 .

⁵² *Ibid.*, 181.

⁵³ Ernst Cassirer, *Kant's Life and Thought* (New Haven: Yale University Press, 1981), 268.

⁵⁴ F. A. Hayek, *The Fatal Conceit: The Errors of Socialism* (Chicago: University of Chicago Press, 1988), 9-10.

⁵⁵ *Ibid.*, 6 (Hayek's italics).

⁵⁶ John Gray, *Hayek on Liberty* (Oxford: Basil Blackwell, 1984), 8.

⁵⁷ Hayek, *Studies*, 88.

vention of human reason, but an 'artifact' . . . a product of cultural evolution".⁵⁸ Hayek criticizes Kant precisely because his views were tinged by the "constructivist rationalism" of the enlightenment, or the conviction that existing practices might be judged by the universal standards of a priori reason.⁵⁹

Despite these misgivings over moral philosophy, however, Hayek does think that Kant's political philosophy, particularly its emphasis upon universal public laws, is more convincing. But here Hayek simply ignores the role Kant assigned to universal Ideas of reason in judging existing polities. Influenced by Rousseau, Kant respected the common individual as a practising "metaphysician" and took the Idea of the social contract to be fundamental; Hayek, on the other hand, considers Rousseau to be "the chief source of the fatal conceit of modern intellectual rationalism".⁶⁰ How then might Kant's political philosophy be redeemed? Hayek's unambiguous reply is that there is not and cannot be *any tertium quid* between Kant and Hume. Kant's view of politics, he declares, was quite likely Humean in origin and had nothing to do with the a priori commands of practical reason:

It is sometimes suggested that Kant developed his theory of the *Rechtsstaat* by applying to public affairs his moral conception of the categorical imperative. It probably was the other way round, and Kant developed his theory of the categorical imperative by applying to morals the concept of the rule of law which he found ready made [in Hume].⁶¹

Contrary to Kant, Hayek is convinced that public laws cannot, even in principle, express the "will"⁶² of the people: "The mind does not so much make rules as consist of rules of action. . . ."⁶³ A law of reason cannot be deduced a priori, nor can a people consciously make a body of laws; public laws are a reflection of "the nature of things".⁶⁴ Kant thought every citizen has a responsibility to judge public laws in the light of reason; Hayek allots this role to professional judges, who must proceed through what Hayek

For Hayek, a law of reason cannot be deduced a priori.

⁵⁸ *Ibid.*, 111.

⁵⁹ *Ibid.*, 94.

⁶⁰ Hayek, *Fatal Conceit*, 49.

⁶¹ Hayek, *Studies*, 117.

⁶² Hayek, *New Studies*, 85.

⁶³ F. A. Hayek, *Law, Legislation and Liberty* (Chicago: University of Chicago Press, 1976), I, 18 (hereafter cited as *Law*).

⁶⁴ *Ibid.*, 106.

calls “immanent criticism”.⁶⁵ Here Hayek gives his own interpretation to Kant’s test of universalizability.⁶⁶ A judge interprets and applies any particular statute with reference to his understanding, however imperfect, of the abstract principles of the existing order as a whole.⁶⁷ Any interpretation of a rule that is inconsistent with the existing order is necessarily invalid. The judge is not a critic, but an “organ” of the existing order and a “servant” endeavouring to maintain and improve its functioning.⁶⁸ The judge “must be conservative”,⁶⁹ and the views and opinions which shape the order of society must be regarded as “an objectively existing fact”.⁷⁰ Rules of just conduct exist to reproduce the abstract order as a “factual state of affairs”.⁷¹

If one inquires why citizens would resign themselves to such universal passivity, Hayek answers that they are themselves products of an order which has constituted their minds. Moreover, the factual order becomes a “value” when it is seen to promote efficient fulfilment of individual economic purposes.⁷² Thus private property, for example, is both a *fact* and a *value*. All such values originate as “functions” of the existing factual state; the observance of values, in turn, spontaneously reproduces the extended order.⁷³ When particular rules are precipitated out of the unconscious order as public laws, we observe them because they enable us to plan our private lives with predictable certainty of whether and when the state will employ coercive power against us. Kant regarded the coercive force of law as a precondition for the moral autonomy of interacting individuals; Hayek detaches law from its noumenal grounding and transforms it into a system of objective rules for the use of coercion: “In that they tell me what will happen *if* I do this or that, the laws of the state have the same significance for me as the laws of nature; and I can use my knowledge of the laws of the state to achieve my own aims as I use my knowledge of the laws of nature.”⁷⁴

⁶⁵ *Ibid.*, 118; cf. II, 23.

