Hayek and Oakeshott on Rationalism

Dr. Eugene Callahan

Department of Computer Science (Tandon)

New York University

ejc369@nyu.edu

## Introduction

“Rationalism,” in the sense meant in this essay, might be understood as the idea that abstract thought, deducing answers to questions from first principles, is always superior to “mere” tradition, custom, and practical know-how. In the first half of the twentieth century, this rationalist ideal dominated elite thinking. Hayek wrote that such an exaltation of abstract reason had become so commonplace that it was typically thought that: “we should so re-design society and its institutions that all our actions will be wholly guided by known purposes. To most people these propositions seem almost self-evident and to constitute an attitude alone worthy of a thinking being.”

But since then, the many disappointing outcomes of the rationalist program have considerably dimmed its popularity. However, the evidence of those practical failures would not have been as convincing as it has been—perhaps it was the case that we just had not found the proper rationalist program yet?—if not for the existence of a theoretical diagnosis of the malady. This paper aims to compare and contrast the ideas of two of those leading critics of rationalism, F. A. Hayek and Michael Oakeshott. While each of them certainly criticized “rationalism,” did each mean the same thing by it? In what senses did their analyses of the issue overlap, and in what senses did they differ? I will argue that, in fact, Hayek and Oakeshott understood the problem of rationalist thought quite differently. Furthermore, I contend, this difference is not a mere “brute fact,” but can be understood as based in their differing philosophical outlooks.

## Hayek and Oakeshott

Hayek and Oakeshott had a curious intellectual relationship. Their backgrounds were fairly different: Hayek was an economist, first made aware of the limits of rationalism through analyzing the hurdles facing the central planner who was supposed to rationally reorganize production in the socialist commonwealth. Oakeshott was trained as an historian, and launched his investigations of rationalism from his study of philosophical idealism. Besides frequently being paired as major 20th-century critics of rationalism, they also have in common long periods of employment at the London School of Economics, as well as prominent places, which perhaps neither desired, in the pantheon of modern conservative heroes. Nevertheless, the only references I have encountered by Oakeshott to Hayek’s work are his somewhat dismissive summary of *The Road to Serfdom*, and a very sympathetic review of *The Constitution of Liberty*. Hayek praised Oakeshott, for example, in the introduction to *Law, Legislation and Liberty*, but Hayek never, to my knowledge, produced any in-depth commentary on the views of his purported counterpart.

### Comparing Hayek and Oakeshott

The initial impression one might adopt from seeing that both Hayek and Oakeshott criticized rationalism, and both regarded neutral rules as important to civil society, is that they were saying essentially the same thing, perhaps merely using slightly different terms. Boyd and Morrison (2007) adopt this line, noting the preference of both thinkers for “spontaneous orders.”

But the most important precursor of this paper is Chor-yung Cheung’s (2014) “The Critique of Rationalism and the Defense of Individuality: Oakeshott and Hayek.” In it, he presents a insightful analysis of how Oakeshott’s understanding of rationalism differs from Hayek’s close enough to that offered in this paper that, were it not for the fact that he never explicitly identifies the basis of the differences he highlights, this paper would have been superfluous.

Cheung he notes that “Hayek’s philosophical perspective it is very likely blind to a lot of the things that Oakeshott has said regarding the poetic character of human activity.” But he never makes explicit what it is that is different between Hayek’s philosophical perspective and Oakeshott’s. And thus, the remainder of this essay, which will proceed by turning first to Hayek on rationalism.

## Hayek on Rationalism

Hayek’s philosophy, while never articulated at great length, appears to have been a variety of “emergent phenomena” materialism. In his view, reason was not an aspect of human activities in general, but only emerged in the process of abstracting from “sensory input” any number of scientific laws, legal rules, heuristics for deciding on practical courses of action, and so on. Working from this base, Hayek criticized “rationalism” as a failure to recognize how limited reason is in its application. The “abuse of reason” consists in trying to use our rationality to direct irrational (or, at best, “ecologically rational”) processes it cannot fully grasp, such as the historical development of our customs, norms, conventions and institutions. For Hayek, in particular, historical situations cannot be rationally understood, since, for him, reason is identical to abstract thought. Hayek did famously stress the importance of knowledge of “the particular circumstances of time and place” (in “The Use of Knowledge in Society”), but it is unclear how his epistemology makes such knowledge possible.

