

FREE INDEED? A CRITICAL COMPARISON OF GOUDZWAARD AND HAYEK ON
HUMAN AGENCY IN ECONOMIC LIFE

SUBMITTED IN PARTIAL FULFILLMENT
OF THE REQUIREMENTS FOR THE DEGREE
MASTER OF ARTS IN PHILOSOPHY

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TORONTO, ONTARIO
2022

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ACKNOWLEDGEMENTS

This thesis was written in Treaty 6 territory, the traditional territory and gathering place of the Nehiyawak/Cree, Niitsitapi/Blackfoot, Métis, Nakota Sioux, Dene Suliné, and the Anishinaabe/Ojibway/Saulteaux nations. This land continues to be home to many Indigenous peoples from across Turtle Island. I am a settler on this land and it is with deep gratitude to its Indigenous inhabitants that I actively commit to seeking reconciliation in and through my scholarly practice, and to renewing my relationship with the land on which I live.

There is no possible way that I (or anyone, for that matter) could have anticipated the events of these last few years. Again and again, when I reflect on the decision that led me to the Institute, I am incredibly grateful that I could spend these “unprecedented times” digging into the rich intellectual tradition of Reformational philosophy with such talented, thoughtful, and inspiring people.

To my professors at ICS: Bob, Nik, and Rebekah, your passion and insight has allowed me to dip my toes into many new intellectual pools. Every class I took with one of you was a blessing, and I have been profoundly impacted as a scholar and as a human being by your instruction.

To Gideon, my supervisor, for your unflinching support and encouragement—both of me as a scholar and of this project—throughout this process. Your commitment to reflecting on the scholarly vocation is inspiring, and I would not be where I am today without your guidance and expertise.

To June and Theoren, for being such a thoughtful and fun cohort to study philosophy with. I will always remember the times we spent—from the Knox basement classroom to the local craft breweries—together with much joy and many fond memories.

To Gerda Kits, Michael DeMoor, and John Hiemstra from The King’s University. Your mentorship has meant so much to me, and it has been such a privilege to continue to engage with all of you along this academic journey.

To my family, especially my parents, there are no words that can adequately thank you for all you have given me over this last quarter century that has been my life. I am so grateful for the faith, love, and support that has been with me since birth.

And to the Creator of ways, I am grateful for your presence with me on this one.

INTRODUCTION

The inspiration for this thesis began with a single question by economist and social philosopher Bob Goudzwaard, from his book *Capitalism and Progress*. In response to John Maynard Keynes assertion that “[a]varice and usury and precaution must be our gods for a little longer still. For only they can lead us out of the tunnel of economic necessity into daylight,”¹ Goudzwaard asks: “[B]ut will the gods in turn let us loose?”² At the heart of this question lies the deeper issue of human agency; in other words, once humans give up their power to the forces of economic development, is it ever possible to regain this power? For Goudzwaard, the answer to this question is an unequivocal “yes,” although he acknowledges that the process of regaining agency is not an easy one.³ Goudzwaard writes that it is “[o]nly in open confrontation with that light at the end of the tunnel, that beckoning but every receding and hence imprisoning goal, can we find real solutions.”⁴

This open confrontation with the false hope of “idol-making” is exactly what Goudzwaard has engaged in over his career.⁵ As an economist and social philosopher at the Free University of Amsterdam, Goudzwaard’s writings have continually challenged the narrow goals of economic and technological progress, and confronted the predominant ideologies of the day. Goudzwaard did not only write about these topics, he lived out his convictions through his active engagement in politics on the national and global stage.

Goudzwaard began his career working closely as a researcher for the Anti-Revolutionary Party (ARP) in the Netherlands.⁶ He then served as an MP for the ARP for several years and,

¹ John Maynard Keynes, “Economic Possibilities for Our Grandchildren (1930),” in *Essays in Persuasion* (New York: W.W. Norton and Co., 1963), 372.

² Bob Goudzwaard, *Capitalism and Progress*, ed. and trans. Josina Van Nuis Zylstra (Toronto/Grand Rapids: Wedge/Eerdmans, 1979), 152.

³ See Goudzwaard, *Capitalism and Progress*, 188: “The road to societal disclosure is not only difficult to find; it is also difficult to travel.” For more on “disclosure” as a means whereby humans regain their sense of agency, see Chapter 3, Part III.

⁴ Goudzwaard, *Capitalism and Progress*, 186.

⁵ For a definition of the way in which Goudzwaard uses the term “idols,” see my Chapter 1, “Introduction.”

⁶ Mark Vander Vennen, “Bob Goudzwaard’s Faith-Filled Witness in Politics,” in *Beyond the Modern Age: An Archaeology of Contemporary Culture*, by Bob Goudzwaard and Craig G. Bartholomew (Downer’s Grove, Illinois: IVP Academic, 2017), 276.

after a brief break from politics, he helped to form the Christian Democratic Appeal party, a merger of three Christian political parties (including the former ARP).⁷ He also served as an MP for this party, until he left in protest as a result of the party's support for allowing nuclear missiles into the Netherlands during the cold war.⁸ After this period, Goudzwaard became active in the anti-apartheid movement in South Africa.⁹ He also worked as the rector of the Christian National Labor Union (CNV) from 1972 to 1984, where he had a significant impact on the shape of the labour movement in the Netherlands.¹⁰ In his position as professor of economics and social philosophy at the Free University, Goudzwaard advocated throughout his career on the global stage for a more just economic order. As a Christian philosopher and economist, it is clear that his academic work was shaped and informed by his in-depth experiences of the challenges and successes he experienced in his many different roles, as well as his faith commitments. While I will not here engage in discussion of the legitimacy of such an approach,¹¹ in this thesis I will also draw on Goudzwaard's theological and popular works, in addition to his more academic ones, in order to capture the full breadth of his position. It is also worth noting here that since many of Goudzwaard's later works are co-authored, I will also draw on these in order to capture more recent developments in his thought.

This thesis also engages with the work of another economic and social thinker, Friedrich Hayek. Since both Hayek and Goudzwaard concern themselves with political

⁷ Vander Vennen, "Bob Goudzwaard's Faith-Filled Witness in Politics," 276.

⁸ Vander Vennen, "Bob Goudzwaard's Faith-Filled Witness in Politics," 276.

⁹ Vander Vennen, "Bob Goudzwaard's Faith-Filled Witness in Politics," 278.

¹⁰ Vander Vennen, "Bob Goudzwaard's Faith-Filled Witness in Politics," 279.

¹¹ This has been done by other Reformational philosophers such as Hendrik Hart. Hart argues in the introduction to *Understanding Our World*, "No matter which general conceptual scheme we choose, any such scheme will in its most fundamental and general concepts yield logically unacceptable consequences. ... Once we have chosen certain fundamental concepts as our own, their incorporation in a general conceptual framework implies that we will be logically compelled to accept certain conclusions and reject others. ... [L]ogical argument will not finally or by itself provide any answers to these questions. Ultimate, or religious, choices and commitments are unavoidable here" (Hendrik Hart, *Understanding Our World: An Integral Ontology*, Christian Studies Today (Lanham, New York, London: University Press of America, Institute for Christian Studies, 1984, xx). In other words, all philosophy is rooted in a "faith" (or ultimate commitment) of some kind; this is a position I take as axiomatic for my project, and further, it justifies bringing the full breadth of Goudzwaard's work (theological/confessional perspectives included) to bear on the topic of human agency in socioeconomic life.

economy, and both propose large scale frameworks for the shaping of society (albeit with different aims) it is my hope that bringing the two into discussion together will be a fruitful endeavour. Hayek began his career before Goudzwaard, and emerged as a key figure in the early neoliberal movement. In fact, one might say that without Hayek, neoliberalism as we know it today would be a very different thing. I will admit that perhaps I started this project with a less than charitable predisposition towards Hayek. Reading his work, however, I began to understand and sympathize with his project, especially as it emerged after the second world war in his book *The Road to Serfdom*. Throughout his career, Hayek sought to provide the theoretical foundation on which a society that valued individual freedom could be developed. It is clear, especially in *The Road to Serfdom*, that his motivation for this project came from the desire to avoid the horrors that happened in his own home country of Austria during the second World War. Although, as I will explore later, Hayek's faith in individual liberty may take on the character of "idolatry" (and is thus to be critiqued), his vision is nevertheless important as it has shaped, and continues to shape, the world we live in today.

With these introductory comments aside, I will now sketch briefly the contours of my project. In Chapter 1 of my thesis, I draw mainly from Goudzwaard's *Capitalism and Progress* to trace his historical argument for why progress has become an "idol"¹² in capitalistic society and how we have, as a result, given up our sense of agency. I describe and evaluate Goudzwaard's thesis that it is the choices of our "heart," that is to say, it is our deepest faith convictions that have a real impact on our society. I conclude by touching on the issue of hope from a more theological lens, agreeing with Goudzwaard that our hope lies firstly in a change of heart that brings about structural change.

In Chapter 2, I begin by reviewing some of Hayek's key theoretical concepts (such as liberty, spontaneous order, the limits of human knowledge, and law vs. legislation). I then

¹² I will define this term in Chapter 1 under the section "Introduction."

use these concepts to investigate his view of freedom, which I believe is key to his conception of human agency. Ultimately, I conclude that Hayek's assertion that we must submit ourselves to the market and let it take us where it will impinges on our character as agents. I argue that it does not leave us meaningfully free to act in the world, as it requires us to give up the agency that is rightfully ours as human beings.

Chapter 3 contains my comparison of the two authors. I begin with a discussion of how they differ on the issue of cultural development, as this is a key area where humans use their agency to shape the world around them. I then discuss Hayek's critique of rationalism which leads into a comparison of the two authors on the issue of freedom in the marketplace. Using Goudzwaard, I reinforce my assessment of Hayek's paradoxical view of freedom in chapter 2. I base this critique in Goudzwaard's (and Herman Dooyeweerd's) view of creation order and normativity, reinforcing the argument that Hayek's view takes a stand on the freedom side of the "nature-freedom ground motive" as Dooyeweerd describes it. I conclude with a general overview of what I see to be the contributions of Hayek and Goudzwaard to a view of human agency that empowers people (or not) to make choices that impact the world around them.

To conclude, in Chapter 4 I begin by taking a closer look at Hayek's faith in the "impersonal forces" of the market to bring freedom and prosperity to human society. I then bring Goudzwaard's assessment of societal feelings of powerlessness to bear on Hayek's conceptions of freedom in the "spontaneous order." I then move on to discuss how Goudzwaard's view of creation order and norms as "ways" provides an alternative view of the world that ultimately empowers people as human agents. I then show how Goudzwaard's understanding of progress helps us explain the sense of powerlessness that many feel when it comes to the environmental crisis, in this case, through a phenomenological account of my

own experiences living in the province of Alberta, Canada.¹³ I use this example to draw my own conclusions about the importance of regaining a sense of agency, influenced by the Goudzwaardian conviction that faith is at the heart of the matter for environmental action today.

¹³ I will define the “phenomenological approach” I take in my introduction to Chapter 4. Here, however, it is worth noting that this approach may also be called personal, experiential, or even confessional. I recognize that this approach may not be standard in most philosophy theses, however, as I mentioned in footnote 10 above, I take as axiomatic for my project the conviction that all philosophy is rooted in a faith of one kind or another, as articulated by Hendrik Hart in his book *Understanding Our World*.

CHAPTER 1 | POWERLESSNESS AND AGENCY IN BOB GOUDZWAARD'S THOUGHT

Introduction

How can it be that in a society where humans seemingly have more power than ever before—including the power to alter the very climate of our planet—many of us feel so powerless against the forces of oppression and destruction in this world? This is a question that Bob Goudzwaard returns to over his career.¹⁴ Goudzwaard traces these feelings of powerlessness back to the faith Western society has placed in progress (and other idols) to bring “us” ultimate fulfillment.¹⁵ Idols, for Goudzwaard, refer to “things or forces” made by human hands that humans have given ultimate salvific authority.¹⁶ In *Idols of Our Time*, Goudzwaard explains that “[w]e know from Scripture that both persons and societies can put their faith in things or forces which their own hands have made. In their pursuit of prosperity, salvation, health, protection and so forth, people sooner or later create gods.”¹⁷ As a starting point, I take this assertion to be true of my own context, that is, Canadian society on the whole, and also of the broader Western context. When speaking of “the West” or “Western society” in this sense, I mean the economic and political systems, institutions, histories, technologies, values, and social norms which originated first in the European context (influenced by Greek and Roman society) and were then spread to other parts of the world. I also include in this definition the societies that continued to be developed in Europe as well

¹⁴ See Goudzwaard, *Capitalism and Progress* and Bob Goudzwaard, Mark Vander Vennen, and David Van Heemst, *Hope in Troubled Times* (Grand Rapids: Baker Academic, 2007), among others.

¹⁵ I have put “us” in quotation marks here deliberately, because whether or not these assertions are true of any individual person depends heavily on their place in Western society and which intersections of class, gender, race, ability, and age (among others) they find themselves at. Goudzwaard often uses the language of “us” and “we” to refer to Western society as a whole, however, it is important to recognize that not everyone who lives geographically in “the West” as I have defined it subscribes to the worldviews, ideologies, or perspectives that Goudzwaard associates with “the West.”

