

Voegelin and the Austrian School :

A Philosophical Dialogue

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Voegelin lived in two conflicting worlds, in a historical period which deeply influenced his theoretical elaboration. If, on the one hand, the political stimulus stemmed from living in an area dominated by the recent Marxist-Communist Revolution in Russia and the establishment of Fascism and Nazism in Europe, on the other hand, the environment in which Voegelin's philosophy was formed, the great Vienna, the important intellectual crossroads, the core of ideas that rapidly spread around Europe and above all in the Anglo-American world, was fundamental. 1 [1] The Austrian capital and its academic milieu played a significant role which greatly influenced Voegelin in his youth. The period in which the author lived in Vienna was characterized by his attending courses and seminars and one which influenced him deeply was that of Mises.

Ludwig von Mises at that time was one of the main exponents of the second generation of the Austrian school, that is the group of economists, social scientists and political philosophers who developed the theory of Carl Menger. In 1871, Menger published his work entitled *Grundsätze der Volkswirtschaftslehre*, which greatly influenced the development of economic science, laying the foundation for what was later defined as the "marginalist revolution". Menger proposed a new interpretation of the problem of "value", which was no longer seen as the result of work and capital in goods but as the result of the utility the goods had for the consumers. The marginalist revolution had a strong impact on social sciences and from the principle of "marginal utility" various economic conclusions were drawn, followed by political application destined to change the traditional reference picture of social sciences. In Menger's perspective the principle of marginal utility laid the premises for an individualistic liberal conception the nucleus of which was a general theory of goods and of needs founded on the assumption that the consumers were sovereign. The economic theory of Menger did not meet with

1 [1] N. MATTEUCCI, *Filosofi politici contemporanei*, Bologna, Il Mulino, 2001, p. 148.

immediate success. In 1873, he taught economics at the University of Vienna and in later years with the acknowledgment of his ideas by the international scientific community, Menger became the reference point for other Austrian scholars of economics like Böhm-Bawerk, Wieser and Sax. A second generation of scholars, dominated by the figures of Schumpeter and Mises, was rapidly aggregated to the first generation. Mises held his first seminars at the University of Vienna in the years 1913-1914 and he continued lecturing and giving seminars even after the First World War. In particular, starting from 1920, between October and June, a certain number of young students (20-30) were wont to meet at Mises's office at the Austrian Chamber of Commerce. The meeting usually started at 7 p.m. and ended at 10.30 p.m. . Important problems of economy, social philosophy, sociology, logic, and epistemology were discussed at these gatherings. This was Mises' famous Viennese *Privatseminar*. The principal participants of the seminar were Ludwig Bettelheim-Gabillon, Victor Bloch, Stephane Braun-Browne, **Friedrich Engel von Janosi**, Walter Froehlich, Gottfried Haberler, **Friedrich A. von Hayek**, Marianne von Herzfeld, **Felix Kaufmann**, Rudolf Klein, Helene Lieser-Berger, Rudolf Loebli, Gertrud Lovasy, **Fritz Machlup**, Ilse Mintz-Schöller, **Oskar Morgenstern**, Elly Offenheimer-Spiro, Adolf G. Redlich-Redley, Paul N. Rosenstein-Rodan, Karol Schlesinger, **Fritz Schreier**, **Alfred Schötz**, Richard von Strigl, Robert Wölder, **Emanuel Winternitz** and of course Eric Voegelin.² [2] The *Privatseminar* which was ideally connected to Böhm-Bawerk's seminar, was one of the most prolific creators of ideas in the 20th century. It is sufficient to recall the large number of people who attended it and the ideas these young scholars conceived, not only by comparing their theories with those elaborated by other Viennese "circles", such as the "Austro-Marxists" and "Neopositivists", but also dealing with ideas of the major exponents of the Austrian culture such as Husserl, Kelsen and Weber (who had held his last university courses in Vienna). Moreover, thanks to this source of philosophical speculations originating from young students who would later follow other independent ways, Mises was able not only to keep a tradition alive, the liberal one, but revitalize it in an atmosphere and historical period which seemed to have decreed the end of the every idea of liberalism and of market economy. The tradition of research which had started with Carl Menger thus assumed a richer and more articulated profile.