⁶⁶ Hayek, *Law*, II, 23, 38, 43; cf. *New Studies*, 139.

⁶⁷ Hayek, *Law*, I, 120.

⁶⁸ *Ibid.*, 119.

⁶⁹ *Ibid.*, 120.

⁷⁰ Hayek, *Law*, II, 60.

⁷¹ Hayek, *Law*, I, 113.

⁷² *Ibid.*, 104.

⁷³ *Ibid.*, 110-11.

⁷⁴ Hayek, *Constitution*, 142 (Hayek’s italics).

Hayek believes that individuals make *moral* judgements when they choose between alternative *means*. They know that *if* they choose a means which violates the rules, *then* undesirable consequences are likely to follow. The result is that individuals make their private plans strictly on the basis of what Kant called *hypothetical* and *pragmatic*—as opposed to *categorical*—imperatives. Hayek writes that the rules of morals are “instrumental in the sense that they assist mainly in the achievement of other human values”;⁷⁵ moral rules guide individual choices in pursuit of economic self-fulfilment. Kant argued, in contrast, that what is merely “good for something” or “good for me” is always subordinate to a good will, which makes judgements on the basis of the categorical imperative: “The direct opposite of the principle of morality consists in the principle of one’s own happiness being made the determining principle of the will.”⁷⁶ Kant associated personal happiness with the “lower desires”, whose particularity can never result in a universal law or universal duties. The categorical imperative, in contrast, is a law by which the will binds itself “absolutely and unconditionally” with reference to no other end except its own goodness.⁷⁷

Hayek believes moral rules “instrumental” to “achievement of other human values.”

Kant believed that public laws, by specifying reciprocal duties, connect all individuals in a manner which enables each to pursue ethical ends. Hayek claims that “The horizon of our sight consists mostly of means, not of particular ultimate ends.”⁷⁸ The Great Society is “merely means-connected and not ends-connected”.⁷⁹ Recognizing that the market economy necessarily reduces Kantian persons to means, Hayek believes our only duty is to use others within the existing rules. Moral judgements are “judgments about means”,⁸⁰ and the Great Society replaces Kant’s ethical universe with a “catallaxy”, or spontaneous cosmos of exchange relations devoid of ethical content.⁸¹

The strategic reason of market calculations collapses moral duty into the private consideration of *action consequences*, whereas Kant’s concern was the a priori harmonization of wills in *orienta-*

⁷⁵ *Ibid.*, 67.

⁷⁶ Friedrich, *Philosophy of Kant.*, 227.

⁷⁷ *Ibid.*, 223.

⁷⁸ Hayek, *Law*, II, 23.

⁷⁹ *Ibid.*, 110.

⁸⁰ Hayek, *New Studies.*, 86.

⁸¹ *Ibid.*, 90; cf. 60.

Unlike Kant, Hayek sees moral duty as related to action consequences.

tion towards actions. Cassirer remarks that the whole purpose of the *Critique of Practical Reason* was to discover “a lawfulness that is rooted . . . in the peculiar basic act of willing itself and that . . . has the power to form the basis of ethical objectivity in the transcendental sense” of being universally binding.⁸² Hayek replaces Kant’s transcendently binding moral law with the unconscious laws of the market, operating within a cultural tradition and coordinating the economic results of individual actions through the spontaneous movement of prices.