¹⁶ Bob Goudzwaard, *Idols of Our Time*, trans. Mark Vander Vennen (Sioux Centre, Iowa: Dordt College Press, 1984), 13.

¹⁷ Goudzwaard, *Idols of Our Time*, 13.

as in other geographical areas influenced by its intellectual and historical legacy, including colonial societies such as Canada, the United States, and Australia (among others).

In Part I of this chapter, I will explore how Goudzwaard traces the historical processes which lead to the emergence of capitalism in the European context. I will investigate how Goudzwaard conceives of capitalism as a phenomenon that paradoxically promises freedom but gives us servitude in return. In this process, I pay particular attention to the role of societal structures and institutions. In Part II, I will show how the process by which human agents give up their power to the idol of “progress,” as Goudzwaard terms it, in turn shapes them as people, leading to that sense of powerlessness which is one of the two main foci of my thesis (the other being Hayek’s concept of freedom—as mentioned in the introduction). Finally, in Part III, I will conclude with an examination of one of Goudzwaard’s key theses: that the societal and structural outcomes which lead to feelings of powerlessness are ultimately a matter of the heart, by which term I will refer to the deepest faith motivations of human beings. I conclude the chapter with a brief look at the nature of hope as it relates to the themes of agency and powerlessness in Goudzwaard’s thought.

PART I: SOCIOECONOMIC STRUCTURES AND THEIR IMPACT

Historical Overview of the Rise of Faith in Progress

Since Goudzwaard diagnoses the sense of powerlessness in our present Western culture as an outworking of Western society’s faith in progress, it will be useful first to complete a brief overview of the rise of this faith so as to understand the process by which this sense of a lost agency comes about. In this section, I will outline Goudzwaard’s argument for the rise of a faith in progress as it arose in the capitalist context of Western society (according to the definition of Western society I have outlined above).

First, however, I will clarify what is meant by “sense of agency” in my usage. In his overview of the recent scholarly literature on a sense of agency, James W. Moore defines “sense of agency” as the term that “refers to the feeling of control over actions and their consequences.”¹⁸ For my purposes here, I will adopt Moore’s basic definition, as it is not the purpose of this thesis to explore the very important higher-level debates surrounding free will and agency that are currently occurring in both the psychological and philosophical communities.¹⁹ It is enough for my purposes that humans can have a sense of agency—a feeling of control over certain aspects of life. As Moore notes, the academic consensus is clear: whether or not humans actually have free will “we unquestionably *do* have the experience of agency when we make actions.”²⁰ The point here is that with this definition as a starting point, I can take Goudzwaard’s presupposition of the existence of agency as axiomatic for my project, and that this move can be justified according to the definition I have adopted above, since it refers to our *feelings* of agency and avoids getting into the debates of free will/determinism. Adopting this definition allows me then to explore a crucial concept for my project, that is, the sense of powerlessness that Goudzwaard refers to, which I will define here as a loss of agency or a lost sense of agency.

To return to Goudzwaard’s historical account of progress, or, as I would like to inflect it, his account of powerlessness, I will begin with the ways in which he sees a fundamental discontinuity between the Medieval and Renaissance epochs in Western culture.²¹ In order for a capitalist society—one dominated by a faith in progress—to emerge, the barriers of “church

¹⁸ James W Moore, “What Is the Sense of Agency and Why Does It Matter?,” *Frontiers in Psychology* 7 (August 29, 2016): 1, <https://doi.org/10.3389/fpsyg.2016.01272>.

¹⁹ For an overview of the philosophical debates, see Bernard Feltz, Marcus Missal, and Andrew Sims, “Introduction,” in *Free Will, Causality, and Neuroscience*, ed. Bernard Feltz, Marcus Missal, and Andrew Sims (Leiden, Boston: Brill Rodopi, 2020), especially pages 1-5. For an overview of psychological debates, see Moore, “What is the Sense of Agency...,” 3-4.

²⁰ Moore, “What is the Sense of Agency...,” 7 (emphasis original).

²¹ Regarding Medieval society, Goudzwaard states: “[i]t cannot be denied that capitalism as a new social order could take lasting shape only by means of a demolition of this complex whole of religion, culture, and society.” Goudzwaard, *Capitalism and Progress*, 4. Whether this is an accurate characterization does not concern me here for the moment.

and heaven,” “fate and providence,” and “paradise lost” had to be razed. Understanding how a faith in progress emerges will provide insight into the dynamics of powerlessness that Goudzwaard associates with the capitalist idolatry of progress.

The “barrier of church and heaven” according to Goudzwaard, refers to Medieval society’s primarily vertical orientation, as encapsulated in the structures of feudalism and church hierarchy.²² In the Medieval era, he argues, “[e]arthly, natural life had no meaning in itself. It was doomed to eternal sinfulness unless it was lifted, ordered, and directed to heaven and the realm of grace. From that realm it derived its deepest meaning. Only in its vertical orientation would it be sanctified and redeemed through the mediation of the church as the institution of grace.”²³ In order for capitalism to become possible, this barrier needed to be razed, since a “clear allegiance to ecclesiastical rules and an orientation to the hereafter ... constituted a real barrier to the free unfolding of the forces of the economy and technology,” forces which are integral to capitalist society.²⁴ The barrier of church and heaven was overcome, in Goudzwaard’s analysis, by developments that occurred in the Renaissance and the Reformation which altered Medieval society’s primarily vertical orientation. One of the main developments that allowed this razing to happen was the rise of humanist philosophy. Humanist philosophy, Goudzwaard summarizes, led to “the birth of a new image of man and the world.”²⁵ He asserts that in humanist philosophy, “the earth becomes man’s domain as the platform and instrument with which he can realize himself in the arts as well as in science, in

²² See Goudzwaard, *Capitalism and Progress*, 10. The metaphor of the “vertical” for Goudzwaard suggests a hierarchy from the “lower” matters of earthly importance (the realm of nature) to the “higher” matters of heavenly importance (the realm of grace). Goudzwaard is clearly influenced in this analysis of medieval society by Herman Dooyeweerd’s concept of the nature/grace ground-motive. For more on the nature/grace ground-motive, see Herman Dooyeweerd, *Roots of Western Culture: Pagan, Secular, and Christian Options*, ed. Mark Vander Vennen and Bernard Zylstra, trans. John Kraay, vol. 15, *Collected Works of Herman Dooyeweerd* (Grand Rapids: Paideia Press, 2012), 116. It is also worth noting that this view of Medieval society has been complicated and nuanced by some Reformational scholars, such as Bob Sweetman in his chapter, “Nisi Causa Utili et Necessaria: Catherine of Siena’s Dominican Confessors and the Principles of a Licit Pastoral ‘Irregularity,’” in *Rule Makers and Breakers: Proceedings of a St. Michael’s College Symposium*, ed. Joseph Goering, Francesco Guardiani, and Giulio Silano (LEGAS, 2006), 199–210, <http://hdl.handle.net/10756/250258>.

²³ See Goudzwaard, *Capitalism and Progress*, 10.

²⁴ See Goudzwaard, *Capitalism and Progress*, 11.

²⁵ Goudzwaard, *Capitalism and Progress*, 13.

trade as well as in contact with the other sex.”²⁶ In addition to humanist philosophy, Goudzwaard also credits the development of a money-oriented economy, where land, labour, and capital began to emerge as “separate elements of production”²⁷ as another key development that helped to raze the barrier of church and heaven. Both of these developments accorded a measure of meaningfulness to this-worldly life, shifting the formerly vertical orientation of medieval society to a horizontal orientation.²⁸ In a primarily horizontally-oriented society, “the purpose of development and expansion is directed to earthly possibilities.”²⁹ In other words, the advent of humanist philosophy and the development of a money oriented economy paved the way for a capitalist society, because actions by human agents in this world became meaningful in themselves; human actions no longer needed the mediating grace of church and heaven to confer meaning upon them.

Goudzwaard characterizes the next barrier that had to be razed as the “barrier of fate and providence.” The barrier of fate and providence had to be razed, according to Goudzwaard, because this barrier “clearly implied a condemnation of the pursuit of happiness and prosperity on the basis of man’s own strengths and potentials.”³⁰ He notes that the building of a capitalist society was irreconcilable with the Medieval “image of a God who rules the world, who in his own way sets the destinies of men and women, and at moments of his own choosing interferes directly in their affairs with his judgment.”³¹ He credits the advent of Deism—“the conception that God has created the world in such a perfect manner that immediately afterwards he could afford to go into early retirement”—for the razing of this barrier.³² “As soon as God moves to the background as the shaper of man’s present fate,” Goudzwaard explains, “legitimate room is created for man to take this fate into his own

²⁶ Goudzwaard, *Capitalism and Progress*, 13.

²⁷ Goudzwaard, *Capitalism and Progress*, 15.

²⁸ See Goudzwaard, *Capitalism and Progress*, 11, 15.

²⁹ Goudzwaard, *Capitalism and Progress*, 11.

³⁰ Goudzwaard, *Capitalism and Progress*, 16.

³¹ Goudzwaard, *Capitalism and Progress*, 19.

³² Goudzwaard, *Capitalism and Progress*, 20.

hands.”³³ The extension of this is the advent of utilitarianism, the ethics of which “is of course from the outset in complete harmony with the goal of rapid economic growth.”³⁴

Hence, it was through the new sense of autonomy brought about by Deism and the justifying ethics of utilitarianism, according to Goudzwaard, that the barrier of fate and providence could be razed.

And finally, the barrier of paradise lost was overcome by the Enlightenment faith in reason, progress, and human perfectibility.³⁵ By “the barrier of paradise lost” Goudzwaard refers to the medieval belief that paradise on earth was impossible, and that Medieval Europeans should not expect any improvement in the conditions of their earthly life.³⁶ It was “[t]his consciousness,” illustrates Goudzwaard, that “limited its [the medieval age’s] temporal aspirations,” and hence had to be overcome before a capitalist society characterized by a faith in progress could emerge.³⁷ This happened historically with the rise of “western man[’s] ... profound confidence in the possibilities of his own rational insight and critical ingenuity,” or in other words, what Goudzwaard calls “the triumphal procession of rationalism.”³⁸ Faith in human rational capacity, reveals Goudzwaard, meant that future progress could be assured and relied on, as reason was thought of as a “completely reliable guide in the present which can help humankind avoid every danger and threat with infallible certainty.”³⁹ Goudzwaard credits the Enlightenment “acceptance of the infallible guidance provided by man’s *critical reason*” for the “integral and all-encompassing faith in progress on the part of the Enlightenment thinkers,” a faith in progress, importantly, that had no need for the Christian God.⁴⁰ It is this faith in progress, and by extension the belief in human perfectibility⁴¹ that

³³ Goudzwaard, *Capitalism and Progress*, 21.

³⁴ Goudzwaard, *Capitalism and Progress*, 31.

³⁵ See especially Goudzwaard, *Capitalism and Progress*, 37-39.

³⁶ See Goudzwaard, *Capitalism and Progress*, 35.

³⁷ Goudzwaard, *Capitalism and Progress*, 35.

³⁸ Goudzwaard, *Capitalism and Progress*, 37.

³⁹ Goudzwaard, *Capitalism and Progress*, 38.

⁴⁰ Goudzwaard, *Capitalism and Progress*, 38.

⁴¹ For more on human perfectibility, see Goudzwaard, *Capitalism and Progress*, 39.

razed the barrier of paradise lost, since “the Enlightenment philosophers ... place rational self-destination in the context of an attainable perfect future and of the guarantee that the lost paradise can be regained by man’s own activities.”⁴²

Characterizing the Enlightenment faith in progress, Goudzwaard states that at this point, the “[c]onsciousness of progress ha[d] matured into a faith which, for the sake of the future of mankind, can summon man to *deeds*; and the breathtaking ‘splendor’ of these deeds parallels the moving of mountains, including the massive mountain of the western social order.”⁴³ A further key shift occurred, however, in the midst of the Industrial Revolution whereby the discovery of evolutionary theory altered how people saw historical progress. According to Goudzwaard, “after 1850 faith in progress turned away from the paradisiacal and speculative images of the future typical of the Enlightenment era in order to turn to concrete, factual evidence of progress daily observable in the areas of economics, technology, and science.”⁴⁴ Importantly, during this time period progress was no longer thought to be attained through the triumph of reason (as it had been thought of during the Enlightenment); instead it would come to be seen as a necessary part of the evolution of culture. Developments in evolutionary theory had the effect of de-emphasizing the role and agency of humans in their own development. Instead, “in the concept of evolution we encounter a process that has already begun apart from human intervention. Man himself, whether he likes it or not, has been taken up in this process as a dependent element.”⁴⁵ Goudzwaard continues: “[i]nstead of being the subject of progress, in evolutionary thought man has become first of all an object of its [that is, evolution’s] progress.”⁴⁶ In other words, after the Industrial Revolution, people began to conceive of progress acting *on* them, as opposed to the previous Enlightenment view of humans presiding *over* the march of progress. To return to the theme

⁴² Goudzwaard, *Capitalism and Progress*, 41.