Voegelin attended the private seminars of Ludwig von Mises all during his stay in Austria and on looking back on those years, he remembered how the strong, deep friendships he had made remained

² [2] L. INFANTINO-N. IANELLO (a cura di), *Ludwig von Mises: le scienze sociali nella Grande Vienna*, Soveria Mannelli, Rubettino, 2004, pp. 343-344.

alive even when, with the coming of Hitler, many young scholars were forced to flee. The majority of them took refuge in the United States : for example, Mises went to New York , first to the *National Bureau of Economic Affairs*, later to the *National Association of Manufacturers* and finally he obtained a position as *visiting professor* at New York University . Fritz Machlup and Oskar Morgenstern worked for the Federal Government and then the former taught at Buffalo , while the latter taught at Princeton . Haberler became professor at Harvard; Felix Kaufmann and Alfred Schütz lectured at the New School for Social Research in New York . Hayek went to London and taught at the London School of Economics. Lifelong friendships, which were born in Vienna , but which were physically dispersed by National Socialism, survived in spite of the distances. This is evident in the correspondence between Voegelin and many of his colleagues which reveals complicity and solidarity in the difficult situation which they faced before and after arriving in the New World . In a letter (25th of July, 1938) which Voegelin sent to Hayek thanking him for his help in looking for a fellowship for him which permitted him to earn some money, Voegelin writes: ♦It is, however, very nice to know that friends are ready to help and it gives an additional feeling of security, for which I am rather grateful♦.3 [3]

Voegelin studied and measured his thinking with some of the main exponents of the Austrian School . How did the " Vienna School " influence him? Although Voegelin's interests were so many that he can be defined as an eclectic thinker, he was never a true scholar of economics. Even though some essays of the 1920s (*Time and Economy, Economic and Class Conflict in America, The supplementary Bill of the Federal Reserve Act and the Stabilization of the Dollar, The research of Business Cycles and the Stabilization of Capitalism*) reveal the author's interest for economic science, in later years he abandoned the problems of economics. What then connects Voegelin to the marginalist school? It is important to note that by Austrian School we mean a "school" which not only privileged the economic analysis of society but which investigated and examined gnosiological, juridical and political conditions which render a liberal society possible or impossible. In this sense a "Viennese influence" can be traced back to Voegelin in the necessity for reinvestigating society, its nature and questioning once again the problem of political order, its specificity and its conditions. Carl Menger's reflections on the nature of human society and its institutions was an attempt to understand and explain how institutions, which serve the common good and are fundamentally important for its development, can arise. Menger's intention was not to formulate

3 [3] Eric Voegelin to Friedrich A. von Hayek, July 25, 1938, in Box 17, Folder 3, Voegelin Papers, Hoover Institutions Archives.

a theory of economic pre-eminence in the field of theoretic social sciences, but to reflect on society starting from its single components (law, religion, language, money, market⁴) and the individual, because he acts, chooses and desires.

The dialogue between Voegelin and the Austrian School has as its fundamental theme the problem of political order and its aim is to find an answer to the vast number of questions which still have their problematic core in the totalitarian visions of the world which try to impose one and only one way of reasoning, one and only one understanding of reality. As a matter of fact, the historical and social context in which the exponents of the third generation of the "Vienna School" worked contained a dramatic reality: totalitarianism, because their world had disintegrated before their eyes.

The dialogue between Voegelin and Hayek becomes particularly relevant in this context, because Hayek's philosophical reflections are not simply a reductive economic interpretation of society, but include many problems which have in common the issue of order, seen as an interpretative criteria for understanding the complexity of reality. Hayek's investigation includes numerous problem areas: the criticism of socialism as a rational-constructivist mentality, the criticism of scientism and the attack on political collectivism. Both Voegelin and Hayek agreed about the failure of the political systems which wanted to impose planning of reality by a rational explanation which proclaimed itself as an "omniscient divinity", claiming to have a privileged point of view, a superior intelligence able to resolve once and for all the uncertainties and the difficulties of the political order. Instead, Voegelin and Hayek claimed that the political order was founded on variables which fluctuate continuously. The search for a political order is thus the result of a difficult journey which political philosophy has to undertake, starting from the presupposition that one can never reach a definite solution and that every attempt to impose designs, leads to totalitarian constructions. In this vast maze it is possible to trace lines of continuity and differences between Hayek's and Voegelin's theoretical speculations focusing on their theories of order.

The ideal and true⁴ conversations between Voegelin and Hayek have as their background the philosophical inheritance of Mises and his theoretical contribution which later generation of Austrians

4 [4] Voegelin's letters to Friedrich A. von Hayek, in Box 17, Folder 3, Voegelin Papers, Hoover Institution Archives.

have re-elaborated and redeveloped. Indeed, it is important to keep in mind that the Austrian School was not a "collective entity", on the contrary it was a plurality of scholars who no doubt had a great affinity, but who at the same time differed significantly with regards to fundamental issues.

The problem of disorder and order:

The economic theory of Hayek was the methodological basis for the philosophical vision of the author. In fact, by studying political philosophy, law, the theory of knowledge, epistemology and the theory of the human action Hayek tried to analyse what economic theory only touches on. Between the mid 1930s and the first half of the 1940's Hayek's way of thinking reached an important turning point. The author progressively moved on from issues which were predominantly about economics (cycles, capital and money) turning to the political area reflecting on the political and social development of collectivistic economic doctrines. The criticism of economic planning assumed a central role and it became the theoretical vehicle to demolish those rationalistic constructions claiming to possess an absolute knowledge of reality.

