

Richard T. Allen

BEYOND LIBERALISM

**A Study of the Political Thought of L. von Mises, K. Popper, F.A. Hayek and M. Polanyi,
with an Appendix on A. Kolnai**

(Excerpts)

Summary

Taking its title and theme from Polanyi's *'Beyond Nihilism'*, this study argues a logical thesis that liberty, and therefore Liberalism by making liberty the highest political good, is self-transcending: that is, if it is made its own end, then it will be destroyed, and thus, in order to secure liberty, it is necessary to aim at objects beyond it and higher than it. Like happiness, it is achieved and maintained more as a by-product than a direct goal of action. This means that Liberalism, if it is not to prove self-destructive, must move philosophically from a sceptical idea of liberty only as 'doing as we please' and a Rationalist hostility to tradition, to a conception of liberty as self-dedication to transcendent ideals whose reality is reaffirmed, and politically it must move to a rapprochement with custom and tradition and therefore to a Conservative Liberalism or Liberal Conservatism in the manner of Edmund Burke. Along with that logical thesis, this study also presents an historical one: that, as we move from von Mises and Popper to Hayek and especially to Polanyi, we see such a movement from Rationalism, scepticism and a merely self-assertive liberty to an acknowledgment that liberty rests upon faith, self-dedication and tradition. Even more so can the arguments of this study be found in the work of Aurel Kolnai, but my limited access to them has meant that I can offer, in the Appendix, only a brief summary of some of his later political writings.

The focus of this study is upon the positive contentions and arguments of von Mises, Popper, Hayek and Polanyi, and largely takes for granted their negative case against the Collectivisms of the twentieth century.

The study falls into three parts, in each of which the relevant ideas and arguments of Hayek and Polanyi, and of von Mises and Popper when applicable, are examined in turn to illustrate both the logical and the historical theses.

Part I (Chaps. 1-5) examines the very definition of liberty. Isaiah Berlin's distinction of 'negative' and 'positive' liberties is shown to break down, because both conceptions are mutually necessary sides of one and the same liberty. Further aspects and applications of liberty are distinguished and five notions of political liberty are summarised: those of Classical Liberalism, Radical Individualism, Radical

Collectivism, 'Welfarism' and Conservatism. One influential notion, underlying Radical Collectivism and 'Welfarism', is that of liberty as mastery of circumstances. This is examined in more detail, and with particular reference to Karl Mannheim, and is shown to be incoherent. Hayek's idea of liberty as the absence of coercion under the rule of law, along with the notion of rights, is shown to encapsulate central truths about liberty yet also to lead to some of the very problems that Hayek wishes to avoid. The conclusion is drawn that liberty cannot be wholly articulated and defined, but, as Burke and Polanyi argued, it can be understood only from within a tradition of liberties. That is, only the Conservative idea of liberty, as previously defined, is a tenable one. In its central notion Liberalism must go beyond itself to Conservatism if it is not to collapse into some form of Collectivism, either directly or via Radical Individualism.

Part II (Chaps. 6-10) examines the arguments for liberty. Von Mises' Utilitarian case for liberty is shown to rest upon that self-destructive scepticism which Polanyi criticised, and likewise Popper's Open Society rests upon a self-destructive dualism of facts and standards. Utilitarianism is disutile unless it transcends itself and values law and justice for their own sakes. We find this partly recognised in Hayek's much more subtle Utilitarianism of institutions and whole sets of laws and rules. But even there, the framework within which Hayek thinks must itself be transcended as Hayek at times seems to acknowledge. Similarly his important treatment of law and justice as a progressive and tacitly guided evolution, in contrast with the theories of Legal Positivism, must in the end go beyond itself to a firmer appreciation and positive conception of justice, a transcendent Natural Law, and the value and duty of the individual. Polanyi's account of liberty begins already beyond these limitations and the 'negative' liberty of doing as we please, and is primarily a 'positive' one of the public liberties required for self-dedication to transcendent ideals. Only that conception of liberty has a moral content and a moral appeal.

Part III (Chaps. 11-15) examines the social foundations and philosophical presuppositions of liberty. The pre-eminently Liberal notions of contract, voluntarily assumed obligation and voluntary association cannot be applied to society at large, which necessarily rests upon inherited, customary and unchosen obligations and loyalties. Likewise the movement from Status to Contract has necessary limits. Popper's notion of an Open Society is self-destructive for it is based on his Rationalist scepticism which severs standards from facts and therefore gives no reason for an Open Society to defend itself. Freedom depends upon shared commitments to transcendent values and positive obligations. Hayek's important distinction between a spontaneous '*cosmos*' and a contrived '*taxis*' cannot fit any society at large or body politic, nor certain other human groups which combine elements of both. The Great Society, of '*cosmos*' alone, cannot exist apart from particular societies which can never be pure '*cosmoi*'. Polanyi's model of the republic of science, never intended to be a complete model, rightly reveals the necessity of tradition, continuity in time, traditional authority and an orthodoxy of general principles and commitments. A central weakness of Liberalism is its attempt to think only in terms of abstract and general principles. But societies are concrete entities with concrete commitments and obligations. This means that, whereas the republic of science can operate with only a General Authority imposing only general commitments to scientific standards, no concrete society can be based upon merely formal commitments and must exercise a more specific authority in requiring allegiance to its own specific traditions and institutions in which its freedoms are embodied. Liberalism has also tended to make men's obligations into negative

ones of not encroaching upon the equal liberties of others. Hayek goes beyond that and recognises the dependence of freedom upon strong moral constraints and therefore strong moral traditions. That means that they must be valued and obeyed for their own sakes and that individuals and governments have also positive duties actively to uphold the rule of law, the freedoms of all, the decencies of life and the institutions, such as the family, upon which they and freedom depend. Furthermore, though Popper and Hayek are suspicious of emotional bonds, both the Great Society and every concrete society depend upon them, respectively, a general human sympathy and feelings of particular attachment and involvement, as Polanyi indicates. A free society is not free from emotional bonds but is based upon spontaneous and traditional emotional solidarity. In turn, as Polanyi also indicated, the maintenance of that solidarity requires what R.G. Collingwood called 'magic', rituals that foster group loyalty, which Rationalism and Utilitarianism undermine. Finally, the ultimate presupposition of freedom is the inherent value of the unique individual, only fully recognised within Christianity. The political order transcends itself into the moral, and the moral into the metaphysical and in turn the theological, as Hayek and Polanyi suspected but never quite affirmed.

Abbreviations:

F.A. Hayek	CL	<i>The Constitution of Liberty</i>
	LLL	<i>Law, Liberty and Legislation, 3 Vols.</i>
M. Polanyi	KB	<i>Knowing and Being</i>
	LL	<i>The Logic of Liberty</i>
	PK	<i>Personal Knowledge</i>
	SFS	<i>Science, Faith and Society</i>
	SMS	<i>The Struggle of Man in Society</i> (unpublished: Box 26, Folder 2; Library of the University of Chicago)
	TD	<i>The Tacit Dimension</i>
K. Popper	OS	<i>The Open Society and Its Enemies, 2 Vols</i>

[Chapter 12](#): Two Models of a Free Society

[Chapter 13](#): The Obligations of a Free Society

[Chapter 14](#): The Emotional Bonds of Society

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<http://www.kfki.hu/chemonet/polanyi/>

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