⁴³ Goudzwaard, *Capitalism and Progress*, 42.

⁴⁴ Goudzwaard, *Capitalism and Progress*, 83.

⁴⁵ Goudzwaard, *Capitalism and Progress*, 85.

⁴⁶ Goudzwaard, *Capitalism and Progress*, 85.

of this chapter, according to Goudzwaard, as our faith in progress has gradually shaped society, people living under capitalism have come to feel increasingly powerless, as if there is no alternative to untrammelled progress and economic growth. What can account for this shift?

Relevant Developments in Capitalism since the Industrial Revolution

One key way Goudzwaard accounts for this shift in our sense of agency is through his analysis of the developments in capitalism since the Industrial Revolution. Before going any further, it will be important to define what “capitalism” in this context refers to. According to Goudzwaard, it is

that societal structure (1) in which the legal order, the prevailing public morality, as well as the organization of socioeconomic life grant unobstructed admission to the forces of economic growth and technological development; and (2) in which those forces subsequently manifest themselves by way of a process of ‘natural selection’ as that is given shape by a continual competition in the market between independent production units organized on the basis of returns on capital.⁴⁷

In this definition of capitalism, one can already begin to detect what Goudzwaard will later point to as the freedom vs. domination paradox inherent in the capitalist system, which offers an initial clue into why those of us living in capitalist societies might feel powerless and which I will investigate in a later section. For my purposes now, it is enough to turn to Goudzwaard’s account of the developments in this system that have led to a diminishing sense of agency among people. In *Capitalism and Progress* Goudzwaard provides his analysis of parallel trends in three key areas: “the internal structure of the enterprise, competition among enterprises, and the relationship between industrial life and the

⁴⁷ Goudzwaard, *Capitalism and Progress*, 11. It is worth noting that this account of capitalism dates from the 1970s, and therefore may require some updating based on more recent developments. That updating, however, is beyond the scope of my current project. The same consideration also applies to Hayek, whose last major work was published in 1988. For this project, I work with the texts and arguments as they are presented in their original form.

government.”⁴⁸ In what follows, I will provide an overview of Goudzwaard’s analysis as it relates to the process by which people come to feel a sense of powerlessness.

Goudzwaard illustrates that as the business enterprise developed historically within the context of capitalism there was a distinct shift in focus from the original goal of profit-making to the goal of securing a continued existence (or “system maintenance”).⁴⁹ According to Goudzwaard, this shift to system maintenance is the result of a change in the structure of the corporation itself. “Instead of being the owners of the corporation,” states Goudzwaard, “as was the case earlier, it seems that the corporation now owns its board members and controls their personal lives, their ethics, as well as their circle of acquaintances.”⁵⁰ System maintenance is reliant on progress in the form of continuing growth, a factor that is not required to take into account real consumer needs, but can be based on artificially created consumer demands.⁵¹ Drawing on Heilbroner’s historical account in *The Making of Economic Society*, Goudzwaard further traces the shift to system maintenance through the contours of the historical development of competition.⁵² Goudzwaard argues that as the situation of free competition develops into oligopoly, “[t]he so-called paradox of free competition appeared: competition often tends toward its own elimination. The stiffer the competition, the more the elimination of the other competitor is desired.”⁵³ In light of the abovementioned paradox, he investigates the relationship between the market and the government in the context of capitalism. He argues that to protect competition the government was forced to step in and interfere in the market, since “[i]f left to itself, the process of competition might have resulted in self-destruction.”⁵⁴ This interference was necessitated, according to Goudzwaard, because “[t]he market economy and

⁴⁸ Goudzwaard, *Capitalism and Progress*, 110.

⁴⁹ Goudzwaard, *Capitalism and Progress*, 94.

⁵⁰ Goudzwaard, *Capitalism and Progress*, 94.

⁵¹ See Goudzwaard, *Capitalism and Progress*, 98.

⁵² See Goudzwaard, *Capitalism and Progress*, 94-99 for his use of Heilbroner.

⁵³ Goudzwaard, *Capitalism and Progress*, 95.

⁵⁴ Goudzwaard, *Capitalism and Progress*, 101.

the continuation of free competition were threatened by scale expansion and power concentration.”⁵⁵ In this way, government and industry went “from enemy to friend.”⁵⁶ And further, as government policies increasingly became tied up with industry, governments in capitalist societies also became more dependent on the continuation of economic growth and progress to fund their own programs.⁵⁷ It is worth mentioning that here Goudzwaard is again speaking in very broad terms of “Western society” and “governments” in general, and the extent to which these claims may be true of a particular country’s situation will most likely vary depending on their particular circumstances of culture, economy, social norms, and other factors. Nevertheless, I will take his claims here to say something true about the overarching patterns of how human agency begins to be lost or obscured in the capitalist system.

From his examination of the developments in the above three areas—enterprises, competition, and government—Goudzwaard concludes that over the course of time each of these institutions experienced a “diminution of individual sovereignty and an increasing adaptation to the demands of the evolution of progress.”⁵⁸ He also concludes that within these three spheres of relations, there was “a persistent narrowing of human relations and purposes to technical and economic achievements as ends in themselves.”⁵⁹ From these developments, Goudzwaard concludes that the system cannot do otherwise than increase its momentum towards economic growth and technical progress, or else it seemingly will collapse. In this situation, the vulnerability of a system based on progress ironically means that its stability comes from continuous movement. “*No stability exists,*” emphasizes Goudzwaard, “*other than the one based on progress.* Every part of the social system is directed and geared to this stability.”⁶⁰ In other words, since capitalism demands constant adjustment to everlasting

⁵⁵ Goudzwaard, *Capitalism and Progress*, 101.

⁵⁶ Goudzwaard, *Capitalism and Progress*, 100.

⁵⁷ Goudzwaard, *Capitalism and Progress*, 101.

⁵⁸ Goudzwaard, *Capitalism and Progress*, 110.

⁵⁹ Goudzwaard, *Capitalism and Progress*, 112.

⁶⁰ Goudzwaard, *Capitalism and Progress*, 137 (emphasis original).

“progress” people living in capitalist societies feel powerless to stop progress because they believe progress will solve all problems.

PART II: FROM POWERFUL TO POWERLESS

I now return to the human element of this system. When an economic system is as intricately founded in and bound to the momentum of progress as Goudzwaard claims capitalism to be, what are the effects on the people who participate in the system?

According to Goudzwaard,

Western man—in a sense that means all of us—is certainly not that ‘unmoved mover’ as at times he is depicted. He is no longer that autonomous subject who can sovereignly set processes in motion and who can also sovereignly, at a moment of his own choice, stop these processes again. To the contrary, western man, as a result of the process of progress which he has initiated, is now caught in the predicament of being managed rather than of being the manager. Progress, the work of our own minds and hands, is not a neutral entity that stands outside of our life and thought; it is a force that has penetrated profoundly into every fiber of our existence.⁶¹

In the passage I quote above, Goudzwaard illustrates the remarkable reversal of power people experience when they put their fate in the hands of progress. Ultimately, he argues, this is because of the “faith” character of the commitment to progress. As Goudzwaard argues: “a faith and a religion never leave their adherents unaffected. They put a stamp on them, shape them into image bearers. A religious choice is the most profound and decisive choice men and societies can make, shaping and affecting their entire existence.”⁶² To speak of capitalism as a choice, as Goudzwaard does,⁶³ is not to say that at some point in history a

⁶¹ Goudzwaard, *Capitalism and Progress*, 143.

⁶² Goudzwaard, *Capitalism and Progress*, 151. The term “image-bearers” is a theological term. Goudzwaard’s citation of Psalm 115:8 (NEB) on the same page as the quote excerpted above sheds light on what he means by this term: “Their makers grow to be like them, and so do all who trust in them.” In this case, Goudzwaard is referring to the dynamic that describes how idol-makers grow to be like the gods they create. This term can also apply more positively to humankind, in reference to Genesis 1:26-27 (NRSV) which states: “Then God said, ‘Let us make humankind in our image, according to our likeness; and let them have dominion over the fish of the sea, and over the birds of the air, and over the cattle, and over all the wild animals of the earth, and over every creeping thing that creeps upon the earth.’ So God created humankind in his image, in the image of God he created them; male and female he created them.”

⁶³ Goudzwaard, *Capitalism and Progress*, 4.

single person made a single decision which led to the current predicament. It is, instead, to say that certain people made collective decisions along certain lines and with certain core values in mind throughout the course of history. These things they chose, in turn, have influenced the further choices of the generations that followed in their societies, since the collective choices of the generations before have embedded themselves in current institutions, processes, and social structures which may then also take on a life of their own and constrain later choices. Before moving on, it is important to note that humanity as a whole is not equally responsible for the current shape of our progress oriented socio-economic order. In fact, there are many factors such as race, education, gender, and class that determine which groups of people have had the power in history to make these choices and shape the current institutions. While it is outside the scope of my work here to go into these factors in more detail, it will nevertheless be eminently important to keep these considerations in mind.⁶⁴

Powerlessness and Evolution

Goudzwaard points to the widespread acceptance of evolutionary theory as a key moment in the theorizing of progress. He speaks at length in his historical discussion of the faith the Enlightenment philosophers put in human rationality, summarizing their view as follows: “[b]y means of his rational insight, his critical ingenuity, and his technical and economic ability, man sets the wheel of progress in motion; only through this motion does he himself also develop toward perfection.”⁶⁵ He contrasts this Enlightenment belief in rational mastery with the view that became “almost universally accepted” around the turn of the 20th century which said that “progress was based on the unavoidable process of natural evolution.”⁶⁶ The evolutionary view of progress as it emerged then has had important implications for how people see themselves and their place in history. “In the concept of

⁶⁴ ... and I plan to do so in any further academic work on this topic.

⁶⁵ Goudzwaard, *Capitalism and Progress*, 85.

⁶⁶ Goudzwaard, *Capitalism and Progress*, 86.

evolution,” argues Goudzwaard, “we encounter a process that has already begun apart from human intervention. Man himself, whether he likes it or not, has been taken up in this process as a dependent element. In the theory of evolution man does not propel progress forward; he is being propelled toward progress by time. Instead of being the subject of progress, in evolutionary thought man has become first of all an object of progress.”⁶⁷ In other words, while the Enlightenment view of rational mastery says that humans use rationality to shape the events of history and master both nature and culture, this clashes with the evolutionary view of humans as objects of progress. The evolutionary view has several important implications for how people see themselves. Firstly, it means that humans are animals like any others; secondly, that our rationality is a mere evolutionary development; and thirdly, that human progress and human beings are subject to the fate evolution brings us.⁶⁸ It might appear, from this assessment, that humans have more agency under the Enlightenment definition as “masters” of both nature and culture, but as Goudzwaard points out, this is misleading because of the opposing impulses of freedom and domination inherent in the humanist philosophies which birthed the rationality ideal.⁶⁹ And similarly, the “objectification” of humans in the name of progress is an important factor in my search for an explanation of why humans might feel so powerless in a time of technological and economic mastery.

The Freedom vs. Domination Paradox

This brings me to what Goudzwaard terms the “dialectic of progress.”⁷⁰ Drawing on the philosophical categories of Herman Dooyeweerd, Goudzwaard uses Dooyeweerd’s conception of the nature/freedom ground-motive to analyze the outworkings of humanist

⁶⁷ Goudzwaard, *Capitalism and Progress*, 85.

⁶⁸ This is my summary of Goudzwaard, *Capitalism and Progress*, 85-86.

⁶⁹ See especially Goudzwaard, *Capitalism and Progress*, 158.

⁷⁰ Goudzwaard, *Capitalism and Progress*, 156.

philosophy on society. Before turning to Goudzwaard's use of ground-motives, however, I will provide a brief overview of some of the key concepts he draws from Dooyeweerd.

Dooyeweerd defines a religious ground-motive as “a force that acts as a spiritual mainspring in human society,” and he argues that they “have been the deepest driving forces behind the entire cultural and spiritual development of the West.”⁷¹ According to Dooyeweerd, a ground-motive “is an absolutely central driving force because, from the religious centre of life, it governs temporal expressions and points towards the real or supposed origin of all existence.”⁷² He continues: “[i]n the profoundest possible sense it determines a society's entire life-and worldview.”⁷³ Goudzwaard makes use of this concept of ground-motives and builds his own analysis onto Dooyeweerd's description of the nature-freedom ground motive as that ground motive which drives the progress-oriented societies of the modern West.⁷⁴ In Dooyeweerd's original conception, the nature-freedom ground motive refers to two dialectically entwined strands of commitment that can be found first in humanist philosophy as it emerged during the Renaissance. Commitment to a particular type of autonomous freedom gave rise to the impulse to master nature through reason, through which it was thought that “human freedom would achieve its highest expression.”⁷⁵ The ground-motive of nature and freedom has undergone historical development, according to Dooyeweerd, and it manifests differently in different historical periods. At some times, the freedom motive predominates,⁷⁶ and at others it is the nature motive that comes to the fore.⁷⁷ Nevertheless, the nature-freedom ground-motive represents,

⁷¹ Dooyeweerd, *Roots*, 8.

⁷² Dooyeweerd, *Roots*, 8.