In his essays *Wirtschaftsrechnung im sozialistischen Gemeinwesen* (1921) and *Socialism* (1922) Mises laid the foundations of Austrian criticism of the economic planning. In his writings he shows how a planned economic theory does not work in a rational manner, or rather that political, social and economic problems cannot be resolved by rationalizing the process of production and capitalistic distribution. It is not possible to substitute market economy with a collectivistic type of economy managed by a central authority because a centralized organization of the economy can be easily transformed into a totalitarian regime. In this way Mises sparks of the scientific discussion on the problem of socialization and resolves in negative terms the issue of the possibility of a socialist economy. Thus, from a theoretical point of view Mises' works cannot be eliminated, but are a reference point for those who want to deny the possibility of a planned economy.

In 1944, *Omnipotent Government* of Ludwig von Mises and *The Road to Serfdom* of Friedrich von Hayek were published almost at the same time. The two Austrian thinkers reflected on the causes of the totalitarian catastrophe which had deranged the 20th century. Mises interpreted the Communist and Nazi totalitarian movements as specular phenomena: National Socialism, the Russian Bolshevism and economic interventionism were no longer considered as different events, but Mises investigated their

common ideological source: Statism. ♦The most important event in the history of last hundred years is the displacement of liberalism by etatism. Etatism appears in two forms: socialism and interventionism. Both have in common the goal of subordinating the individual unconditionally to the state, the social apparatus of compulsion and coercion♦.5 [5] For Mises, the element that characterized the contemporary totalitarianism, compared to the despotism of previous ages, was the total submission of the society to the State. The instauration of Statism means an increase in the power of the State so vast that it realizes a governmental machine which assumes omnipotent and total dimensions. When the State extends excessively its competences and its influence, it establishes a capillary political control of society: it is just this, for Mises, that, represents a totalitarian regime. Moreover, Statism eradicates the individual, reducing him simply to a component of the State-machine. Typical of totalitarian movements or political collectivism is the transfiguration of the individual into an abstract entity and the transformation of concepts like "State", "nation", "class", "race", "party" into concrete bodies instead of human beings. In this way it is possible to construct the laws that regulate the genesis and the changes of these concepts down through history and build up philosophies of history that: ♦[♦] not only indicate the final end of historical evolution but also disclose the way mankind is bound to wander in order to search the goal. [♦] The systems of Hegel, Comte and Marx belong to this class♦.6 [6] Collectivism demands that the individuals sacrifice their own freedom on the altar of historical forces which they must not question. Mises emphasizes that Communism and Nazism are two sides of the same coin: both destroy the human being through eschatological visions and both establish an anti-capitalistic and non-liberal State. The revolt against the private property and the market economy is founded on political and economic intervention which establishes a system of planned economy in which every essential decision depends on the government. For Mises, when this happens we are face with Socialism, a Socialism that the author examines also in its nationalistic variation. This last destroys in every way the individual through a system of social, political and economic interference and controls. Statism politics is common, therefore, for Socialism, Nazism and Communism; each of these political variations produces the same ties of all-encompassing fidelity to the State, producing, in Voegelin's words, a "political religion". Nazism and Bolshevism are not antithetic phenomena, but share the same political foundation, "State Socialism",

5 [5] L. von Mises, *Omnipotent Government*, New Haven , Yale University Press, 1994, p. 69.

6 [6] L. von Mises, *Theory and History: An Interpretation of Social and Economic Evolution*, New Haven , Yale University Press, 1957, p.163.

which has as its typical traits a planned economy, the abolition of property, protectionism, autarchy, an absolute State control and the cancellation of every type of individual liberty and autonomy.

In 1944, Hayek unmasked the common origins of Bolshevism and National Socialism, also. *The Road to Serfdom* is dedicated to European socialists, who are ready to build a "Socialistic State" that can easily become a "Total State". Hayek believed that the western world, which was about to win the second World War, risks to enter the road to socialism that leads to serfdom. In fact, nations like Great Britain and United States, traditionally liberal states, were about to join the principles of planned economy and social justice: the Anglo-Saxon "*intelligenza*" is on the point of adhering to socialist ideals, which lead Germany to National Socialism: Although we had been warned by some of the greatest political thinkers of the nineteenth century, by de Tocqueville and Lord Acton, that socialism means slavery, we have steadily moved in the direction of socialism.⁷ [7] According to Hayek too, fascism and collectivism converge, because both postulate a centralized direction of society. The myth of economic planning in both regimes spread a non-liberal and anti-capitalistic climate that put end to individual liberty. Claming to erect a "perfect" and "just" state led to a political condition in which, as Tocqueville had foreseen, the state itself seldom forces anyone to act, but consistently opposes action. He does not destroy things but prevent them from coming into being. Rather than tyrannize he inhibits, represses, saps, stifles and stultifies and in the end he reduces each nation to nothing but a flock of timid and industrious animals, with government as its shepherd.⁸ [8] Hayek also cites Holderlin: What has always made the state a hell on earth has been precisely that man has tried to make it his heaven:⁹ [9] and rejects every utopia that does not realize the perfect order, but the greatest political disorder.