Prices, for Hayek, are symbols which encode “all relevant information” required by individual actors.⁸³ Mediation through the price system is necessary, for Hayek considers all economic knowledge to be “essentially dispersed”⁸⁴ and to refer to “particular circumstances of time and place”.⁸⁵ What this means is that economic knowledge exists in a universe entirely apart from the categorical imperative, which binds the will without reference to empirical context. Price signals serve the functional requirements of the market system by enabling individual actors, each of whom possesses only “bits of information”, to overcome the objective “fragmentation of knowledge” and make efficient decisions concerning need fulfilment.⁸⁶ On the basis of these purely strategic and instrumental concerns, Hayek claims that the market can yield practical standards of just action: prices tell us what we “ought to do”,⁸⁷ and any interference with market dispensations is “always an unjust act”.⁸⁸

Interference in the market is not only unjust, but also irrational, for our understanding of economic relations is limited to a mental model of an extended order which is inaccessible to full knowledge.⁸⁹ Social sciences constitute the “wholes” they study.⁹⁰ But precisely because the social sciences operate with the limited facilities of human reason, they are precluded from providing ra-

⁸² Cassirer, *Kant’s Life and Thought*, 240.

⁸³ Hayek, *New Studies*, 60.

⁸⁴ Hayek, *Fatal Conceit*, 77 (Hayek’s italics).

⁸⁵ F. A. Hayek, *Individualism and Economic Order* (Chicago: University of Chicago Press, 1948), 80.

⁸⁶ Hayek, *Law*, I, 14 (Hayek’s italics).

⁸⁷ Hayek, *Law*, II, 72 (Hayek’s italics).

⁸⁸ *Ibid.*, 129; cf. *New Studies*, 63.

⁸⁹ Hayek, *Individualism*, 69; cf. *Law*, I, 38.

⁹⁰ Hayek, *Individualism*, 72.

tional standards for practical judgements of economic policy. Hayek regards both the economic aggregates of Keynesianism and the mathematical models of econometricians as essentially illusory. Economic theory succumbs to the fatal conceit of constructivist rationalism when it presumes to recommend concrete policies for an order which exists only in the abstract rules forming individual decisions. Economic planning is the utopia of social engineers. Hayek's own utopia is a perfectly spontaneous order—a totality which organizes itself in a state of total social unconsciousness.⁹¹

Even to approximate Hayek's utopia requires strict limitations upon political life. Hayek would restrict legislative authority to an upper chamber, which he designates as a "Senate of the wise".⁹² He emphatically opposes "unlimited democracy"⁹³ and considers the democratic process to be strictly a "method", to be judged by its efficiency in serving the requirements of the market system.⁹⁴ In *The Road to Serfdom*, he conceded the possibility of limited economic redistribution, but he also questioned whether those dependent upon public assistance "should indefinitely enjoy the same liberties as the rest".⁹⁵ In *The Constitution of Liberty*, he wrote that "It is . . . possible for reasonable people to argue that the ideals of democracy would be better served, if, say, all the servants of government or all recipients of public charity were excluded from the vote."⁹⁶ In *Law, Legislation and Liberty*, he returned to the same theme: "That civil servants, old age pensioners, the unemployed, etc., should have a vote on how they should be paid out of the pocket of the rest . . . is hardly a reasonable argument."⁹⁷

Hayek opposes "unlimited democracy".

Like Kant, Hayek believes that those who are economically dependent on the will of others are unfit to be active citizens. But unlike Kant, Hayek also denies the responsibility, even of those who are active, to pass judgement upon the society in which we live. On the one hand, we are said to be epistemologically inca-

⁹¹ Hayek, *Law*, I, 64-65.

⁹² Hayek, *New Studies*, 103; cf. *Law*, III.

⁹³ Hayek, *New Studies*, 143.

⁹⁴ Hayek, *Constitution*, 104.

⁹⁵ F. A. Hayek, *The Road to Serfdom* (Chicago: University of Chicago Press, 1944), 120.

⁹⁶ Hayek, *Constitution*, 105.

⁹⁷ Hayek, *Law*, III, 120.

pable of such judgements; on the other hand, we are told that they could serve no practical need whatsoever. The invisible hand of the market already makes us unconsciously wise in our economic activities; the dimly perceived (but in principle unknowable) rules of the abstract order make us unconsciously virtuous. Hayek's philosophy of laissez-faire capitalism, even when moderated by concessions to human need, involves a commitment to social unconsciousness and excludes any practical significance for Kantian Ideas of reason. Hayek paralyzes Kant's categorical imperative by denying the Idea of freedom, the practical autonomy of will, and the corresponding responsibility to make universal judgements of what ought to be.