⁷³ Dooyeweerd, *Roots*, 8.

⁷⁴ It is worth noting that a critical assessment of Dooyeweerd's view is beyond the scope of this work. Here I will only address how Goudzwaard employs this view. For an in-depth analysis and critique of Dooyeweerd on ground motives see Jonathan Chaplin, *Herman Dooyeweerd: Christian Philosopher of State and Civil Society* (Notre Dame: University of Notre Dame Press, 2016).

⁷⁵ Dooyeweerd, *Roots*, 171.

⁷⁶ Dooyeweerd argues that the freedom motive “was humanism's deeper driving force,” and he sees it also “embodied ... in the modern ideal of the personality, the cult of the human person understood as an end in itself.” Dooyeweerd, *Roots*, 171.

⁷⁷ See Dooyeweerd's analysis of modern sociology in *Roots*, 192.

in Dooyeweerd's view, a fundamental departure from the proper Christian ground-motive of creation-fall-redemption. Ultimately, it has led to a view of science that "depend[s] throughout upon humankind's faith in its own autonomy"—a faith that "[can]not tolerate the acceptance of a creation order to which individuals, quite independently of their own subjective thinking and volition, are subject."⁷⁸ It is also a faith that makes no mention of fall or redemption; the world according to the nature-freedom ground-motive sees progress as a continual process, interrupted only by those who are too backwards-thinking to get on board with it.

Goudzwaard departs from Dooyeweerd's terms, using the term "domination" to refer to the nature side of the nature/freedom ground-motive. In line with Dooyeweerd, however, Goudzwaard defines the "*domination* ideal" as "the will to rational knowledge and domination of the world in every respect: scientific, artistic, political, technical, and economic" and the "*freedom or personality* ideal" as "the effort to develop an absolutely free, autonomous personality."⁷⁹ He illustrates that these two ideals "belong together," asking rhetorically: "What would express the freedom of the human personality better than man's knowledge, control, and domination of the world?" and "How else could the domination ideal be realized except on the basis of the free, unfettered development of human personality?"⁸⁰ At the heart of these two ideals lies a contradiction: "it is neither possible nor consistent," argues Goudzwaard, "on the one hand to subscribe to the rational-scientific character of all processes in the world, and on the other hand to stop in your tracks the moment you reach the realm of free human personality."⁸¹ Conversely, "the other side of the same coin," according to Goudzwaard, is that "it is neither possible nor consistent first to declare the entire world to be the great arena for the exercise of the personal human will ... and then to stop suddenly

⁷⁸ Dooyeweerd, *Roots*, 216. I will return to this important theme of creation order and its implications for regaining a sense of agency in Chapter 4.

⁷⁹ Goudzwaard, *Capitalism and Progress*, 155 (emphasis original).

⁸⁰ Goudzwaard, *Capitalism and Progress*, 155.

⁸¹ Goudzwaard, *Capitalism and Progress*, 156.

when you realize that this results in the elimination of rational knowledge and control of this world.”⁸²

Progress was supposed to be the key to harmonizing these two ideals.⁸³ Instead of harmonizing them, however, progress provided the key by which they could self-destruct “precisely because each ideal laid claim on the entire world and the entire human being.”⁸⁴ Ultimately, this can help us explain the feelings of powerlessness encountered by people since, as Goudzwaard puts it, “[i]t is impossible and inconsistent to strive toward complete domination and total progress without also involving the human personality. Once the force of progress is set in motion, one cannot prevent the treatment of the human person as an *object* by this very force.”⁸⁵ It is this objectification, I argue with Goudzwaard, that provides us with an important key to understanding the feelings of powerlessness and lack of agency so many people experience today. As Goudzwaard puts it, it is at the point that people allow “the powers” of science, technology, and economics to make objects of *themselves* that they seem to lose their agency. When these “things” are enshrined in society as the givers of progress, wealth, and development people begin to see them not as things but as independent powers “outside of us from which they can consciously control us.”⁸⁶ Because “[p]owerlessness easily leads to fear,”⁸⁷ this is not an issue to take lightly. Since the writing of *Capitalism and Progress*, new fears have emerged, along with further outworkings of the domination/freedom dialectic.⁸⁸ Now, more than ever, those of us living in capitalist societies need to regain a sense of agency—a measure of control over what seems like fate. Perhaps seeing things as “fated” is part and parcel of that worldview [ideology] of progress. We need

⁸² Goudzwaard, *Capitalism and Progress*, 156-157.

⁸³ Goudzwaard, *Capitalism and Progress*, 157.

⁸⁴ Goudzwaard, *Capitalism and Progress*, 158.

⁸⁵ Goudzwaard, *Capitalism and Progress*, 158.

⁸⁶ Goudzwaard, *Capitalism and Progress*, 154.

⁸⁷ Goudzwaard, *Capitalism and Progress*, 154.

⁸⁸ These “new fears” include things like the increasingly drastic impacts of climate change spurred on by the need for resource/energy security and global pandemics such as the one we are currently living through.

to go deeper then, to understand where these ideologies come from, and to uncover an antidote of sorts to the kind of faith that could produce this sense of powerlessness.

PART III: FAITH, HOPE, AND NORMS?

As Goudzwaard uncompromisingly emphasizes, humans are not just victims of the system. The capitalist system is a product of human cultural development and as such it is neither inevitable nor irredeemable. This is not to say that the ideology of capitalism is “good” and has been simply misdirected, but instead that certain features of capitalism (e.g. markets as a form of economic exchange) can be re-appropriated and re-oriented towards more life-giving and stewardly ways. When we feel powerless, it is paradoxically at this point that we can discover real hope. As Goudzwaard, Vander Vennen, and Van Heemst put it in *Hope in Troubled Times*, “[t]oday’s general feeling of insecurity is actually not a sign that the powers now dominating us are beyond our control. On the contrary, it is a sign that we have abdicated our human responsibility. We have off-loaded our responsibility to chart society’s course, letting the powers that be handle that task.”⁸⁹ Key here is that this process is not, in the authors’ opinion, irreversible. This conviction comes clearly out of their deep-seated spiritual beliefs in the possibility of redemption and the finitude of evil. They reject the unscriptural view that evil exists in some absolute way, as a separate “Kingdom” with a capital “K,” noting that this view, “[r]ather than respect[s] human responsibility, . . . tries to destroy it.”⁹⁰ While they do not shy away from the reality of evil by any means, they ultimately conclude that the hope they see “is real because, at its core, it is not a human creation. It attaches itself directly to the faith that God is deeply engaged in all of human history.”⁹¹

⁸⁹ Goudzwaard, Vander Vennen, and Van Heemst, *Hope in Troubled Times*, 170.

⁹⁰ Goudzwaard, Vander Vennen, and Van Heemst, *Hope in Troubled Times*, 171.

⁹¹ Goudzwaard, Vander Vennen, and Van Heemst, *Hope in Troubled Times*, 172.

Norms for Human Life

Goudzwaard et al hold that one of the ways the presence of God in history is disclosed is through the presence of norms such as justice and peace. For instance, Goudzwaard, Vander Vennen, and Van Heemst note in *Hope in Troubled Times* that “the prophets continually call God’s people back to God’s ways” of “Jubilee justice and righteousness” while at the same time calling people to “refuse to adopt the military conventions of the day.”⁹² In this context, they argue that “all of Scripture—contain[s] a clear direction, a grain as unmistakable as the wood grain of oak or cherry. That direction urgently calls all of us—citizens, governments, decision-makers—to embrace a life-sustaining peacebuilding vision or paradigm.”⁹³ In *Capitalism and Progress* Goudzwaard adopts the language of T.P. van der Kooy, using the phrase “a simultaneous realization of norms” to describe the characteristics of a more fruitful economic order.⁹⁴ In this case, economic life is characterized by norms that are “seen and observed in their mutual coherence.”⁹⁵ There is no paying attention to economic justice without also according real weight to the call of environmental stewardship, for example. According to Goudzwaard, this is where it becomes possible to critically interrogate capitalism, since in the capitalist order, “[t]he combination of independent and primary factors of progress with dependent and secondary socioethical norms prevents simultaneous and harmonious realization of norms—economic as well as ethical and legal.”⁹⁶ Essentially, what this means is that under capitalism, “[n]orms of ethics and justice are allowed to play a role only after economic production has already occurred. They are permitted to make limited corrections and modest alterations in the process of industrialization, but only after this process has autonomously and sovereignly chosen its

⁹² Goudzwaard, Vander Vennen, and Van Heemst, *Hope in Troubled Times*, 195.

⁹³ Goudzwaard, Vander Vennen, and Van Heemst, *Hope in Troubled Times*, 196.

⁹⁴ Goudzwaard, *Capitalism and Progress*, 65.

⁹⁵ Goudzwaard, *Capitalism and Progress*, 65. I will return to the topic of norms in Chapter 4, where I will more fully explicate and justify Goudzwaard’s (and my) use of the concept.

⁹⁶ Goudzwaard, *Capitalism and Progress*, 66.

path through society.”⁹⁷ It is worth quoting at length what Goudzwaard believes to be “the most essential critique which can be voiced against the industrial revolution and the resultant capitalism.”⁹⁸

Capitalism is subject to critique insofar as, for the sake of progress, it is founded on independent and autonomous forces of economic growth and technology, that is, forces which are considered isolated, sufficient, and good in themselves. These economic and technological forces are indeed related to norms of ethics and social justice, but in such a manner that these norms cannot impede the realization of these forces and the promotion of ‘progress.’ These norms are consciously viewed as dependent upon and secondary to the forces of progress: they are placed in the service of the expansion of technology and the growth of the economy.⁹⁹

This is a key insight of Goudzwaard with regard to agency: when some norms are ignored, or others are raised above their rightful place (i.e. the norm of efficiency in capitalism) we struggle to fulfill our calling as humans in socioeconomic life, and hence we experience feelings of powerlessness and lack of agency. I will return to this topic in greater detail in Part II of Chapter 4.

Implications for Hope

The theme of hope is one that has been present to Goudzwaard throughout his career.¹⁰⁰ Hope, for Goudzwaard, is the opposite of fatalism.¹⁰¹ It is the “way of resurrection” and “the morning star” that lights up the night when things seem darkest.¹⁰² “Groaning with longing is the language of hope,” states Goudzwaard.¹⁰³ We can have hope because “[t]he ways inscribed by the Spirit in history are not confined to punishment and judgment. God’s grace also inscribes ways or paths of hope and healing in time.”¹⁰⁴ In a passage reminiscent of

⁹⁷ Goudzwaard, *Capitalism and Progress*, 66.

⁹⁸ Goudzwaard, *Capitalism and Progress*, 66.

⁹⁹ Goudzwaard, *Capitalism and Progress*, 66 (please note: this entire paragraph was italicized in the original text for emphasis. Since I have excerpted it here, I have removed the italics for the purpose of clarity).

¹⁰⁰ See especially Goudzwaard, *Idols of Our Time*, 93-107 and Goudzwaard, Vander Vennen, and Van Heemst, *Hope in Troubled Times*, 169-206.

¹⁰¹ See Goudzwaard, *Idols of Our Time*, 94.

¹⁰² Goudzwaard, *Idols of Our Time*, 97-98.

¹⁰³ Goudzwaard, Vander Vennen, and Van Heemst, *Hope in Troubled Times*, 174.

¹⁰⁴ Goudzwaard, Vander Vennen, and Van Heemst, *Hope in Troubled Times*, 174.

Gerard Manley Hopkins' "God's Grandeur,"¹⁰⁵ Goudwaard states that "a healing grace remains ever active in creation. By it wounds are healed, and the environment, even after massive attacks, revives."¹⁰⁶ In *Idols of Our Time*, Goudzwaard states that "[f]or many of us, hope comes only by the grace of a few tiny cracks in the wall which throw slivers of light on our bleak situation. That hope is then extinguished as one by one the cracks disappear and the darkness envelopes us."¹⁰⁷ He continues: "[b]ut this is the opposite of Christian hope! Christian hope is a hope of contrast: it revives in the *middle of the night*, just when the darkness seems to overpower us."¹⁰⁸ Sometimes it seems as though a crack is all we have. But as Goudzwaard reveals, this crack is not destined to close. Sometimes, as Leonard Cohen puts it: "There is a crack, a crack in everything / That's how the light gets in."¹⁰⁹ This reality is, I think, what Goudzwaard is pointing us to; Goudzwaard's hope is reassuring because it endures when times seem darkest. And an important part of this hope is not just living as if God will make everything right in the end and therefore we have nothing to do. Instead:

It requires that we leave our protective shelters behind and put our future, our prosperity, and if necessary our whole life in jeopardy for the sake of truth and justice. We must do this not because we ourselves are somehow able to dismantle today's demonic spirals and deified powers. Rather, we must do it because the Torah tells us

¹⁰⁵ The passage I am reminded of goes as follows:

Generations have trod, have trod, have trod;
And all is seared with trade; bleared, smeared with toil;
And wears man's smudge and shares man's smell: the soil
Is bare now, nor can foot feel, being shod.

And for all this, nature is never spent;
There lives the dearest freshness deep down things;
And though the last lights off the black West went
Oh, morning, at the brown brink eastward, springs —
Because the Holy Ghost over the bent
World broods with warm breast and with ah! bright wings.

