THE HAYEK LECTURE
The Third Annual Lecture
June 20, 2007

HAYEK ON SPONTANEOUS ORDER AND THE MIRAGE OF SOCIAL JUSTICE

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Political philosopher and Nobel laureate F. A. Hayek, author of groundbreaking works such as *The Road to Serfdom* and *The Constitution of Liberty*, was the key figure in the twentieth century revival of classical liberalism. He was also a formative influence on the Manhattan Institute. When our founder, Sir Antony Fisher, asked how best to reverse the erosion of freedom, Hayek advised him not to begin with politics *per se* but to fight first on the battlefield of ideas. Our Hayek Lecture affirms and celebrates this mission. Every spring, in the lecture series named for him, we honor our intellectual progenitor and the idea to which he dedicated his life: liberty. The speakers are selected for their pathfinding visions; for as Hayek himself wrote: “It is wherever man reaches beyond his present self, where the new emerges and assessment lies in the future, that liberty ultimately shows its value.”
JOHN TOMASI is Associate Professor of Political Science at Brown University and Director of the Political Theory Project at Brown University. He is author of *Liberalism Beyond Justice: Citizens Society and the Boundaries of Political Theory* (Princeton University Press, 2001), and numerous articles.

He received his B.A. from Colby College, his M.A. from the University of Arizona and his Ph.D. from Oxford University. He has had previous appointments at Princeton University and Stanford University. His specializations are political theory and ethics and public policy.
GOOD EVENING. My name is James Piereson. I am a senior fellow at the Manhattan Institute and director of the Institute’s new Center for the American University. Thank you for being here this evening for the Manhattan Institute’s third annual Hayek Lecture. Previous Hayek lecturers have been Michael Novak and Sir Robert Skidelsky.

I would like to begin by acknowledging an important benefactor and trustee of the Manhattan Institute, who is also a good friend: Tom Smith. Three years ago, Tom came to us with the idea of starting an annual Hayek Lecture, which would honor Friedrich Hayek for the role that he played in defending liberty during a difficult period in history; and which would sustain and preserve the principles of economic liberty to which Hayek dedicated his life and to which we owe our freedom and prosperity. Tom has now expanded this idea to include Hayek programs at several universities—including CUNY and his alma mater, Miami University in Ohio—that are dedicated to promoting the virtues of free markets and free people. Through these programs, he hopes to reach the rising generation of Americans with a body of thought that they might not otherwise encounter on their campuses.
Tom, on behalf of the board of trustees, let me thank you for your generosity, for your vision, and for your principled leadership.

Why do we honor Hayek? One reason is that Hayek had a small, but important, role in the founding of the Manhattan Institute.

After World War Two, a former RAF gunner and chicken farmer named Antony Fisher visited Hayek at the London School of Economics after reading *The Road to Serfdom*—Hayek’s critique of socialism and defense of liberty published in London in 1944 and in the USA a year later. Interestingly, *The Road to Serfdom* was turned down by every major publishing house—which gives you a sense of the intellectual bias in favor of socialism and planning in the early postwar years. Fisher informed Hayek that he wanted to run for Parliament to help change the direction in which Britain—and the rest of the West—seemed to be headed.

Hayek, however, advised Fisher not to enter politics but rather to fight on the battlefield of ideas. Politics, Hayek said, was a lost cause, at least in the short term. Hayek urged Fisher to think for the long run and to try to alter the climate of opinion in Britain and elsewhere by building a network of think tanks that would explain why socialism would fail and why policies based on individual freedom were both practical and moral. One of those think tanks that Fisher helped to start is the Manhattan Institute. And our annual Hayek Lecture affirms and celebrates the vision of these two men.

We also celebrate Hayek because he—perhaps more than any other thinker—reflects the vision of the Manhattan Institute. Hayek, of course, is one of the most influential economists in modern history, but to limit his work to economics is to do him a great disservice. He was much more than an economist.

In Hayek’s hands, “economics” is not just a matter of money and wealth but a method of thinking that tells us how to structure a society so that each individual can fulfill his unique potential and contribute to the well-being of mankind in the process. It is about creating a just political order, a healthy culture, the rule of law, limited government—all based on liberty of the individual.
Our Hayek lecturer tonight, Professor John Tomasi, is a member of a small but growing band of scholars and teachers working to introduce Hayek’s principles to the world of higher education. John is an associate professor of political science at Brown University and director of Brown’s Political Theory Project—a wonderful program that introduces undergraduates to the full range of thought on the most pressing questions of our time. The program is not doctrinal or ideological but incorporates a healthy respect for individual liberty and free markets. Most of all, the program encourages students to do what Hayek did: to think through problems in an independent spirit and to defend liberty and progress even when—and especially when—to do so might offend the dogmas of conventional wisdom.