### The Knowledge Essays

Hayek first began moving away from technical economics and into broader issues of social philosophy with his essays, “Economics and Knowledge” (1937) and “The Use of Knowledge in Society” (1945).

In the first of these essays, Hayek recognizes the limitations of the abstractions of formal economic analysis in the following passage:

Indeed my main contention will be that the tautologies, of which formal equilibrium analysis in economics essentially consists, can be turned into propositions which tell us anything about causation in the real world only in so far as we are able to fill those formal propositions with definite statements about how knowledge is acquired and communicated.

And Hayek indicates the falsifying nature of abstraction here in his comments on general equilibrium analysis.

In “The Use of Knowledge in Society,” Hayek furthers his exploration of the social aspect of economic decision making begun in “Economics and Knowledge.” In one passage, Hayek nearly hits upon the idea of the “concrete universal”:

Today it is almost heresy to suggest that scientific knowledge is not the sum of all knowledge. But a little reflection will show that there is beyond question a body of very important but unorganized knowledge which cannot possibly be called scientific in the sense of knowledge of general rules: the knowledge of the particular circumstances of time and place.

And he appears to recognize practical knowledge as genuine a little later on:

We need to remember only how much we have to learn in any occupation after we have completed our theoretical training, how big a part of our working life we spend learning particular jobs, and how valuable an asset in all walks of life is knowledge of people, of local conditions, and of special circumstances...   
It is a curious fact that this sort of knowledge should today be generally regarded with a kind of contempt…

But Hayek’s philosophical perspective does not allow him to fully appreciate his own quite salutary insights, as I will explain.

### The Sensory Order

In *The Sensory Order*, Hayek tries to trace how thought itself, which for him means abstract thought, can arise from entirely thoughtless processes. But he has left himself here a conundrum that I suggest is impossible to solve: How in the world can any sensible abstraction be drawn from a welter of particulars that are, in and of themselves, not susceptible to being understood?

In this work, Hayek asserts that all mentation is relational:

all the attributes of sensory qualities (and of other mental qualities) are relations to other such qualities, and that the totality of all these relations between mental qualities exhausts all there is to be said about the mental order.

This raises the problem noted above: if A is a something not understandable on its own, and B is a similar something, how can any relation between A and B be comprehensible?

Hayek goes on to contend explicitly that the concrete is dependent upon the abstract. Hayek’s thought runs aground in this regard because he had not recognized the significance of the revolution in philosophy initiated by Hegel: he had not grasped the idea of the “concrete universal.” On the other hand, Oakeshott’s critique of rationalism is based upon that very concept.

### Hayek’s Critique of Conservatism

### Law, Legislation and Liberty

However, Hayek’s thought grew closer to Oakeshott’s over time, to the extent that his three-volume work from the 1970s, *Law, Legislation and Liberty*, often reads like an expansion of Oakeshott’s essays on rationalism, and posits a key distinction between ‘spontaneous orders’ and ‘organizations’ that closely parallels Oakeshott’s between ‘civil’ and ‘enterprise’ associations. He seems particularly close to Oakeshott, for instance, when he writes:

Yet the basic assumption underlying the belief that man has achieved mastery of his surroundings mainly through his capacity for logical deduction from explicit premises is factually false… It is simply not true that our actions owe their effectiveness solely or chiefly to the knowledge which we can state in words and which can therefore constitute the explicit premises of a syllogism.

Once again, Hayek is at the verge of recognizing concrete thought. However, even at this stage of his thinking, Hayek was still, despite his critique of what he calls ‘constructivist rationalism’, proposing abstract rules to fix the problem. And so Hayek writes, ‘That freedom can be preserved only if it is treated as a supreme principle which must not be sacrificed for particular advantages was fully understood by the leading liberal thinkers of the nineteenth century...’, and one realizes there is something significantly different from Oakeshott is going on here.