Gerard Manley Hopkins, "God's Grandeur," in *Gerard Manley Hopkins*, ed. Catherine Phillips, The Oxford Authors (Oxford: Oxford University Press, 1990), 128.

¹⁰⁶ Goudzwaard, Vander Vennen, and Van Heemst, *Hope in Troubled Times*, 174.

¹⁰⁷ Goudzwaard, *Idols of Our Time*, 98.

¹⁰⁸ Goudzwaard, *Idols of Our Time*, 98.

¹⁰⁹ Leonard Cohen, "Anthem," Musixmatch, accessed November 23, 2021, <https://www.musixmatch.com/lyrics/Leonard-Cohen/Anthem>. I include these lyrics here because they help me make sense of and embrace Goudzwaard's language about hope.

that our acts of undistorted justice and unperverted love in the midst of powerful ideologies can be a sign to the living God to unite his saving acts to ours. Our acts can be a call for the mobilization of the forces of God's kingdom in a time of doom, just as Esther's was centuries ago.¹¹⁰

Regaining a sense of agency goes hand in hand with regaining a sense of hope. The feelings of powerlessness humans experience at the hands of today's ideologies are the result of their strong reinforcing capabilities, their "demonic spirals."¹¹¹ Goudzwaard points out that spirals can be reversed, and they can spiral upwards as well as down. He also draws on the theology of Dietrich Bonhoeffer, who he says argued that "the courage to take first steps in doing justice and loving others always brings with it the promise of a way that widens, a way that leads, step by step, out of the present entanglement."¹¹²

Conclusion

In this chapter, I have done several things to set up the remaining work of this thesis. First, I have provided an overview of Goudzwaard's historical argument for the development of society's faith in progress. Throughout the historical analysis, I have shown how Goudzwaard links increasing faith in progress to a decreasing sense of agency and feelings of powerlessness. I have discussed the relationship between Goudzwaard's use of normativity to critique the capitalist system and the hope that this may give to us. In this chapter I began my exploration of the growing sense of powerlessness in Western society. I introduced some of Goudzwaard's key contributions to a theory of progress and powerlessness. Goudzwaard's diagnosis confirmed my initial suspicion that regaining a sense of human agency is a first

¹¹⁰ Goudzwaard, *Idols of Our Time*, 100.

¹¹¹ I have defined Goudzwaard's use of "idols" in the introduction to this chapter. Ideologies are a related concept for Goudzwaard, they are the "conduit, track or channel along which idolatry comes to life and moves." (*Idols of Our Time*, 23). Goudzwaard, Vander Vennen, Van Heemst identify three contemporary ideologies in *Hope in Troubled Times*. These ideologies are: the ideology of identity (61), the ideology of material progress and prosperity (85), the ideology of guaranteed security (99). They note that these ideologies are not siloes, but that they also may interact and reinforce one another (133-134). These themes have also been further developed by David Koyzis in his book *Political Visions and Illusions*, 2nd ed. (Downer's Grove, Illinois: IVP Academic, 2019).

¹¹² Goudzwaard, Vander Vennen, and Van Heemst, *Hope in Troubled Times*, 183.

step towards recognizing our role in sustaining the status quo of capitalist development and progress. If we as humans have historical agency, if we have choices in relation to capitalism and economic progress, then the future is neither fated, nor hopeless. Then our human decisions and choices have great import. In the next chapter, I will explore an alternative view of human development to that of Goudzwaard, one that has different implications for the kind of desirable societal structures based on its own conception of human agency.

CHAPTER 2 | HAYEK AND HUMAN AGENCY: INVESTIGATING THE ROLE OF HUMAN ACTION AND FREEDOM IN THE SPONTANEOUS ORDER

Introduction

It is hard to imagine now that when F.A. Hayek began his career, his ideas about the free market were those of the minority view.¹¹³ In the wake of the Great Depression and the Second World War, it was commonly thought among the British intelligentsia that the liberalism of the 19th century had its day, and that governments needed to step in and get involved in the market to prevent and mediate future disasters.¹¹⁴ To put it simply, Hayek disagreed. He thought instead that government intervention would steadily encroach on people's liberty, leading more and more in the direction of a totalitarian state. But Hayek did not simply seek a return to 19th century liberalism. He theorized a dynamic and evolutionary socioeconomic system, and he sought to guard the "freedom"¹¹⁵ won in the 19th century from encroachment by government and to continue to develop a system whereby this freedom to act in the marketplace could be protected and improved.

Hayek's career began in the context of post World War I Austria. His initial focus was on capital theory; his early work centred on interest rates and their relation to the business cycle.¹¹⁶ Before the second World War, he accepted a position at the London School of Economics (LSE) and it was in this context he "helped establish the LSE as a center for economists who dissented from the views associated with Keynes and Cambridge."¹¹⁷ His early writings at the LSE however, remained "highly abstruse and challenging for even

¹¹³ See Angus Burgin, *The Great Persuasion: Reinventing Free Markets since the Depression* (Cambridge, MA; London, UK: Harvard University Press, 2012), 12-13.

¹¹⁴ See Bruce Caldwell, "Introduction," in *The Road to Serfdom: Texts and Documents, The Definitive Edition*, by F.A. Hayek, ed. Bruce Caldwell, vol. 2, The Collected Works of F.A. Hayek (London and New York: Routledge, 2014), 6. See also Burgin, *The Great Persuasion*, 8, 44.

¹¹⁵ I use the word "freedom" in quotes here because I hope to challenge Hayek's interpretation of freedom in Part II of this paper.

¹¹⁶ See Burgin, *The Great Persuasion*, 22-23.

¹¹⁷ Burgin, *The Great Persuasion*, 25.

graduate students to understand”¹¹⁸ and his initial public and academic popularity began to diminish amidst the rise of Keynesianism.¹¹⁹ After this period, however, Hayek published the very important article “The Use of Knowledge in Society,” in 1945¹²⁰ which inaugurated a shift in his scholarship towards investigating and expounding a broader vision of “a social philosophy that would ground his arguments within a broader theory of knowledge.”¹²¹ According to Angus Burgin, Hayek became “convinced that his ideas would become persuasive to others only if they were connected to a worldview that they found compelling.”¹²² As a result, “[a]lthough he maintained the skepticism about direct political engagement that he had expressed early in his career, he no longer could claim to be disinterested regarding normative concerns,” and he “openly oriented his work toward a long-term goal of generating ideological change.”¹²³ Ultimately, as I will touch on later in this chapter as well, Hayek was quite successful at generating this kind of ideological and worldview change. As Burgin notes, Hayek gathered a like-minded group of intellectuals together, and through the organizations they founded, “[t]heir activities helped frame the public life of ideas in the final decades of the twentieth century, as growing segments of the population came to believe that markets provided a constitutive freedom and that attempts to intervene in their dictates and adjudications were almost invariably misguided.”¹²⁴ Since Hayek was such an influential figure in this movement, and was openly concerned with normatively grounding his economic theory so as to influence public worldview and ideology, it therefore will be fruitful to bring him into dialogue with Goudzwaard, who does something similar methodologically speaking, and yet comes up with very different

¹¹⁸ Burgin, *The Great Persuasion*, 26.

¹¹⁹ Burgin, *The Great Persuasion*, 50.

¹²⁰ F. A. Hayek, “The Use of Knowledge in Society,” *The American Economic Review* 35, no. 4 (1945): 519–30.

¹²¹ Burgin, *The Great Persuasion*, 51.

¹²² Burgin, *The Great Persuasion*, 51.

¹²³ Burgin, *The Great Persuasion*, 51.

¹²⁴ Burgin, *The Great Persuasion*, 16.

conclusions. I will return to this theme in Chapter 3, where I explore the comparisons one can make between the two authors' normative groundings.

In the previous chapter, I explored Goudzwaard's historical explanation for the sense of powerlessness many experience today. To begin my exploration of Hayek's normative grounding of his economic theory, I will look to his historical account of the "spontaneous order" of society under capitalism as the most free order. In so doing, I will critically interrogate his understanding of the role of human agents in terms of his definition of freedom. I explore Hayek's view of freedom to examine how he thinks humans might influence this spontaneous ordering and what role they might play in changing society. It will become evident that Hayek's view(s) on human agency are nuanced and complex, and that they depend on the sphere of society in which the individual engages. Finally, I will challenge Hayek's notion of freedom and look at how his view of freedom in the marketplace blinds him to the coercion inherent in his own "Great Society;" coercion that, as I will show, manifestly impacts peoples' ability to make choices and take actions that meaningfully impact their circumstances.¹²⁵

PART I: SETTING THE STAGE

Before I can move on to an exploration of Hayek's conception of freedom, there are some central concepts or themes that arise and recur throughout his corpus to which I must pay close attention. These themes are: liberty, spontaneous order, the nature of human knowledge, and law and legislation. The goal of this section is to provide a baseline analysis

¹²⁵ Hayek uses the language of the "Great Society" or "Open Society" (language that comes from Adam Smith and Karl Popper, respectively) to denote his ideal socioeconomic order, one where the government protects individual rights and freedoms and does not involve itself in the market, where it can possibly be avoided (which is, in Hayek's view, in most cases). See especially F.A. Hayek, *Law, Legislation and Liberty: A New Statement of the Liberal Principles of Justice and Political Economy*, Routledge Classics (London and New York: Routledge, 2013), 2, 6, for an introduction to these concepts.

of these themes in order to lay the groundwork for understanding Hayek's broader theory of human agency.

Liberty and Individual Freedom

To begin, it is important to understand Hayek's historical context. He wrote his first major public success, *The Road to Serfdom*, in the context of the Second World War as a warning to the British people about the dangers of economic planning. As Hayek saw it, the more planned an economy was, and the more that the people accepted central government planning as a valid economic policy, the closer this brought them to a totalitarian state in which *all* their individual freedoms, political and economic, would be taken away.¹²⁶ Liberty, specifically, *individual* liberty, is, according to Hayek, "our most precious inheritance."¹²⁷ Arguing against those who would use technological progress as an excuse to move towards collectivization, Hayek states: "if we want to preserve [our liberty], we must guard it more jealously than ever," even to the point that 'we' are "prepared to make sacrifices for it."¹²⁸ In other words, Hayek openly privileges liberty as that which all other things in society must serve. In fundamental opposition to individual liberty stands totalitarianism, and for Hayek it is not an exaggeration (as the quote above reveals) to suggest that totalitarianism must be resisted at all costs.

For Hayek, the institution of private property provides a key support to individual liberty. Hayek traces his view of property back to the ancient Greeks, who, he argues, were "the first to see that [private property] is ... inseparable from individual freedom."¹²⁹ Further, he asserts that private property guarantees the freedom of *everyone*, regardless of whether or not one owns (or, is even able to own) it. As Hayek argues: "it is only because the control of

¹²⁶ See F.A. Hayek, *The Road to Serfdom: Texts and Documents, The Definitive Edition*, ed. Bruce Caldwell, vol. 2, The Collected Works of F.A. Hayek (London and New York: Routledge, 2014), 67.

¹²⁷ Hayek, *The Road to Serfdom*, 97.

¹²⁸ Hayek, *The Road to Serfdom*, 97.

¹²⁹ F.A. Hayek, *The Fatal Conceit: The Errors of Socialism*, ed. W. W. Bartley III, vol. 1, The Collected Works of F.A. Hayek (London and New York: Routledge, 1992), 30.

the means of production is divided among many people acting independently that nobody has complete power over us, that we as individuals can decide what to do with ourselves.”¹³⁰ In other words, the diffusion of economic power amongst many actors engaging in the marketplace is what guarantees the continuance of economic freedom. Later, I will uncover more about the ways in which Hayek fails to recognize certain ways in which the marketplace (arguably inherently) privileges a certain kind of economic agency, one that is available only to those with the necessary resources to access it. Before doing so, however, I will take a closer look at Hayek’s theory of spontaneous order and how that order supports individual liberty.

Spontaneous Order: What is it?

In order to understand the kind of agency Hayek believes people have, it is essential to understand how he explains the development of society. At the beginning of *Law, Legislation and Liberty*, Hayek distinguishes between two kinds of order using the Greek *kosmos* and *taxis*. *Kosmos*, according to Hayek, refers to the “grown order” of society, while *taxis* refers to the “made order.”¹³¹ *Kosmos* best describes the spontaneous order of society, a kind of order that emerges naturally through the processes of time; one that “orders” but does not aim at any end in particular.¹³² This kind of spontaneous order is what brought about and what characterizes Western society¹³³ at the time of Hayek’s writing (to greater or lesser extent, depending on the amount of government intervention in the market). Hayek takes an evolutionary view of societal development, tracing the development of human societies from early tribalism (where explicit ordering commands, or *taxis*, dominated) to the complex modern spontaneous order of society. Society, for Hayek, is a general term that he uses quite widely, but in general, he says that societies are constituted by “the spontaneously grown

¹³⁰ Hayek, *The Road to Serfdom*, 137.

¹³¹ Hayek, *Law, Legislation and Liberty*, 36.