However, what divides Hayek, Mises and the exponents of the Austrian School from the theorists of planning is not only an ideological opposition, but an epistemological one. The conflict about planning does not imply only a confrontation between different types of economic sciences, in an attempt to demonstrate the superiority of one over the other, but is founded on the assertion that economic planning employs an erroneous philosophy of knowledge. Thus, apart from the economic issues Hayek is

7 [7] F. A. von Hayek, *The Road to Serfdom*, London , Routledge & Kegan Paul, 1976, p. 10.

8 [8] A. de Tocqueville, *Democracy in America*, The Library of America , 2004, p. 819.

9 [9] F. A. von Hayek, *The Road to Serfdom*, cit. p. 18.

particularly interested in the philosophical and epistemological assumptions which uphold planning and socialism. The criticism of historicism, scientism and rational-constructivism is at the basis of Hayek's analysis. His intention is twofold: on the one hand, he analyses the problems of socialist economy based on the history of ideas, connecting it to the spread of a scientific, historicist ideology and, on the other hand, he develops a series of theoretical considerations about the method of social sciences and the nature of society. Like Mises, Hayek considers planning economy and socialism as the economic and political dimension of an erroneous design which attempts to put the world in its proper order by applying reason to the organization of society, to mould it in detail by building society and its institutions *ex-novo*. As he states in *Scientism and the Study of Society* (1952) socialism is like a mental attitude whose aim is to organize every sphere of human action, because it considers itself as having infallible and total knowledge. Therefore, the criticism of socialism, interventionism and economic planning is a criticism of their cognitive assumptions. Hayek wishes to demonstrate how these social economic constructions are based on a central authority which should possess all knowledge, but which on the contrary is distributed among individuals. In this way knowledge is conveyed to a single mind or a single institution, until it arrives at the total direction of reality via a super-power.

The success which the theory of planning obtains, is a direct consequence of the predominance of scientism, scientific ideas. What we mean by scientism is the attitude which claims to apply the methods of natural sciences to social sciences. In other words, according to Hayek, socialism is a by-product of scientism which divulges a vision that the author in *The Counter-revolution of Science* defines as "engineering mentality". Political-economic planning is in effect the manifestation of this "engineering way of thinking" which is politically dangerous because it instils the belief of the programming of social institutions, defining them as machines which are easily governed thanks to the technology and which deceives us into thinking that "reason" is the best way to make society work. The social engineer or the social planner refuses the past, rejects institutions and customs which originated down through time and not from a rationale construction. On the contrary, for Hayek, the development of humanity is due to relationships among individuals, to their interaction with past experiences. Order arises from these spontaneous, harmonious, unplanned relations. Therefore, Hayek refuses scientific objectivism and its myth of quantitative analyses, methodological collectivism, which attempts to examine social systems by considering them as objects and philosophies of history, which believe that historical development obeys laws that human reason can grasp. Hayek like Mises does not accept the philosophy of Hegel, Comte and Marx and he rejects the illusion of neo-positivism. His interpretation of the totalitarian phenomenon as

an epistemology which wants to compact knowledge, trying to plan the future rationally, is shared by Voegelin. However, Voegelin highlights in some letters to Hayek that his analysis of totalitarianism does not take into consideration an essential element: the spiritual-religious dimension of totalitarianism.

◆[◆] I think that I can agree with you on almost everything you have said. [◆] There is however one point where I should suggest a certain qualification of your argument. I do not believe that the problem is one of the economic system and state intervention exclusively, but I am afraid that the evolution of the religious state of mind towards collectivism ◆ not as an effect but as a cause of economic evolution ◆ plays important role in the structure of modern civilization◆.10 [10]

Many years later Voegelin confirms that there is a fundamental difference in the investigation of political reality that Hayek and him realize:

◆I read your article *The Intellectuals and Socialism*. Reading it I had the same impression that I had when I examined *Road to Serfdom*. We are approximately concerned about the same problems and we are dissatisfied by the same grievances. As I see it, we differ on the interpretative issue. You understand the difficulties of socialists intellectuals observing the economic contrasts ◆ and maybe ethical ◆ between socialism and liberalism. For me, this contrast does not approach the issue deeply enough. You know my prospective from our discussion and from my lectures. I think that it is impossible to deal with the contemporary problems of intellectuals without taking into consideration the religious scenario, the "Gnostik" problematic. I have the impression that you come closer to this problematic in your work *Counter Revolution of Science* than in your economic interpretations◆.11 [11]

10 [10] Eric Voegelin to Friedrich A. von Hayek, April 14, 1938, in Box 17, Folder 3, Voegelin Papers, Hoover Institution Archives.