### The Fatal Conceit

## Oakeshott on Rationalism

For Oakeshott, the problem is not that our reason is not up to the job of grappling with our practical affairs, including those of our political life. Instead, as he points out in *Experience and Its Modes*, the world of practice is itself a world of ideas. Thus, when Oakeshott attacks rationalism, he is not claiming that it is a case of reason going beyond its limits. Instead, rationalism for Oakeshott is the attempt to replace practical reason (*phronesis*) with abstract, theoretical reason (*theoria*).

I contend that the difference between Hayek and Oakeshott here turns crucially on Oakeshott’s heritage of British idealist thought. For example, here is R. G. Collingwood expressing the idealist emphasis on the concrete:

The concept is not something outside the world of sensuous experience: it is the very structure and order of that world itself... This is the point of view of concrete thought... To abstract is to consider separately things that are inseparable: to think of the universal, for instance, without reflecting that it is merely the universal of its particulars, and to assume that one can isolate it in thought and to study it in this isolation. This assumption is an error. One cannot abstract without falsifying.

In shorter form, Bernard Bosanquet wrote: “the fullest universal of character and consciousness will embody itself in the finest and most specialized and unrepeatable responses to environment”.

For the British Idealists, abstract reasoning was not reasoning itself, which had to be opposed by some sort of “instinctual,” anti-rational reliance on evolution to sort things out. Instead, abstract reasoning is always a partial and therefore defective (although perhaps very useful!) form of reason, and concrete reason is always its superior. And Hayek never fully recognizes the latter form of reason.

### Experience and Its Modes

Published in 1933, this book is a defense of philosophical idealism. In it, Oakeshott argues that only philosophy represents ‘experience without reservation or arrest,’ a view he would modify in later works, but never entirely abandon. Other ‘modes of experience,’ such as science, history, and practice, are inherently partial forms of understanding, as they arise from particular presuppositions, which they leave unquestioned, that form these ‘worlds of ideas’. This intrinsic conditionality means that these modes of experience not only fall short of grappling with the ‘totality of experience’, but also makes them categorically distinct. Each mode is constituted by its own presuppositions, so that no mode is in a position to dictate to any of the others. What is most relevant here is Oakeshott’s claim that science has no authority over practice. The rationalists’ dream of reorganizing and improving the ‘irrational’ world of practice, grounded in tradition, by applying abstract, scientific principles to everyday conduct, is guilty of categorical irrelevance. Science is an ‘attempt to find... a world of definite and demonstrable experience, one free from merely personal associations and independent of the idiosyncrasies of particular observers, an absolutely impersonal and stable world.’ As such, the ‘concepts [of science] do not, in any sense, refer to the world of practice, to the world given in sensation…’

In the world of practice, on the other hand, experience is understood in terms of how a current state of affairs might be transformed into a future state understood to be more satisfactory to a specific agent. As such, ‘a scientific idea must be transformed, taken out of the world of scientific experience, before it can establish itself in the world of practice.’ For example, an engineer in his work cannot simply employ the laws of physics as they are given to him by physicists; in trying to solve a practical problem like designing a building, he must recast those laws in terms of concepts foreign to physics, as he seeks not universal laws, but to determine, for instance, ‘Will this particular building, built as designed at this particular location, provide an adequate safety margin for this particular predicted earthquake level and these particular wind shears while meeting this particular cost constraint?’ Those specifics, the inclusion of which is vital for any successful solution to the engineer’s problem, are categorically excluded from properly scientific laws. Given the divergent aims characterizing the modes of science and of practice, the scientist is no more in a position to dictate the course of practical affairs according to his theoretical conclusions than is the practical person in a position to direct scientific research according to her personal ambitions.

### Rationalism Essays

Oakeshott’s most famous work, on rationalism in politics and in conduct, flows directly from the philosophical ideas put forward in *Experience and Its Modes*. These essays argue that the rationalist misapplies the standards of one mode (theoretical science) in another mode (practice) where they are categorically irrelevant.