3. Jürgen Habermas: History as Reason for Hope

For Habermas, "Reaching understanding is the inherent telos of human speech."

Hayek's epistemology begins with the primacy of the abstract, or external rules, as the determinants of individual consciousness. Jürgen Habermas is more faithful to Kant in his concern with the inner motivations of human action. Kant referred to subjective maxims of individual wills; Habermas asks how a community of wills might act on the basis of consensually agreed norms. In *The Theory of Communicative Action*, he defines rationality as "a disposition of speaking and acting subjects that is expressed in modes of behaviour for which there are good reasons or grounds".⁹⁸ Good reasons refer to three conceptually distinguished worlds in which we reason and act simultaneously: the objective world of nature; the social world of relations with others; and the world of personal subjectivity, to which each of us alone has direct access. The question then becomes: How can these three worlds be linked in meaning? Habermas answers that they are linked continuously through the everyday use of language: "Reaching understanding is the inherent telos of human speech."⁹⁹

When a speaker orients himself to reaching understanding with another, his speech act raises three validity claims: he asserts that his statement is true, that he has the normative right to make it, and that he is sincerely expressing his personal intentions.¹⁰⁰ Speech acts acquire binding force when participants in a dialogue

⁹⁸ Habermas, *Communicative Action*, I, 22.

⁹⁹ *Ibid.*, 287.

¹⁰⁰ *Ibid.*, 99.

mutually expect that their validity claims can, if necessary, be discursively redeemed. Because normative claims are an integral part of any action situation, they must be “capable in principle of meeting with the rationally motivated approval of everyone affected under conditions that neutralize all motives except that of cooperatively seeking the truth”.¹⁰¹ Habermas refers to these conditions as an “ideal speech situation”, which excludes “all force . . . except the force of the better argument” and allows equal access to all affected by the outcome.¹⁰² A true norm of social interaction expresses an interest “common to all” those affected and thus can be said to “deserve general recognition”.¹⁰³ For Habermas, Kant’s “formalistic ethics” require a content to be given by the discursive practice of social interaction.¹⁰⁴ We have a responsibility to find and judge the truth for ourselves.

Habermas shares Kant’s faith in the power of human reason, but he denies that substantive normative truth can ever have the transparency of a purely formal categorical imperative. Here his internal perspective on reason addresses the kind of contextual concerns expressed by Hayek’s analysis of the pregiven rules of the extended order. Habermas notes that all normative claims are validated within a language and culture, which articulate a community’s prereflective knowledge of what is and what ought to be, of who “we” are and how we relate to “others”. Language and culture define a shared “horizon”, or a *lifeworld* of pregiven interpretive patterns.¹⁰⁵ Unless we hold such “unshaken convictions” in common, it is impossible either to judge good reasons or even to recognize each other as reasonable beings. Language and culture are the “transcendental site where speaker and hearer meet”.¹⁰⁶

Without a shared lifeworld, it is impossible to recognize one another as reasonable beings.

The closest empirical reference for the lifeworld, as a total concept, is the archaic community, where the “nearly total” institution of kinship “reproduces itself as a whole in every single interaction”.¹⁰⁷ The “totalizing power of the ‘savage’ mind” gener-

¹⁰¹ *Ibid.*, 19.

¹⁰² *Ibid.*, 25.

¹⁰³ *Ibid.*, 19.

¹⁰⁴ Jürgen Habermas, *Legitimation Crisis* (Boston: Beacon Press, 1975), 89 (Habermas’s italics).

¹⁰⁵ Habermas, *Communicative Action*, I, 335.

¹⁰⁶ Habermas, *Communicative Action*, II, 126.