¹³² Hayek, *Law, Legislation and Liberty*, 36-37

¹³³ My use of the term “Western society” here coincides with the description I have given of it in chapter 1.

networks of relationships between the individuals and the various organizations they create.”¹³⁴ The spontaneous order of society “however slowly, however marked by setbacks,” has come to be characterized by the process in which “orderly cooperation was extended, and common concrete ends were replaced by general end-independent abstract rules of conduct.”¹³⁵ Finally, when Hayek refers to the specific form of the spontaneous order of the market, he uses the term *catallaxy* which he defines as “the order brought about by the mutual adjustment of many individual economies in a market.”¹³⁶

Based on his theory of *kosmos*, or spontaneous ordering, Hayek asserts that “by tracing the combined effects of individual actions, we discover that many of the institutions on which human achievements rest have arisen and are functioning without a designing and directing mind ... and that the spontaneous collaboration of free men often creates things which are greater than their individual minds can ever fully comprehend.”¹³⁷ Important here for the discussion of agency is the phrase “without a designing and directing mind,” as it gives us a clue into Hayek’s theorizing about societal progress. Spontaneous order is characterized by the fact that there is no consciousness directing its development. As Birsen Filip concisely puts it, “Hayek held the view that ‘human progress’ and historical developments were not outcomes of deliberate calculations; rather, he thought they were the result of spontaneous change, the complex and subjective activities of individuals, and unknown accidental events.”¹³⁸ In light of this understanding of progress, it is necessary to probe further into how Hayek thinks individual actions contribute to the development of this order (or not), a question I will return to later in my analysis. To conclude this section, however, I should note the way in which, in *The Road to Serfdom*, Hayek characterizes the

¹³⁴ Hayek, *Law, Legislation and Liberty*, 473. Hayek uses the term society to refer to such different arrangements of social organization such as the “Tribal Society,” “free society,” or the “Great Society” (see *Law, Legislation and Liberty*, 291, 169, 252 respectively).

¹³⁵ Hayek, *The Fatal Conceit*, 31.

¹³⁶ Hayek, *Law, Legislation and Liberty*, 269.

¹³⁷ F.A. Hayek, *Individualism and Economic Order* (Chicago: The University of Chicago Press, 1958), 6-7.

¹³⁸ Birsen Filip, “Polanyi and Hayek on Freedom, the State, and Economics,” *International Journal of Political Economy* 41, no. 4 (December 1, 2012): 81, <https://doi.org/10.2753/IJP0891-1916410405>.

choice he thinks we humans have between the two orders (*kosmos* and *taxis* or spontaneous order and collectivism) in stark terms. “There is no other possibility,” he declares, “than either the order governed by the impersonal discipline of the market or that directed by the will of a few individuals.”¹³⁹ To understand why Hayek thinks in these terms, I will next turn to his work on the use of knowledge in society.

Human Knowledge (and its Limits)

Hayek believes that the market catallaxy (as brought about in the spontaneous order) is not only the most free system, but also the most efficient one. This is because he does not subscribe to what he calls the constructivist rationalist approach to societal development.¹⁴⁰ For Hayek, “the errors of constructivist rationalism are closely connected with Cartesian dualism, that is with the conception of an independently existing mind substance which stands outside the cosmos of nature and which enabled man, endowed with such a mind from the beginning, to design the institutions of society and culture among which he lives.”¹⁴¹ Hayek argues against those who would put their faith exclusively in the rational scientific knowledge of economic planning, noting 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;” this is “the knowledge of the particular circumstances of time and place.”¹⁴² The character of this knowledge (individual and particular) means that no one person (or even group of specialized experts) can have enough knowledge necessary to make the most efficient economic decisions.¹⁴³ According to Hayek, this leaves the rational economic order with a significant problem: “the knowledge of the circumstances of which we must make use never exists in concentrated or integrated form, but solely as the dispersed bits

¹³⁹ Hayek, *The Road to Serfdom*, 208.

¹⁴⁰ See Hayek, *Law, Legislation and Liberty*, 17.

¹⁴¹ Hayek, *Law, Legislation and Liberty*, 17-18.

¹⁴² Hayek, “The Use of Knowledge in Society,” 521.

¹⁴³ See Hayek, “The Use of Knowledge in Society,” 521.

of incomplete and frequently contradictory knowledge which all the separate individuals possess.”¹⁴⁴ The economic problem of society, according to Hayek, is that circumstances are constantly changing and they therefore require constant adaptation on the part of economic actors.¹⁴⁵

The price mechanism is what solves this economic problem.¹⁴⁶ Hayek thinks that, because of the character of individual knowledge, a system of spontaneous order is the most free system humans can have, since it signals to each individual the necessary knowledge they need to make their own economic decisions. “Fundamentally,” Hayek notes, “in a system where the knowledge of the relevant facts is dispersed among many people, prices can act to coordinate the separate actions of different people in the same way as subjective values help the individual to coordinate the parts of his plan.”¹⁴⁷ Not only does this reveal the way prices help individuals make decisions, it also shows us the way in which Hayek accounts for individual subjective values in economic decision-making. Significantly, Hayek takes a broad view of what might motivate individual economic decisions; he doesn’t subscribe to the overly simplistic view that individuals always make decisions based purely on self-interest, but he believes that individual decisions should be sovereign within their own sphere of autonomy.¹⁴⁸ Indeed, in *The Road to Serfdom*, Hayek explains that his type of individualism

does not assume, as is often asserted, that man is egoistic or selfish or ought to be. It merely starts from the indisputable fact that the limits of our powers of imagination make it impossible to include in our scale of values more than a sector of the needs of the whole society, and that, since, strictly speaking, scales of value can exist only in individual minds, nothing but partial scales of values exist—scales which are inevitably different and often inconsistent with each other. From this the individualist concludes that the individuals should be allowed, within defined limits, to follow their own values and preferences rather than somebody else’s; that *within these spheres the*

¹⁴⁴ Hayek, “The Use of Knowledge in Society,” 519.

¹⁴⁵ See Hayek, “The Use of Knowledge in Society,” 524.

¹⁴⁶ See Hayek, “The Use of Knowledge in Society,” 527.

¹⁴⁷ Hayek, “The Use of Knowledge in Society,” 526.

¹⁴⁸ The language of sphere sovereignty recalls similar language in Abraham Kuyper, however, Kuyper’s conceptualization of sphere sovereignty has more to do with societal spheres than individual ones (as is the case with Hayek). See Abraham Kuyper, *Lectures on Calvinism* (Grand Rapids: Eerdmans, 1961).

individual's system of ends should be supreme and not subject to any dictation by others. It is this recognition of the individual as the ultimate judge of his ends, the belief that as far as possible his own views ought to govern his actions, that forms the essence of the individualist position.¹⁴⁹

The quote above begins to get to the heart of Hayek's thinking about human agency. I draw two important conclusions here: 1) Individual freedom of choice is the goal towards which Hayek thinks society ought to be structured; and 2) Freedom of choice does not preclude people making unselfish decisions. In this way, the price mechanism is an instrument of freedom in the hands of the overall spontaneous order, giving people the information they need to make the choices they want. Since value-scales are individual, it is best to leave each person to order their own values and choose their preferences accordingly, as much as possible. To this point I must ask, does the spontaneous order of society really maximize human freedom? What *kind* of freedom does the spontaneous order really provide? Hayek clearly thinks that a choice is both possible and necessary between individualism and collectivism. He has an astute sense for the implications of coercion on society, and he is rightfully wary of the coercive potentials of totalitarianism. He thinks that people should not be forced to accept a situation where their individual freedom is taken away and economic planning rules their lives. At the same time, Hayek seems blind to the coercion inherent in the system of spontaneous order itself, and to the possibility that there might be a plethora of choices between (and possibly beyond) the systems of spontaneous order and totalitarianism.¹⁵⁰

¹⁴⁹ Hayek, *The Road to Serfdom*, 102 (emphasis mine).

¹⁵⁰ Economic historian John Komlos notes that Hayek was in fact wrong to assume that any kind of economic planning necessary leads to totalitarianism. Komlos's critique is borne out in particular by the historical example of Scandinavian style social democracy. See John Komlos, "Another Road to Serfdom," in *Hayek: A Collective Biography*, ed. Robert Leeson, vol. Part XIV: Liberalism in the Classical Tradition: Orwell, Popper, Humboldt and Polanyi, *Archival Insights into the Evolution of Economics* (Palgrave Macmillan, 2018), 330-331, https://doi.org/10.1007/978-3-319-94412-8_10. For more on societal organization beyond the individualism or collectivism duality, see Jonathan Chaplin, *Faith in Democracy: Framing a Politics of Deep Diversity* (London: SCM Press, 2021), especially chapters 1 and 2 and the discussion of public justice as necessitating both individual protections *and* collective protections for civil society and public space on pages 23-24.

Law and Legislation

Before exploring the above questions in more depth, I will turn to one last key Hayekian distinction: the difference between *law* and *legislation*. It would be impossible to discuss the role of government—and by extension, the role government plays in limiting or promoting agency—in Hayek’s thought without attending to the distinction he makes between these two concepts. Above, I pointed to the Hayekian distinction between *kosmos* and *taxis*, and the concepts of law and legislation correlate with these two types of orders. Law refers to the “general rules” upon which the spontaneous order rests, rules that can arise naturally throughout the development of society (for example, cultural traditions), and need not be articulated explicitly in order to be understood, although in some cases they may be (for example, rules of conduct in exchange relations) (*kosmos*).¹⁵¹ Legislation refers to the particular commands of a directing authority which characterize actions of an organization (*taxis*).¹⁵² Hayek believes that where government undertakes policies with direct impacts on peoples’ lives (that is, legislates or regulates), “[i]t must, of necessity, take sides, impose its valuations upon people and, instead of assisting them in the advancement of their own ends, choose the ends for them.”¹⁵³ Where this occurs,

the state ceases to be a piece of utilitarian machinery intended to help individuals in the fullest development of their individual personality and becomes a ‘moral’ institution—where ‘moral’ is not used in contrast to immoral but describes an institution which imposes on its members its views on all moral questions, whether these views be moral or highly immoral. In this sense the Nazi or any other collectivist state is “moral,” while the liberal state is not.¹⁵⁴

Hayek assumes here that the ideal state *is* a neutral *mechanism*, one that should preclude moral considerations, and, as I will argue in the latter part of this chapter, he does not attend to the ways in which by choosing *any* kind of state, or no state at all, there are implicit moral

¹⁵¹ See Hayek, *Law, Legislation and Liberty*, 43-44, 48.

¹⁵² See Hayek, *Law, Legislation and Liberty*, 47-49.

¹⁵³ Hayek, *The Road to Serfdom*, 115.

¹⁵⁴ Hayek, *The Road to Serfdom*, 115.

choices to be made. In Hayek's understanding, the sole "task of government is to create a framework within which individuals and groups can successfully pursue their respective aims, and sometimes to use its coercive powers of raising revenue to provide services which for one reason or other the market cannot supply."¹⁵⁵ In his view, "coercion is justified only in order to provide such a framework within which all can use their abilities and knowledge for their own ends so long as they do not interfere with the equally protected individual domains of others."¹⁵⁶

PART II: HAYEK'S VIEW OF HUMAN AGENCY

Now that I have explored the themes of liberty, spontaneous order, human knowledge, and law and legislation, I can examine the implications of these broader categories of theory for Hayek's view of human agency. I will begin my discussion by arguing that for Hayek, the market is the key location in which humans properly exercise their ability to make choices, and that, along with certain avenues of the political system, it is through this institution that we humans maximize our agency.

The Market as the Key Location of Human Agency

As I have shown, Hayek makes the case that humans have a simple choice between two societal systems: individualism (as encapsulated by the market catallaxy or the spontaneous order of society more broadly) and collectivism (which refers to such diverse options as communism and fascism). For him there is an important distinction between economic freedom and political freedom, and importantly, he thinks that the former should always take precedence over the latter. This economic freedom is a distinct kind of freedom; it is not the socialist freedom from necessity, but the liberal freedom from coercion.¹⁵⁷

¹⁵⁵ Hayek, *Law, Legislation, and Liberty*, 473.

¹⁵⁶ Hayek, *Law, Legislation, and Liberty*, 473.

¹⁵⁷ Hayek, *The Road to Serfdom*, 77ff.

Planning, since it deprives us of our economic freedom, directly affects our ability to make choices in our own sovereign individual spheres.¹⁵⁸ As Hayek says, “[t]he economic freedom which is the prerequisite of any other freedom cannot be the freedom from economic care which the socialists promise us and which can be obtained only by relieving the individual at the same time of the necessity and of the power of choice; it must be the freedom of our economic activity which, with the right of choice, inevitably also carries the risk and the responsibility of that right.”¹⁵⁹ Hayek is speaking here about freedom exercised in the market: the freedom of buyers and sellers and the freedom of each individual (that is, each individual with money¹⁶⁰) to make economic decisions based on the information available to them through the price mechanism, and based on their own unique knowledge of their particular time and place. It is this kind of economic freedom exercised in the marketplace, according to Hayek, that results in the development of the political freedom that people living in democracies experience.