The rationalist view is that arriving at the correct theory on some subject is all that is required to achieve successful performances in its domain; indeed, attending to any anything else, such as long-standing traditions, is a positive barrier to success in a field. What is necessary to be ‘rational’ is to approach any activity with a *tabula rasa* upon which the correct technique for that activity can be cleanly inscribed.

Quite to the contrary of that understanding of the relationship between technical guidelines and tacit knowledge, Oakeshott argues that the rationalist, in awarding theory primacy over practice, has gotten things exactly backwards. Theoretical understanding is always a by-product of practical skill: we come to understand the general and abstract only through understanding the concrete and particular.

In fact, Oakeshott sees the dependence of theory upon practice as being so unavoidable that not only is the rationalist incapable of successful performances guided solely by a theoretical model of the activity to be performed, he is not able to stick to his purported guidelines at all: instead, he will fall back on some existing practice instead of actually following the abstraction that supposedly guides his conduct.

However, Oakeshott’s assertion that the rationalist never really can proceed according to her avowed principles does not mean that her attempt to adhere to them will be inconsequential, but only that it will not succeed. An analogy may be helpful here: A person trying to become a parrot by strapping on wings and a beak and some colorful feathers won’t become one, but they will make themselves look ridiculous and hamper their day-to-day activities. As Collingwood wrote, ‘A person may think he is a poached egg; that will not make him one: but it will affect his conduct, and for the worse.’

It does not follow, from Oakeshott’s view of the rationalist project as ruinously misguided, that all traditional practices are laudable. Traditions are like living organisms: both can suffer illnesses and other disabilities; both ought to and usually do learn and adapt in response to their external circumstances and internal tensions; or, failing to do so, both soon cease to exist. But those adaptations, if they are to successfully meet the challenges presented by novel situations, must not promote the deterioration of the very organic order they purport to be serving. The political thinker can serve to diagnose and treat ills in his polity much as a physician does with those ills he detects in his patients. But, as Oakeshott noted, ‘to cure is not to transform, it is not to turn the patient into a different sort of being; it is to restore to him such health as he is naturally capable of enjoying.’ Because the rationalist physician attempts to transform rather than merely heal his charge, his treatments are likely to do far more harm than good.

Unfortunately, the ‘rationalist doctor’s’ counterpart in social reform similarly is inclined to interpret the social maladies produced by his projects not as evidencing any problem with his modus operandi but, quite to the contrary, as signaling the need for an even more energetic and thorough implementation of rationalist social engineering. As Oakeshott writes:

To the firm believer in this idea of ‘rationality’, the spectacle of human behaviour... departing from its norm maybe expected to confirm his suspicion that ‘rational’ conduct of this sort is difficult, but not to shake his faith in its possibility and desirability...

### On Human Conduct

In *On Human Conduct*, published in 1975, Oakeshott presents another pair of dichotomous ideal types, the first of which is that of the practitioner and the theorist. Oakeshott opens this work with a lengthy meditation on the nature of theorizing. As he concludes that section, he segues into the discussion of the practice/theory dichotomy by noting the debt his analysis owes to Plato’s metaphor of the cave presented in *The Republic*. In light of the similarity of their views, Oakeshott continued, ‘it may be instructive to notice [our] divergencies.’ And indeed it may.

As Oakeshott understood Plato, the latter’s cave dwellers represent those individuals whose conceptual horizon is bound within the world of practical affairs. Plato was correct in holding that, because such individuals fail to recognize the intrinsically conditional nature of the practical understanding of reality, instead mistakenly accepting it as the only possible mode of comprehending experience so that, however clever and adept they become at dealing with the practical world, they have, in effect, imprisoned themselves within its confines (i.e., within Plato’s cave). And Plato also was accurate in regarding the understanding of the theorist, in that it represents at least a recognition of those limitations, as being, in a sense, a higher form of knowledge than that gained by the solely practical thinker.