Professor Tomasi received a B.A. from Colby College, an M.A. from the University of Arizona, and a Ph.D. in philosophy from Oxford University. He has also held faculty appointments at Princeton University and Stanford University. His major areas of study are political theory, ethics, and public policy. He is author of *Liberalism Beyond Justice: Citizens, Society, and the Boundaries of Political Theory* (Princeton University Press, 2001) and numerous articles.

John is a serious scholar, to be sure, but he can also work with a light touch. I especially enjoyed a paper he wrote recently, spoofing Marx, suggesting that a specter is haunting higher education—the specter of liberty. Here he was having fun at the expense of some colleagues in higher education who, in the name of diversity, begin to panic when confronted with ideas that they might disagree with.

John is currently working on a book on the subject of modern liberalism and the mixing of church and state. Professor Tomasi is also a renowned Hayek scholar, and we look forward to his talk tonight in which he will discuss Hayek’s complex views regarding government involvement in social policy. Please join me in welcoming Professor John Tomasi.

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Friedrich Hayek is one of the greatest political thinkers of the twentieth century. He is also, alas, one of the most misunderstood. I’d like to talk about two ideas that make Hayek great but that have also caused him to be misunderstood: Hayek’s idea of spontaneous order; and his attack on “social justice.”

My wife and I have a twelve-year-old son named Peter, who is fascinated by politics. In the evenings, while other boys are playing video games or doing their homework, Peter is often to be found watching clips of presidential debates on YouTube. He wants to figure out: What do Republicans stand for? What do Democrats stand for? After many hours of watching debates, Peter has now identified a champion from each side, the person who he thinks represents the deep view of each party. From the Democratic side, Peter’s champion is Barack Obama. From the Republican side, Ron Paul. On Peter’s view: Republicans, such as Ron Paul, want less government; Democrats, such as Barack Obama, want more social justice.

But what about Hayek? If Hayek could watch YouTube with Peter, for which of these two champions would Hayek cheer? Well, Hayek certainly would be for less government. And just as certainly, Hayek would oppose most of the social welfare policies that are centerpieces of the Obama campaign. But if Hayek is for less government and is therefore opposed to more social welfare programs, does that necessarily mean that Hayek is opposed to social justice?

Hayek certainly indicates that he is opposed to social justice. Indeed, he wrote an entire book on this subject, *The Mirage of Social Justice*. He writes, “Only situations that have been created by human will can be called just or unjust.” Justice, Hayek tells us, is a property of the actions of individual persons. The complex pattern of holdings that we find across a free society, Hayek says, is the product of many human actions. But that pattern is not the product of any single human will. To apply notions of justice to the relative holdings of people across an entire society, Hayek says, is simply confusion. The term “social justice,” Hayek tells us, “does not belong to the category of error but to that of nonsense, like the term ‘a moral stone.’” On this orthodox reading, Hayek is opposed to social justice. Indeed, in one place Hayek compares a belief in social justice to a belief in witches.
So Hayek is for Ron Paul. And he is opposed to Barack Obama—not just in terms of policy strategy but in terms of basic moral ideals.

There is a problem with this simple reading of Hayek, however, and it has much vexed Hayek scholars. For while claiming to reject social justice, Hayek often invokes a standard of social justice in arguing for his Ron Paul–like policies of limited government. Thus, Hayek says repeatedly that a society of free markets and limited government will be beneficial to all citizens, providing each his best chance of using his own information for his own purposes. On occasions where he fears that the market system may not have this hoped-for result, infamously, Hayek advocates governmental correctives: a guaranteed minimum income, public funding for schools, and an array of social services for needy families—all to be funded by increased taxation. Perhaps we would merely call this Obama-Lite. But whatever we call it, it looks a lot like a concern for the pattern of material holdings across the whole society—a concern, that is, for social justice.

Hayek scholars wrestle with this problem. For example, Adam Tebble, my colleague at Brown, thinks that these concessive passages were simply a blunder on Hayek’s part. Hayek wrote many of them when he was older, so perhaps it is a case of “hardening arteries and a softening heart.” Now, I don’t know whether Hayek was softhearted. But I am convinced that he was not softheaded.