11 [11] Eric Voegelin to Friedrich A. von Hayek, February 5, 1951, in Box 17, Folder 3, Voegelin Papers, Hoover Institution Archives.

What separates Voegelin's theoretical speculation from that of Hayek's is the theme of transcendence. For both Hayek and Voegelin scientism is an intellectual movement that expresses the absolutism of science and it realizes it through the mathematization of every aspect of human life, adopting the method of natural science as valid for analyzing reality and establishing that science advances along a line of continuous progress. However, Voegelin takes his criticism to scientism further. In fact, for him, scientism above all denies ♦the concern for the experiences of the spirit♦.¹² [12] This scientific perversion replaces the divine-spiritual dimension with the worldly-material one, transforming this last into a sort of divinity. Hence, Voegelin and Hayek agree in condemning the delirious plans of scientific and political rationalism. Both state the failure of erecting the best political regime on the basis of historical progress, scientific rationalism, violence and power. Both are interested in studying the consequences of the application of scientism to politics. Both are concerned about the intellectual genesis of totalitarianism; but their investigation of this event differs significantly. The Austrian economist does not take into consideration the spiritual dimension of human life which is, for Voegelin, fundamental for human nature, human existence and for the social order.

Both Hayek and Voegelin, trace back the intellectual roots of the rational tendencies of the totalitarian movements of the 20th century to the Enlightenment; but the former emphasises the total confidence in human reason that began in the 18th century; while the latter stresses how the Enlightenment deprived man of his metaphysical core and confined him to a worldly existence. As a consequence, it is the achievement of the infinite progress of a secularized spirit, which is the only engine of history, that establishes a new religion: a secularized, political one which announces the self-divinization of man and which subordinates the idea of good and evil to the concept of progress. A horizon of investigation common to Mises, Hayek and Voegelin is that which considers Hegel, Comte and Marx as the philosophers who elaborated ideologies of worldly palingenesis and who imposed the truth of concepts (state, race, nation, class♦) divested of every substance. Voegelin attacks the Hegelian, Comtean and Marxist doctrines because they realize an ontological inversion between science and substance: the substantial reality is replaced by a phenomenal one. By means of this inversion every inquiry about substance, the origin of reality is expunged in favour of questions about the relationships between phenomena. For Voegelin, there emerges a new understanding of the world, called

¹² [12] E. Voegelin, *Published Essays 1940-1952*, CW vol. 10, Columbia and London, University of Missouri Press, 2000, p. 168.

Phenomenalism: a new science which takes apart the Greek and Christian ontology and which de-substantializes the truth of being. Hegel, Comte and Marx share the same positivistic concept according to which natural sciences can easily replace and answer all metaphysical questions. For Voegelin, such a creed is absolutely expressed by Marx: ♦It is not the consciousness of men that determines their being; it is, on the contrary, their social being that determines their consciousness♦.13 [13]

Thus, Mises and Hayek criticize Hegel, Comte and Marx's philosophical speculations not from an ontological prospective, but from an epistemological one which underlines how the positivistic atmosphere of the 18th and 19th centuries carried on an empirical study of reality, believing that universal laws could be grasped from the observation of single facts. Moreover, according to Mises and Hayek, this positivistic confidence in an inductive method of analysis, which considers societies as natural organisms, is common to the exponents of the collectivistic theories. On the contrary, Voegelin penetrates the phenomenon of the scientific *hybris* more in depth asserting that being and history are known and foreseeable, implying the negation of every transcendent source, because this cannot be directed or commanded. Thus, the total control of human existence represents the murder of God: the closure of divine reality is the leading attribute of modern thought. It is this pretension for creating a demythicized world, which cancels out every trace of transcendence and metaphysics, that produces political religions which produce the cult of violent personalities, free from every moral tie. Therefore, in the Voegelinian interpretation totalitarianism is not only the complete regimentation of the State, the exalting of the collective dimension, the institution of an illiberal and anti-capitalistic society, but is above all a disease of the spirit, a spiritual disorder. For Mises and Hayek, National Socialism and Communism are specular political phenomena because they adopt an interventionist, planned economy. In Voegelin's view these totalitarian movements are similar because they adopt immanentist programs for the transformation of the world and because, in this way, they destroy the true order of being. Thus, totalitarianism transforms man into super-man to whom all is due. Therefore, the total state is the extreme negation of an existence in the presence of God; it is a magical vision of history which offers man the possibility of achieving salvation and perfection in this world: the extramundane perfection can be reached in the earthly dimension thanks to human action. Such a vision of the world turns into the most terrible nightmare: it transfigures human nature, but transforms the nature of a "thing" is impossible and try to alter it means to destroy the nature itself: ♦The nature of things cannot be changed; whoever tries to "alter" its nature