Political vs. Economic Agency: Hayek’s De-prioritizing of Democracy

For Hayek, the link between political and economic freedom seems to be primarily a one way channel; economic freedom leads to political freedom but not vice versa. This argument is clearly on display in his diagnosis of the years leading up to WWII. Hayek believes that prior to the war “[w]e ha[d] progressively abandoned that freedom in economic affairs without which personal and political freedom has never existed in the past.”¹⁶¹ Hayek fully subscribes to the idea that the growth of commerce gave humans the ability to

¹⁵⁸ Hayek, *The Road to Serfdom*, 133, 102.

¹⁵⁹ Hayek, *The Road to Serfdom*, 133.

¹⁶⁰ An important caveat that I will explore in the section “Which Freedom Wins?” below. The choice of the term “money” as opposed to capital is deliberate here, since those with access to credit can register their demands in markets without actually owning capital, unlike those who own no capital and have no access to credit—their demand does not register in markets and therefore they cannot participate in those markets even if they have access to the knowledge available to them through the price mechanism. As Goudzwaard and de Lange note in *Beyond Poverty and Affluence*, “when we simply apply the market mechanism, invariably the unused productive forces orient themselves to those with the highest incomes.” (74).

¹⁶¹ Hayek, *The Road to Serfdom*, 67.

experience increasing agency in determining the course of their own individual lives. In *The Road to Serfdom* Hayek declares that it was “[t]he gradual transformation of a rigidly organized hierarchic system into one where men could at least attempt to shape their own life, where man gained the opportunity of knowing and choosing between different forms of life, [that] is closely associated with the growth of commerce.”¹⁶² Hayek links increasing freedom in economic affairs to increasing choice, not just in the economic sphere, but in an individual’s whole life. At the same time, Hayek wants to restrict certain kinds of political choice (in particular, majority rule in a democracy¹⁶³) since in a democracy where the majority rules on every subject, there is no guarantee that the people will not choose a form of economic planning, which, according to Hayek, would end up restricting individual economic freedom.

In a similar vein, Hayek predicts that “[w]hat in the future will probably appear the most significant and far-reaching effect of [the] success [of 19th century liberalism] is the new sense of power over their own fate, the belief in the unbounded possibilities of improving their own lot, which the success already achieved created among men.”¹⁶⁴ Hayek is speaking here about what he sees as the long term impacts of 19th century liberalism; and here he draws on the important concept of fate. In the context of my discussion of human agency, fate is a key concept, and as Hayek’s concept of individual sovereign spheres suggests, he pushes back against (and believes that the spontaneous order also pushes back against) feelings of “fatedness” in modern economic life. The market, as a neutral mechanism where individuals interact on a level playing field according to the laws maintained by the government, maximizes freedom because it leaves individuals free to make their own choices in their own sovereign spheres according to their localized knowledge.

¹⁶² Hayek, *The Road to Serfdom*, 69.

¹⁶³ As Burgin notes: “For [Hayek], a central task of the [Mont Pelerin] society would be to identify the distinction between problems that should and should not be subjected to the majority view.” *The Great Persuasion*, 119.

¹⁶⁴ Hayek, *The Road to Serfdom*, 70-71.

Hayek on Collectivism vs. Individualism: Astute Observer vs. Dogmatic Polemicist?

I have touched before on various ways in which Hayek is an accurate critic of some of the flaws of collectivism but fails to see similar flaws present in the individualist system he proposes. In this section, I will dive deeper into some of these apparent paradoxes with a view to uncovering the implications for his thinking about agency.

It is intriguing that Hayek spends a lot of time in *The Road to Serfdom* arguing against the inevitability of planning. It was a common idea at the time (and it still is in some Marxist circles, among others) that collectivism was the inevitable next stage of societal development, a stage that would supersede the capitalism/liberalism of the past and bring greater prosperity to human societies. Hayek warns that “[t]he myth is deliberately cultivated that we are embarking on the new course [of economic planning] not out of free will but because competition is spontaneously eliminated by technological changes which we neither can reverse nor should wish to prevent.”¹⁶⁵ Important here is the way in which Hayek describes the “myth” as “deliberately cultivated” by those people who want to see more economic planning. Hayek believes in the power of ideas to shape society, and this is why he founded the Mont Pèlerin society.¹⁶⁶ He thinks that our theories really do matter, and it is very clear to Hayek that development comes about as a result of human thought. To counter the inevitability thesis outlined above, he argued that “[t]he tendency toward monopoly and planning is not the result of any ‘objective facts’ beyond our control but the product of opinions fostered and propagated for half a century until they have come to dominate all our policy.”¹⁶⁷

In his introduction to *The Road to Serfdom*, Hayek provides an interesting comment that helps to illuminate his faith in theory. He declares: “though the road be long, it is one on which it becomes more difficult to turn back as one advances. If in the long run we are the

¹⁶⁵ Hayek, *The Road to Serfdom*, 91.

¹⁶⁶ See Burgin, *The Great Persuasion*, 121.

¹⁶⁷ Hayek, *The Road to Serfdom*, 91.

makers of our own fate, in the short run we are the captives of the ideas we have created. Only if we recognize the danger in time can we hope to avert it.”¹⁶⁸ Ideas, for Hayek, shape our current reality and also our future, and they have a delayed impact. Our ability to be “makers of our own fate” is in fact dependent on enough people in society “seeing the light” so to speak and admitting that they were wrong to support economic planning.¹⁶⁹ The importance of theory to Hayek points to a second location where he thinks agency can and should be exercised (to an extent): the political system. He links this particular type of political agency to human desires, stating that “[i]t is because nearly everybody wants it that we are moving in this direction. There are no objective facts that make it inevitable.”¹⁷⁰ Hayek believed that people could act to protect their freedom by expressing political support for those who did not believe in planning. In founding the Mont Pèlerin society, Hayek sought to bring together (relatively) like minded individuals who agreed on the importance of the market to create an atmosphere in which the ideas that would shape the future could be developed. As Angus Burgin notes in his book, *The Great Persuasion*, the “discussions and actions” of the Mont Pèlerin society “revealed a remarkable faith in the political importance of abstract ideas.”¹⁷¹ According to Burgin, this faith was ultimately proved right, as “[t]he successes of the conservative movement in the final decades of the twentieth century can be attributed, in part, to the conviction with which its leading figures developed and propagated the ideas that contemporary intellectuals presumed them not to have.”¹⁷²

Which Freedom Wins?

To bring my discussion back to that of freedom, I can now observe that Hayek thinks human persons are meaningfully free only under a certain definition of freedom: economic

¹⁶⁸ Hayek, *The Road to Serfdom*, 58.

¹⁶⁹ See Hayek, *The Road to Serfdom*, 48.

¹⁷⁰ Hayek, *The Road to Serfdom*, 59.

¹⁷¹ Burgin, *The Great Persuasion*, 122.

¹⁷² Burgin, *The Great Persuasion*, 122.

freedom from coercion by government. But as economic historian John Komlos points out: “Hayek insists on conceptualizing freedom in a formal legalistic sense and is incapable of conceiving it in a wider framework,” failing to recognize that “the intangible limitations markets impose upon individuals are as binding as any formal limitation if one has little to offer the market.”¹⁷³ Komlos draws on the work of Amartya Sen and others to counter Hayek’s claim that even for those without money, the market catallaxy is the best option, noting that poverty under capitalism presents the individual with the same lack of choice as under the “modern-day serfdom” Hayek associates with collectivism. In response to Hayek’s claims about the superior freedom of the market order, Komlos states: “[a]dmittedly, no one has complete power over us [under capitalism], but the system has sufficient power to force a very large segment of the population to live demeaning lives without dignity at the mercy of those who do wield power, with anxiety subjected to the vagaries of the market and ultimately live unfulfilled lives.”¹⁷⁴ In other words, the “freedom” Hayek wants to guard for human agents in the marketplace is only really “freedom” for those with economic power. Komlos attributes this to Hayek’s idealization of the market, and his inability to recognize “the kind of problems and imperfections the real economy is full of.”¹⁷⁵ In other words, Hayek might be talking in idealized terms, but his concept of spontaneous order presupposes a real historical situation. Institutions are anything *but* neutral. Instead, they are wrought through with power dynamics that shape which laws get made, what kind of “freedom” counts, and who this freedom is applied to.

By now, it has become clear that Hayek’s idealization of the market amounts to something like faith. As Komlos argues: “Hayek’s belief in the infallibility of the market is tantamount to assuming that it had divine origin.”¹⁷⁶ Hayek himself acknowledges this in part,

¹⁷³ Komlos, “Another Road to Serfdom,” 334.

¹⁷⁴ Komlos, “Another Road to Serfdom,” 338.

¹⁷⁵ Komlos, “Another Road to Serfdom,” 338.

¹⁷⁶ Komlos, “Another Road to Serfdom,” 338.

asserting that “[f]reedom means that in some measure we entrust our fate to forces which we do not control.”¹⁷⁷ These “forces” are the rules (law) of the spontaneous order, an order that cannot be rationally constructed or controlled. It is ironic because as I mentioned earlier, Hayek claimed that 19th century liberalism would be remembered for its success in countering feelings of fatedness—and yet here Hayek wants us to accept the spontaneous order as our fate! Given that humans must put their fate in the hands of the spontaneous order, a person would be right to ask in this situation how much agency they really have. At the crux of the matter is a complicated (and perhaps contradictory) view of agency; Hayek thinks humans *can* and *should* be as free as possible to act within their individual spheres to influence what they can *under the laws of the spontaneous order*. When it comes to choosing whether or not to accept the spontaneous order, while Hayek thinks people *can* choose to some degree (as evidenced by his arguments against collectivism) a key implication of his view is that they also ultimately have no *real* alternative and should subject themselves (or resign themselves) to the fate of the spontaneous order if they want to be free (and therefore, live good lives). As I will show in the next chapter, Hayek’s view of agency is subject to the contradictions of Goudzwaard’s freedom/domination paradox.

Conclusion

On first glance, one might think that Hayek conceives of humans in the “Great Society” as meaningfully free to pursue their own ends, or in other words, as having a great deal of agency in their personal lives. But as I have asserted above, he is blind to the ways in which the systems implicit in this “Great Society” are indeed incredibly coercive, restricting people’s (political) freedom in the name of a certain kind of idealized economic freedom, one that moreover does not take into account the type of economic (un)freedom¹⁷⁸ most of the

¹⁷⁷ Hayek, *Law, Legislation and Liberty*, 196.

¹⁷⁸ “Unfreedom” is Amartya Sen’s term; it refers to situations of “economic poverty,” “lack of public facilities and social care,” and/or “denial of political and civil liberties.” Amartya Sen, *Development as Freedom* (New York: Alfred A. Knopf, 1999), 4. Importantly, Sen’s conception of unfreedom, while including political and civil

world “enjoys” today. While Hayek operates on the simple assumption that less government intervention equals more freedom, he fails to see the many ways in which freedom can be imposed upon by forces other than just government coercion. And ultimately, he believes we humans must surrender our agency and accept that the market, while perhaps unfair to some, nevertheless brings about the greatest possible human wellbeing in society. The contradictions I have highlighted here that Hayek fails to recognize are significant not just for academic debate, but also because Hayek’s thought still influences economic life in contemporary Western societies. In the next chapter, I will bring Hayek’s conception of freedom into conversation with Goudzwaard’s observations about powerlessness, in order to further explore the themes I have introduced in these first two chapters.

liberties, takes a more expansive understanding of the “freedoms” people need to experience a good life, as evidenced by the other criteria of “unfreedom” listed above.

CHAPTER 3 | GOUDZWAARD AND HAYEK IN CONVERSATION ON AGENCY, FREEDOM, AND CHANGE IN SOCIETY

Introduction

In the two preceding chapters I have explored the positions of both Goudzwaard and Hayek on the themes of powerlessness and freedom respectively. The purpose of this chapter is to highlight those areas where I believe it is worthwhile to bring Goudzwaard and Hayek into dialogue with one another for the purpose of clarifying some important contributions each has to make to an understanding of human agency. By extension, I will investigate what each author sees as the human role in societal development. I begin with the broad category of cultural development, outlining briefly the views of each. Using Goudzwaard's analysis of the modern worldview, I then move on to a critique of Hayek's notion of freedom as it relates to the ability of agents to act. Finally, I conclude with a return to the role of normativity in human agency, discussing the contributions of both authors to this topic.