Despite what many Hayek scholars have said, I see no deep inconsistency between Hayek’s rejection of social justice and his expression of social justice–like concerns. To see why, we need to travel into some technical terrain. In particular, we need to consider an idea I mentioned at the start of this talk, the idea of spontaneous order.

To understand Hayek’s idea of spontaneous order, consider a collection of crystals: say, a cluster of rock candy on a string. Candy crystals form when a solution of sugar and water cools. As the temperature drops, the lattice bonds of the sugar molecules begin to re-form. Crystal facets gather on the string. The result is a crunchy candy treat.

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But now compare the string of rock candy with another complex structure: a Lego model of the Death Star from *Star Wars*. The Death Star is one of the most complex of all the models made by Lego. The large box contains 3,449 small plastic pieces and an instructional booklet with many painstaking pages of step-by-step instructions. The rules are highly specific, and a person, or team of persons, must carry out each step precisely as directed by the Lego engineers.

The Lego model of the Death Star and our string of rock candy are both complex organizational structures. Yet each is a product of an importantly different type of organizational process. The bringing together of the Lego parts into the form of the completed Death Star requires the constant application of goal-directed reason on the part of some organizing agent. It is that agent’s commitment and skill that determine how closely the resulting assemblage of plastic pieces will resemble the picture on the box.

By contrast, the molecular units that are to compose the rock candy crystals are not moved by any unified agent according to some preconceived plan. The components act in accord with general laws of molecular chemistry, but the precise shape that the resulting candy cluster will take is beyond the predictive power of even the most sophisticated scientist. A rock candy crystal is a self-organizing or spontaneous system. The Lego model is *made*; the sugar crystals *grow*.

Now, apply this to social systems. According to Hayek, recall, “Only situations that have been created by human will can be called just or unjust.” Within a totalitarian or socialist society, every person is assigned a particular place according to the will of some central planner—like so many Lego pieces. With made orders of that sort, then, Hayek says, it does indeed make sense to talk in terms of the social justice (or injustice) of the society as a whole.

But a free society, a society formed according to classical liberal principles, is a grown or spontaneous order rather than a made one. The distributional pattern of goods in such a society is the product of human action but not of human design. In this, the Great Society is like a string of rock candy, not the Lego Death Star.
While general rules govern the actions of the participants in a free society, there is no central planner who controls, or could be held responsible for, whatever particular pattern of material holdings happens to emerge. To talk of the “social justice” of those emergent patterns is simply nonsense. Indeed, the only way to make the concept of social justice applicable to a free society would be transform that society into something else: namely, a made order in which individual freedom is replaced with centralized control.

Hayek’s distinction between spontaneous and made orders is one of the most important and fascinating ideas in all of social science. If you will forgive me one perfectly sincere pun: I cannot possibly do justice to it here.

But there is one point about spontaneous orders that I urge you to ponder: spontaneous orders, on the societal level at least, are almost always the product of design. This is true even of the rock candy that we just considered. Granted, the molecules interact with one another freely and the crystals grow spontaneously. But somebody had to stir up the solution in the first place, cut the piece of string, dip it into the solution, and carefully cool the thing down. It would be bizarre to blame the sugar molecules if only tiny or scraggly candy crystals were formed. But any child can tell a good batch of rock candy from a lousy one. And they rightly praise some candy makers, and condemn others, on that basis.

So, too, with our evaluations of societies. Within a free society, as Hayek argues, no one controls all the activities and positions of all the members. That is the point that Hayek has in mind when he says that it is nonsensical to talk about the justice or injustice of the particular patterns that emerge. The ideal of personal freedom and the ideal of direct control by so-called experts are indeed in tension on that level. But as with sugar candy, so with human freedom and prosperity: we can tell an experiment that is realizing its goals from one that is falling short. And we rightly praise some societies (and public policy programs), and we rightly condemn others, on that basis.

A closing word. I do not mean to downplay the political differences between Republicans and Democrats—between, say, Ron Paul and Barack Obama (or those between Obama and Hayek!). But I have noticed a worrying tendency,
prevalent not only among twelve-year-old boys or among undergraduates like those I teach at Brown but even among otherwise politically sophisticated adults. This is a tendency to treat the debates between champions of rival political parties as deeply entrenched moral debates: less government versus more social justice, with proponents of each locked in gladiatorial combat until death. Sometimes, no doubt, there are basic differences of moral principle, and those must be confronted with bravery and resolve. But one lesson we can learn from Hayek is that things are often not so simple. Like Hayek, one can be against expansive governmental programs precisely because one is for social justice.

Thank you.
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