¹⁰⁷ *Ibid.*, 157.

ates an equally total worldview, mythologically weaving nature and culture into “a single network of correspondence”.¹⁰⁸ The activity of conceptual thought only emerges through an historical process of lifeworld rationalization: culture becomes distinguished from the magical and ritualized control of contingency; the social domain of interaction is differentiated from relations dependent upon birth; and individuated personalities emerge with the capacity to maintain their integrity in proliferating social roles. Structural differentiation of the lifeworld relaxes its prejudgmental powers and enables individuals increasingly to participate in institutionalized discourses on science, law and art, linked respectively to the objective, social and subjective worlds (and to Kant’s critiques of theoretical reason, practical reason and judgement). The “*spellbinding* power of the holy is sublimated into the *binding/bonding* force of criticizable validity claims”.¹⁰⁹

For Hayek, historical progress means growing beyond group particularism into the formal universe of the extended order; Habermas, on the contrary, sees history as the process of growing beyond primitive totality into an internally differentiated social world which demands increasing reliance upon communicative action. Hayek idealizes the unconscious coordination of economic activities through the spontaneous movement of prices; Habermas sees modern political and economic “systems” as the principal threats to rational autonomy. At the same time as lifeworld rationalization increases the capacity of individuals to coordinate their action *orientations* through rational consensus, they now find themselves within ethically neutralized, self-steering systems, whose function is to coordinate action *consequences*.¹¹⁰

The uncoupling of systems from the lifeworld of shared meanings is necessary both to increase economic and administrative efficiency and to reduce the risks of failing to reach understanding.¹¹¹ For this reason, Habermas does not accept Goldmann’s view that an “optimistic” interpretation of Kant must entail a dialectical philosophy of totality expressed in social self-determination. Complex social interactions, in rapidly changing situations, cannot continually be renegotiated *ab initio*; and in place of discursively sharing ev-

¹⁰⁸ Habermas, *Communicative Action*, I, 45-46.

¹⁰⁹ Habermas, *Communicative Action*, II, 77 (Habermas’s italics).

¹¹⁰ *Ibid.*, 150.

¹¹¹ *Ibid.*, 183; cf. 263.

ery intention, we must rely upon political and economic systems to mediate many activities through power and money. The consequence, however, is that no one appears any longer to be responsible for the results. The “system” decides who will be unemployed; labour becomes an “abstract” performance, detached from the personal identity of the labourer; and the consequence is that we find ourselves—in Hayek’s words—in an increasingly “means-connected” world, where the fate of individuals is determined by “rules which operate us”. In exactly those circumstances where Hayek finds the ideal of spontaneous order, Habermas sees a threat that state and economy will “congeal into the ‘second nature’ of a norm-free sociality that can appear . . . as an *objectified* context of life”.¹¹²

Habermas claims that the imperatives of systemic efficiency jeopardize “the competences that make a subject capable of speaking and acting” autonomously.¹¹³ Systemic “colonization” of the lifeworld does “structural violence” to human reason. Through the “violent abstraction” of legal “situation-definitions”, human beings are transformed into “cases”, to be administered by technicians and officials.¹¹⁴ Formal law is produced by a technical discourse of professional jurisprudence, in the same way as science and the arts become the domains and cultures of experts. Separation of these increasingly expert cultures from everyday practice reinforces systemic reification by culturally impoverishing the lifeworld.¹¹⁵ Where Hayek speaks of *fragmentation of knowledge* in the market economy, Habermas refers to a *fragmentation of reason*: “*Everyday consciousness* is robbed of its power to synthesize; it becomes *fragmented*.”¹¹⁶ Kant’s unifying power of judgement is shattered as good reasons for human activity become more and more obscure.

For Habermas, as for Kant in the *Critique of Judgement*, what is imperatively needed is a new “mediation of the moments of reason”.¹¹⁷ The power of linguistically articulated human reason commands that we exercise our capacity to judge our own actions and the world in which we live. Just as Kant’s political philoso-

¹¹² *Ibid.*, 173 (Habermas’s italics).

¹¹³ *Ibid.*, 138.

¹¹⁴ *Ibid.*, 362-63.

¹¹⁵ *Ibid.*, 326-27.

¹¹⁶ *Ibid.*, 355.

¹¹⁷ *Ibid.*, 397-98.