However, Oakeshott argued, ‘distracted by his exclusive concern with the engagement of theoretical understanding and with the manifest shortcomings of [the cave-dwellers’ world]... [Plato] is disposed to write [the latter] off as nescience. This, I think, is a mistake.’ That the practical understanding of the world is inherently limited does not imply that what it yields it is not really knowledge at all; rather, the proper conclusion is that practical understanding offers only a conditional form of knowledge—but conditional knowledge is nevertheless knowledge, and not mere ignorance. Moreover, quite crucially for Oakeshott, the abstract superiority of theoretical knowledge over its practical counterpart in no way means that the former can replace the latter in dealing with the practical world. While it is true that discovering ‘a platform of understanding is conditional and to become acquainted with its proximate conditions is a notable step in the engagement of understanding’, such a discovery ‘is not like exposing a fraud [, since] shadows are not forgeries.’

Given that genuine knowledge of the realm of the shadows is a real and hard-won achievement, the theorist goes gravely astray if he employs his theoretical insights as grounds for issuing directives to accomplished practitioners, ridiculously trying to ‘set them straight’ on matters with which the theorist has no familiarity. Oakeshott wryly noted:

The cave-dwellers, upon first encountering the theorist after his return to the world of the shadows [very well might be impressed] when he tells them that what they had always thought of as ‘a horse’ is not what they suppose it to be... but is, on the contrary, a modification of the attributes of God [, and they will] applaud his performance even where they cannot quite follow it. But if he were to tell them that, in virtue of his more profound understanding of the nature of horses, he is a more expert horse-man, horse-chandler, or stable boy than they (in their ignorance) could ever hope to be, and when it becomes clear that his new learning has lost him the ability to tell one end of a horse from the other... [then] before long the more perceptive of the cave-dwellers [will] begin to suspect that, after all, he [is] not an interesting theorist but a fuddled and pretentious ‘theoretician’ who should be sent on his travels again, or accommodated in a quiet home.

This provides a fresh perspective on the character of the rationalist and how it is that he has gone astray. Here, the modern rationalist is understood as an imperialist ‘theoretician’ who is repeating Plato’s ancient misstep. Furthermore, Oakeshott now offers a more sympathetic picture of the rationalist than did his earlier, more polemical essays—the reader can appreciate how easy it is to fall into the error of rationalism, since the theorist really has broken through to a new form of knowledge, and it is quite understandable that, elated by his achievement, he mistakenly concludes that theory ought to be the unquestioned master of practice, failing to realize that theoretical findings are categorically irrelevant to practical matters.

### On History

*On History* is most significant for our purposes in that it refutes writers such as Gerencser who contend that Oakeshott had at some point abandoned idealism for skepticism.

## Conclusion

The key to understanding why, despite the apparent similarity of their critiques of rationalism, Hayek and Oakeshott actually differ significantly in both their diagnosis of and their prescriptions for rationalism lies, as mentioned above, in the fact that Oakeshott was an idealist while Hayek was not. Since for Oakeshott the world is a world of ideas, the concrete is inherently intelligible in and of its self. For Hayek, on the other hand, what is opposed to abstract thought is not concrete thought, but instinct, mechanism, “nonrational” traditions, or emotion. Hayek believes that the relationships that make up his ‘Great Society’ are abstract because the *theory* of such relationships is abstract; but those relationships themselves are concrete: *this* businessman buys *this* amount of concrete from *this* vendor to be delivered at *this* time and *this* place. For Hayek, trying to intelligently decide policies on a case-by-case basis will only result in irrational, emotional interventions that eventually will lead us down ‘the road to serfdom’; only a dogmatic insistence on classical liberal principles can preserve freedom.

In short, for Hayek, the rationalist is one who does not realize that the single tool human reason possesses, that of abstract, theoretical reasoning, is not up to all tasks to which it has been assigned. To the contrary, Oakeshott argues that the problem itself stems from believing that there *is* only one tool available to human reason. The rationalist is in the position of someone using a hand saw to cut the lawn. But the lawnmower—in our metaphor, concrete reason—exists, and once its existence is recognized, we can address the practical problems of the world reasonably, and not as abstractions. Thus, Oakeshott’s understanding of rationalism provides a more robust defense of practical reason and of tradition than does Hayek’s.