13 [13] E. Voegelin, *Published Essays 1940-1952*, cit. p.329.

destroys the thing. Man cannot transform himself into a superman; the attempt to create a superman is an attempt to murder man.14 [14] National Socialism and Communism are spiritual revolts which destroy the political and social core of existence, the metaphysical roots of the human being. In a totally secularized reality the only method of inquiry is that of natural sciences: the metaphysical and revealed truths are replaced by scientific and exact certainty. Scientific visions of the world come into existence (Scientific socialism; the scientific race theories) and they pretend to take stock of the enigmas of the world and find an exact answer to each and every one of them. Voegelin was perturbed by this prohibition of questions about metaphysical nature: this mental attitude of posing non-metaphysical questions has not been defeated by the overthrow of 20th century totalitarianisms. In the eyes of Voegelin, the western world is sinking in a sea of institutionalized mass ignorance towards the problematic of existence which cannot be resolved once and for all by scientific systems:

◆ We are faced by the problem of "institutionalized ignorance". If metaphysics is considered a "field" (a Fach) and not a dimension of thought which everybody who is educated must master (in particular, if he wants to be a scholar), then ignorance becomes "legitimate". [◆] Hence, when I wrote this article15 [15] I did not entertain any idealistic dreams about improving mankind. It is a tough analysis of certain aspects of the modern crisis. And when you wish to draw any predictions from it for the future, the only prediction I would admit is: that Communism and National Socialism are the first two waves in the catastrophic phase of Western society, to be followed by at least one more wave (perhaps even more horrible than the preceding ones) before concentration camps, gas chambers, and atomic bombs have made enough of a dent in institutionalized ignorance and stupidity to discredit the scientific type in the eyes of the survivors. All that I do hope for me personally is that this next wave will not swamp us during my life-time.◆.16 [16]

14 [14] E. Voegelin, *Science, Politics, and Gnosticism*, CW vol. 5, Columbia and London , University of Missouri Press , p.54.

15 [15] E. Voegelin, *The Origins of Scientism*, ◆ Social Research ◆, 1948. The essay is reprinted in *Published Essays 1940-1952*, CW vol. 10, Columbia and London , University of Missouri Press , 2000.

16 [16] E. Voegelin to Fritz Machlup, March 15, 1949 , in Box 24 , Folder 7, Voegelin Papers, Hoover Institution Archives.

Voegelin's and Hayek's investigations of totalitarianism is part of the vaster exploration of the fundamental roots of society, that is the problem of existential and political order. What does "order" mean for Voegelin and Hayek? They agree that political order is more than the description of empirical regularity and uniformity of societies, but their analyses differ in tracing the substantial content of reality.

For Hayek, the order arises from the order of human mind which is the order that the mind gives to phenomena, by means of metaconscious norms. These metaconscious ideas have a cultural origin: they are social traditions, institutions, moral rules, common sense which come to life and develop down through history, of which man is not completely conscious. Therefore, in the Hayekian view, the order born from the pre-knowledge that the individual accumulates in the course of his life through experience: it exists as a part of our knowledge, which though resulting from experience, cannot be controlled by experience since it constitutes that principle giving order to that universe. Human reason turns out to be something imperfect, because the order of the mind cannot be completely grasped: reason cannot fully understand these norms the origins of which go beyond the conscience of the individual, because they operate at an unconscious level. Thus, the abuse of scientific reason is clear: it is impossible to entirely explain and describe the external world, since the unconscious knowledge is vaster than the conscious knowledge. Moreover, according to Hayek, unconscious knowledge is the source of human actions and decisions. This means that the order of history emerges, for Hayek, from the mental relations of individuals; it is a spontaneous order which arises from the interactions of decentralized limited knowledge: order is not static or the product of cause-effect explanations, but it is a "spontaneous evolving order". Furthermore, for the author political reality is determined by individuals who are the very elements of the social-historical reality. Thus, the society has to be studied from the inside, the order of human mind, the individuals and their actions: these are the fundamental elements of social order. Therefore, order can be of two types: the result of a design, of human planning, this kind of order usually degenerates into authoritarianism, or spontaneous order emerging from interactions between agents and actions. Hayek expresses this dichotomy with two Greek terms: *taxis*, the exogenous artificial order and *kosmos*, the endogenous, universal spontaneous order. The exogenous order (*taxis*) is simple, characterized by a moderated complexity. It has a teleological nature which realizes specific scopes and finalities and it is realized through empirical study. The endogenous order (*kosmos*) is characterized by a high degree of complexity. It is the result of the unplanned interaction between individuals. It is not immediately perceptible through sense and does not pursue any particular aims: it is a-teleological.