For Habermas, communicative competence acquired in everyday speech qualifies all citizens equally to judge what is and what ought to be.

phy brought the ideal into contact with the real, so Habermas looks to political life as the domain wherein practical reason might recapture the efficacy made possible through enlightenment. Kant believed that public laws ideally express the “united and consenting Will of all”. Habermas argues that the legal order, which constitutes political and economic systems, must become the object of a discursively formed and democratic legislative will. Habermas moves beyond Kant at the very point where Hayek stops: in place of Hayek’s “Senate of the wise”, he demands that the *respublica phaenomenon* approximate the *respublica noumenon* through the broadest possible political participation. It is not economic independence, but the communicative competence acquired through everyday speech which qualifies all citizens to participate in rational judgements of what is and what ought to be.

4. Conclusions

The respect which Habermas accords to Kant’s moral and political ideals is what separates his interpretation of the Kantian project from Hayek’s. The differences between the two interpretations are most dramatically expressed in the role each assigns to language and political discourse. Hayek is quite aware that reason is a product of civilization and that our capacity to think is a “cultural heritage”. He would also agree with Habermas that language communicates “certain views about the nature of the world; and by learning a particular language we acquire a certain picture of the world, a framework of our thinking within which we move without being aware of it”.¹¹⁸ But Hayek distrusts *political language* because he finds in it a sedimentation of attitudes that are antithetical to the Great Society. Our political vocabulary, inherited from Plato and Aristotle, is said to be “poisoned” by implicit beliefs which suggest that we can become the authors of our own destiny.¹¹⁹

Hayek finds the greatest barrier to understanding human affairs in the concept of “society” itself, for it suggests “a common pursuit of shared purposes that can usually be achieved only by conscious collaboration”.¹²⁰ It is this implicit belief in a collabora-

¹¹⁸ Hayek, *New Studies*, 86-87.

¹¹⁹ Hayek, *Fatal Conceit*, 109.

¹²⁰ *Ibid.*, 112.

tive human project which inspires our concern for “social justice”. Hayek considers the term “social justice” to be “a sign of the immaturity of our minds”.¹²¹ “Social justice” is as meaningless as a “moral stone”.¹²² “*Evolution cannot be just*”, and to insist that all future change be just would be “to demand that evolution come to a halt”.¹²³

The fact that we continue to think and speak in such language is due to the survival, within the extended order, of the kind of “face-to-face” relations which shaped our primitive instincts of “solidarity and altruism” in small bands of hunters, whose livelihood depended upon cooperation of the group.¹²⁴ The instincts of the savage are collectivist, and Hayek considers “atavistic longing after the life of the noble savage” to be the main source of the collectivist tradition.¹²⁵ The evolutionary lag of instincts behind culture is said to explain the paradox of our continuing commitment to a world of mutual support within the objective totality of the extended order—two distinct worlds, which appear to imply “two orders of rules”.¹²⁶

Lucien Goldmann would probably suggest, however, that Hayek’s final paradox is no surprise: it refers us back to the philosophical problems posed by the divided existence which Kant thought we are compelled to live between nature and reason. The demand for social justice, from this perspective, would appear to be Kant’s ethical claim of the *respublica noumenon* upon the *respublica phaenomenon*. It is just this kind of claim that Habermas expresses in the concept of the “ideal speech situation”, the rational rules of argumentation, and the call for discursive formation of a democratic political will.

Like Kant, Habermas challenges us to strive for an ethical commonwealth. In Goldmann’s terms, Habermas interprets Kant in a manner that is neither “optimistic”, in the sense of anticipating final fulfilment of Kantian ideals, nor “pessimistic”, in the sense of denying reason’s responsibility for practical judgements. Instead, Habermas interprets history as reason for hope. He radicalizes

¹²¹ Hayek, *Law*, II, 63.

¹²² *Ibid.*, 78.

¹²³ Hayek, *Fatal Conceit*, 74 (Hayek’s italics).

¹²⁴ *Ibid.*, 11-12.

¹²⁵ *Ibid.*, 19.

¹²⁶ *Ibid.*, 18 (Hayek’s italics).

Kant's political philosophy, but he does so in the conviction that resistance to the kind of social system idealized by Friedrich Hayek is "built into the linguistic mechanism of the reproduction of the species".¹²⁷ The theory of communicative action continues to point towards Kant's ideal of a "sovereignty in which reason alone shall have sway". It also provides us with "good reasons" for concluding that Hayek's work collapses the Kantian project rather than continuing it.

¹²⁷ Habermas, *Communicative Action*, I, 398.