Hence, Hayek's interest is turned to the mode in which the human mind order forms itself and to the way such order enters into relation with the phenomenal world. However, the theoretical speculations of the Austrian economist differ from that of Voegelin since the former does not examine the transcendent origin of order. Hayekian interpretation starts from the metaconscious ideas, but these seems to have a historical, earthly and human origin, even if Hayek does not precise what there is beyond the genesis of the unconscious world of the mind. Hence, there is a significant difference of philosophical insight between Voegelin's and Hayek's interpretation of order. This speculative divergence is confirmed by Hayek's works *Law, Legislation and Liberty* , where the author turns his attention to the topic of "cultural evolution" which puts into practice a selection of the fields of institutions. Certainly, the Hayekian concept of evolution is completely different from the Darwinian concept of the selection of species. In fact, in Hayek's theory evolution is a possibility and not a necessity. Nevertheless, it is a development which follows a temporal-horizontal dimension (according to Hayek, new social orders rise when the institutions no longer answer the needs and necessities), losing the depth of political truth. On the other hand, Voegelin's theoretical analysis explains the problem of order not merely from a horizontal perspective, but from a vertical perspective too. As a matter of fact, in Voegelin's view, political order is not a contract between equal individuals, nor the spontaneous association between sociable human beings for the reason that in these cases individuals are placed on the same level by nature itself. Hence, these kinds of explanations exclude the possibility of a transcendent source of order, erecting political order solely on worldly basis.

Both Hayek and Voegelin reject the possibility of applying the method of natural sciences to social ones; both authors deny the existence of a privileged standpoint out with history, from which political order can be definitely and totally grasped. Nevertheless, Voegelin unlike Hayek penetrates the mystery of political order from its foundations, looking for glimpses of the divine ground of being. Thus, history is not a field of indifferent materials from which it is possible to extract arbitrarily the objects that we prefer or desire most in order to build our political picture. On the contrary history is the field of consciousness and consciousness is the sensorium of transcendence. Therefore, for Voegelin, it is the logos of consciousness which decides the importance of the historical materials. The time of history is not merely scanned through facts and events, but it is the decisive differentiation of consciousness or the discovering of the soul as the measure of social order that determines history itself. Thus, it means that at the centre of society there is the dynamic relation with the order of the soul. The symbols which man has used in the course of history in order to read the order are various and different. They can come and go, but all of

them testify to the constant search for the true order of being. Furthermore, they are events in the experience of the human consciousness, vibrations through which the true order of being, its ground is made transparent and luminous. History does not follow a linear or evolutionary path, but it is an exodus, characterized by epochal fractures in which the only constant is the recurrence of the question about the origin of order. Hence, in the depth of the soul lies the chance to re-discuss and to vivify the foundation of existence and its differentiation searching for higher degrees of luminosity.

The different methodological approach that separates Voegelin's theory of order from Hayek's can be found even in the different theories of the State that the two authors elaborate. They both attended the University of Vienna, in the Faculty of Law. They both studied with Hans Kelsen and both of them developed a strong aversion for the Pure Theory of Law of their professor and they both agreed that Kelsen oversimplified the legal phenomenon, reducing law to a simple command. According to Hayek, the present-day, is deeply influenced by Kelsenian theory which understands law merely as a product of the legislative power. Thus, Hayek adds to the dichotomy *axis* (exogenous order) ↔ *kosmos* (endogenous order), another dichotomy, that between *nomos* and *thesis*. The contrast is between the nomocratic model and the telocratic model.¹⁷ [17] The *nomos* denotes a model of higher norms, abstract and flexible rules which can be applied to an infinite number of concrete cases. This model is characterized, by its abstractness, by a high degree of certainty. For Hayek, *nomocracy* is a set of principles that simply refers to human conduct and that permits man to decide freely and not to have decisions made for him. This kind of norm does not command what human beings must do, but indicates the actions that individuals should not follow. These rules determine a sphere within which individuals, thanks to their knowledge, can freely pursue their own scopes: law, intended as *nomos*, is the result of a spontaneous evolution and it does not pursue specific aims but the maintenance of spontaneous order. On the other hand the *thesis* provides a model which establishes and creates laws and decrees. This model is identified with public law and pursues specific goals. The telocratic order imposed from above is aimed at the submission of individual. Hayek attempts to underline how the crisis of western civilization is founded on the deterioration of universal norms of conduct, *nomos* (to which individuals and the State are subjected), which are not deliberately planned, but they are the spontaneous production of social evolution. Therefore, the Hayekian model is closely connected with the liberal tradition of the rule of law and common law, intended as a jurisprudential foundation of law. The rule of law constitutes the limit of the

¹⁷ [17] These expressions are also common to Oakeshott, *On Human Conduct*, Oxford, 1975.

State's power, including the legislative one. It is a doctrine that states what law should be and the characteristics that law should possess. In contemporary democracies prevails the Kelsenian idea that law derives exclusively from the exercise of sovereignty, thus, from the legislators. In this perspective the legal-positivism of Kelsen is the climax of this process, because the Kelsenian theories have provided the legal and methodological instruments to consider as limitless the power of the legislative majority, forgetting the rule of law that is the authentic frontier of the rule of the majority. Kelsen's Pure Theory of Law becomes the ideological and legal support for a theory of the unlimited powers of democracy which risks transforming a democratic majority into a tyranny. Hence, Hayek's criticism of the legal-political thought of Hans Kelsen intends to shed light on the differences between democracy and liberalism: the future of the western world and of democracy is connected to the renaissance of the liberal tradition of the rule of law in order to avoid a "totalitarian democracy". The author condemns the degenerative process that takes place in the democratic system: the rise of intervention by the State in economic and social matters that constructs political life on constant negotiation between specific social groups that are bound to specific political majorities. The solution to this political crisis depends on the recognition of the value of the *nomos*, of abstract and flexible norms of conduct and on the recovery of the liberal tradition which limits governmental activity.

Voegelin also rejects Kelsen's legal positivism, because the scientific, legal perspective of the Austrian jurist reduces the State to the *Normlogik*: anything which did not fit into the categories of *Normlogik* could no longer be considered science. Thus, the State and the legal order in Kelsen's view coincide and the human being, as the nucleus of political life, is eliminated from the reality of the State. According to Voegelin, this means that ♦ The question of what democracy is maybe examined as a scientific object only to the extent that the substance democracy is given in the norms themselves. However, only prescriptions for what people should or should not do can be given in the norms themselves. Thus, "democracy" can be defined with scientific legitimacy only as a specific configurations of human acts ♦ for example, the act of voting for delegates, acts of voting by delegates, and so on ♦.18 [18] A *Staatslehre* as such rejects any questions about the nature, the substance and the historical and ontological essence of democracy. Both Voegelin and Hayek denounce that Kelsen's methodological formulation of

18 [18] E. Voegelin, *The Authoritarian State, An Essay on the Problem of the Austrian State*, CW vol. 4, Columbia and London, University of Missouri Press, 1999, p. 180.

democracy turns out to be a system for the production of norms depending on a collective body which works according to the principle of majority. The Kelsenian scientific neutral formalism risks serving totalitarian regimes, as the tragic event of the Weimar Republic demonstrates. Both Voegelin and Hayek realize the necessity to base a theory of the State and a theory of order on man. But at this stage the speculative paths of the two authors diverge. Hayek, in fact, elaborates an anthropology which is based on an individualistic philosophy which asserts the right of the individual to pursue his aims with no external interferences unless these interferences are indispensable to guarantee the right of other individuals. For Hayek, the State and the institutions must be studied starting from the self-seeking individual possessing limited knowledge. Therefore, human choices and actions, which arise from a complex network of interactions among agents, are the core of the Hayekian analysis. The choices leading to success are emulated so that the social phenomena must be considered the unconscious spontaneous result of a combination of choices made by different individuals. On the other hand Voegelinian philosophical anthropology is based on the concept of the person and he penetrates the conscious-spiritual dimension of this. Voegelin's research is aimed at finding the spiritual foundation which constitutes the link between the human being and the political community and between human beings and the law. Thus, law cannot be determined by scientific criteria only, but it is its essence that must be revealed. The law is something inseparable from society and its existence is closely connected with the ontological existence of society from which law originates. Therefore, the law is not merely the expression of the will of the parliamentary majority, but it is a primary element of the order that a society tries to construct and preserve. The order of society depends on the order of existence and the law is an instrument by means of which the human being can attune to the true order of being. For Voegelin, the crisis of the western democracy is characterized by a spiritual pathology: liberal-democracy is under the authority of civil rights conceived in a perverted way as worldly desires, passions, pretensions. The liberal tradition itself is in an emergency situation: the weakness of liberal democracy is that it tends to emphasise the private character of one's existence. Once people lose contact with the spiritual core of their being, they no longer have access to the ordering centre of man. The spiritual dimension of human existence is lost, which creates a vacuum into which figures, like Hitler and Stalin can worm. The future of the western world depends on the balance of three sources of power: the spiritual, the religious and the political. A civil government is a regime that

not only respects the democratic forms, in the institutional sense of the word (i.e. universal free and equal suffrage, regular changes of rulers) or civil rights, but that protects and restores human beings as to their personality in the Christian sense of the word. Voegelin thinks that, in order to avoid a "compact" and "closed" existence, it is necessary to restore the openness to transcendence, participation in the divine *nous*, to tend towards the original dimension of political order.