PART I: SPONTANEOUS ORDER VS. CULTURAL CHOICES: TWO OPPOSING THEORIES OF CULTURAL DEVELOPMENT

Introductory Note

A note first on the language I chose for this section's title, specifically, the language of "cultural development," as the word choice here already reflects an attempt to mediate between the two authors. Recall from Chapter 2 that Hayek theorizes the spontaneous order of society as arising through a process of slow evolution—he states: "we discover that many of the institutions on which human achievements rest have arisen and are functioning without a designing and directing mind."¹⁷⁹ In *Law, Legislation and Liberty*, Hayek begins his book

¹⁷⁹ Hayek, *Individualism and Economic Order*, 6-7. For more on Hayek's views of progress and evolution, see David Koyzis, "Progress as an Object of Faith in the Thought of Friedrich A. von Hayek," *Christian Scholar's Review* 12, no. 2 (1983): 139-55.

by similarly arguing for a view of societal development as “growth” and “evolution” against the “anthropomorphic” and “naive views” of “rationalist philosophy.”¹⁸⁰ He argues that it is the “challenge which this philosophy [Cartesian rationalism] provided that led to the explicit formation of the evolutionary view.”¹⁸¹

Evolutionary theory is essential to Hayek’s conception of the spontaneous order. Human society and institutions, according to Hayek, are successful when they do not rely on the explicit design or direction of some person or group of people; instead, he argues that “[w]e live in a society in which we can successfully orientate ourselves, and in which our actions have a good chance of achieving their aims, not only because our fellows are governed by known aims or known connections between means and ends, but because they are also confined by rules whose purpose or origin we often do not know and of whose very existence we are often not aware.”¹⁸² In other words, human agents in society are not successful due to their “mastery of ... surroundings mainly through capacity for logical deduction” but as a result of the fact that, according to Hayek, their “thinking and acting are governed by rules which have by a process of selection been evolved in the society in which [they] [live], and which are thus the product of the experience of generations.”¹⁸³ In this sense, we might think in terms of cultural “growth”—an organic metaphor that aligns well with Hayek’s evolutionary sensibilities.

Goudzwaard, on the other hand, uses different language to describe societal development. His work emphasizes the impact of human choices and actions, and this is evident in *Capitalism and Progress* where he speaks of the barriers that had to be overcome before modern society could emerge. “Man chose this world solely as his own,” Goudzwaard states, “also with respect to its economic dimension, and in his conquest of this world he

¹⁸⁰ Hayek, *Law, Legislation and Liberty*, 10.

¹⁸¹ Hayek, *Law, Legislation and Liberty*, 10.

¹⁸² Hayek, *Law, Legislation and Liberty*, 12.

¹⁸³ Hayek, *Law, Legislation and Liberty*, 12.

would tolerate no other standards than those of his own making.”¹⁸⁴ In this sense we might use the language of “culture-making” which, as Goudzwaard elsewhere notes, relates to a thoroughly modern sensibility of “the power humans wield in the world.”¹⁸⁵ However, Goudzwaard is ambivalent towards this particular aspect of the classical modern worldview,¹⁸⁶ as he strives to maintain the importance of human choices and their impacts on history while also acknowledging the stranglehold societal forces can gain over human agents when we give up our power to these forces.¹⁸⁷ Ultimately, for Goudzwaard, the development of culture rests not in human hands, but in God’s. As Goudzwaard et. al. state in *Hope in Troubled Times*, “[w]hen ideologies die after or as a result of their power being usurped, that too is truly the work of the same Spirit. All this means that today’s abhorrent, spiraling ideologies have no ability to close off the future. The future is not theirs, but God’s.”¹⁸⁸ The Spirit (that is to say the Holy Spirit) “inscribes paths of grace and judgment throughout time” and so there are norms for good human life inscribed into the foundations of this world we live in.¹⁸⁹ In other words, “with the historical demise of every decaying ideology, the Spirit provides incontrovertible proof that, in the long run, there is no life outside of God’s norms for life.”¹⁹⁰ For Goudzwaard, creation is wrought-through with normativity in such a way that cultures will only flourish when they orient themselves to the life-giving ways of the Spirit; “[f]or a period of time, people can try to take everything into their own hands, but outside of the life-sustaining ways of God, sooner or later, they run headlong into death.”¹⁹¹

¹⁸⁴ Goudzwaard, *Capitalism and Progress*, 15.

¹⁸⁵ Bob Goudzwaard and Craig G. Bartholomew, *Beyond the Modern Age: An Archaeology of Contemporary Culture* (Downer’s Grove, Illinois: IVP Academic, 2017), 127.

¹⁸⁶ As he describes it in Goudzwaard and Bartholomew, *Beyond the Modern Age*, 127.

¹⁸⁷ For more on how Goudzwaard navigates the tension between the impacts of human choices and the strictures of societal structures, see Chapter 1 “The Freedom vs. Domination Paradox” and “Part III: Faith, Hope, and Norms.”

¹⁸⁸ Goudzwaard, Vander Vennen, and Van Heemst, *Hope in Troubled Times*, 174.

¹⁸⁹ Goudzwaard, Vander Vennen, and Van Heemst, *Hope in Troubled Times*, 173.

¹⁹⁰ Goudzwaard, Vander Vennen, and Van Heemst, *Hope in Troubled Times*, 174.

¹⁹¹ Goudzwaard, Vander Vennen, and Van Heemst, *Hope in Troubled Times*, 174.

To navigate the differences between Hayek's evolutionary view and Goudzwaard's normatively-oriented descriptions, I have chosen the language of cultural development to describe what both authors refer to when they discuss the human role in shaping (or not) the course of history. Of course, no language choice is ever neutral, however, my choice here represents an attempt to use the language of "development" as it has the ability to encompass both evolutionary growth (Hayek) and the faith choices of the human heart,¹⁹² whether they be conscious or unconscious (Goudzwaard). With that being said, I will now turn to an evaluation of both authors' theories of cultural development.

Hayek and "True Individualism"

As I have shown above, Hayek rejects a rationalist view of societal development. For Hayek, the rationalist view encompasses the "propensity to ascribe the origin of all institutions of culture to invention or design."¹⁹³ He argues that in the "rationalist' approach ... [m]orals, religion and law, language and writing, money and the market, were thought of as having been deliberately constructed by somebody, or at least owing whatever perfection they possessed to such design."¹⁹⁴ To an extent, he is also critical of what Goudzwaard rightly denounces as the autonomous forces of science and technology.¹⁹⁵ I have shown previously in Chapter 2 that Hayek argues against the prioritization of rational-scientific knowledge in society.¹⁹⁶ In fact, Hayek notes that "the constructivist rationalism which knows no bounds to the applications of conscious reason has historically again and again given birth to a revolt against reason."¹⁹⁷ This assertion is reminiscent of Dooyeweerd's argument that the "nature" and "freedom" of the nature/freedom ground motive "are in inner conflict with each other and

¹⁹² Here, I refer back to my definition of "the heart" in Chapter 1.

¹⁹³ Hayek, *Law, Legislation and Liberty*, 11.

¹⁹⁴ Hayek, *Law, Legislation and Liberty*, 11

¹⁹⁵ For a brief summary of Goudzwaard's critique of these forces, see *Capitalism and Progress*, 66. For my own analysis of Goudzwaard's critique of autonomous science and technology, see the section "Norms for Human Life" in Chapter 1.

¹⁹⁶ See Hayek, "The Use of Knowledge in Society," 521.

¹⁹⁷ Hayek, *Law, Legislation and Liberty*, 31.

... alternately drive the stance and worldview of humanism from one pole to another.”¹⁹⁸ In this debate, Hayek situates himself against “constructivist rationalists” declaring that

[t]he illusion that leads constructivist rationalists regularly to an enthronement of the will consists in the belief that reason can transcend the realm of the abstract and by itself is able to determine the desirability of particular actions. Yet it is always only in combination with particular, non-rational impulses that reason can determine what to do, and its function is essentially to act as a restraint on emotion, or to steer action impelled by other factors.¹⁹⁹

Indeed, his theory of specialized knowledge leads him to the conclusion that a spontaneous ordering by means of the market catallaxy is the best way of organizing society, since it allows individuals to make use of the kinds of particular knowledge that are only available to themselves.

Hayek speaks of “true” and “false” individualism. He situates his own thought in what he terms the “true” individualism of Adam Smith, Edmund Burke, and Alexis de Toqueville, against the “false” individualism of Rousseau.²⁰⁰ A key distinction for Hayek between this “true” and “false” individualism is the role reason plays in each. True individualism, according to Hayek, “in general rates rather low the place which reason plays in human affairs, which contends that man has achieved what he has in spite of the fact he is only partly guided by reason, and that his individual reason is very limited and imperfect.”²⁰¹ In contrast, he believes that “false” individualism “assumes that Reason, with a capital *R*, is always fully and equally available to all humans and that everything which man achieves is the direct result of, and therefore subject to, the control of individual reason.”²⁰² He argues that lower-case “r” reason “is a product of an acute consciousness of the limitations of the individual mind and which induces an attitude of humility toward the impersonal and anonymous social processes by which individuals help to create things greater than they

¹⁹⁸ Dooyeweerd, *Roots*, 152.

¹⁹⁹ Hayek, *Law, Legislation and Liberty*, 31.

²⁰⁰ Hayek, *Individualism and Economic Order*, 5.

²⁰¹ Hayek, *Individualism and Economic Order*, 8.

²⁰² Hayek, *Individualism and Economic Order*, 8.

know, while” capital “R” Reason “is the product of an exaggerated belief in the powers of individual reason and of a consequent contempt for anything which has not been consciously designed by it or is not fully intelligible to it.”²⁰³ In this short passage, Hayek reveals some of his key assumptions about how he thinks culture develops. Culture does not, according to Hayek, primarily develop through the triumph of human rational faculties over nature. Taking into account Hayek’s view on the place of human reason in cultural development will allow me to situate Hayek more clearly on the freedom side of what Goudzwaard identifies as the freedom/domination dialectic, as I have discussed in Chapter 1.

In Chapter 2, I have explored Hayek’s concept of the spontaneous order of human societies. Hayek puts his faith for the development of a better society in peoples’ cooperation with the “impersonal forces” of this order.” A “better” society, in Hayek’s view, means a more free one, where freedom is defined as freedom from coercion by government and freedom of choice in the marketplace and public life. As I concluded in Chapter 2, Hayek believes that human agents have some ability to meaningfully make a choice—for the spontaneous order or against it—but that the choice is limited to just two alternatives. “Man in a complex society can have no choice but between adjusting himself to what to him must seem the blind forces of the social process and obeying the orders of a superior,” asserts Hayek.²⁰⁴ For him the choice to adjust oneself to what is also termed the “anonymous and seemingly irrational forces of society” is the choice that gives humans the most freedom.²⁰⁵ Again, the freedom he conceptualizes here is freedom of choice, and freedom from coercion. “True” individualism’s “main principle,” states Hayek, “is that no man or group of men should have power to decide what another man’s status ought to be, and it regards this as a condition of freedom so essential that it must not be sacrificed to the gratification of our sense

²⁰³ Hayek, *Individualism and Economic Order*, 8.

²⁰⁴ Hayek, *Individualism and Economic Order*, 24.

²⁰⁵ Hayek, *Individualism and Economic Order*, 24.

of justice or of our envy.”²⁰⁶ He further argues that true individualism “teaches us ... that society is greater than the individual only in so far as it is free. In so far as it is controlled or directed, it is limited to the powers of the individual minds which control or direct it.”²⁰⁷ In other words, for Hayek, our ability to freely choose our own path depends on whether or not the spontaneous order (*kosmos*) or a made order (*taxis*) dominates.

PART II: HAYEK’S PARADOXICAL FREEDOM AS POWERLESSNESS IN DISGUISE

Hayek and Goudzwaard on Freedom in the Market Order

Hayek’s conclusions with regard to the human capacity for choice rest on his theory of knowledge in society. I can appreciate his critique of capital “R” Reason without following him all the way to the conclusion that human agents must submit to the “impersonal forces” of the spontaneous order. Instead, in agreement with Goudzwaard’s critique of modernity and progress, I believe that there are myriad ways in which submitting ourselves to these “impersonal forces” *reduces* the degree of freedom people experience in their lives.

Goudzwaard refers to the state we experience as a result of these reductions of freedom as embodying feelings of “powerlessness.” Hayek, while resisting the modernist impulse to create order through the imposition of rationality on nature/society, nevertheless fails to recognize the type of powerlessness Goudzwaard highlights when we submit our agency to the forces of progress (or any other idol).

In *Beyond Poverty and Affluence*, Goudzwaard and de Lange characterize the paradox of freedom as a series of mistaken calculations on the part of classical economics. Hayek’s work, as I have shown briefly above, is rooted in the classical economic and liberal traditions

²⁰⁶ Hayek, *Individualism and Economic Order*, 30.

²⁰⁷ Hayek, *Individualism and Economic Order*, 32.

of Smith, Burke, and de Toqueville, among others.²⁰⁸ Pinning down a title of “classical liberal” or “neo-liberal” or even “neo-classical” when it comes to Hayek’s thought is difficult. Hayek himself identified most often as simply a “liberal” or as a “defender of liberty.”²⁰⁹ And as Smith scholar and economist Leonidas Montes illustrates, an overview of Hayek’s work over his long career leads to the conclusion that “Hayek’s classical liberal principles are consistent.”²¹⁰ Given his thorough commitment to progress and modernity, I consider Hayek a representative of the classical liberal tradition particularly because his comments on the spontaneous order outlined above correspond to Goudzwaard and de Lange’s description of one of the most influential of these classical calculations. The calculation, according to Goudzwaard and de Lange, goes as follows: “[i]t suggests that we must follow the market wherever it leads, because the market will act as our guide to a better future for all. Naturally, for this to happen, we must permit the market to do its work with as little disruption and political interference as possible.”²¹¹ While this is undoubtedly a simplifying summary, it is nevertheless an accurate characterization of one of Hayek’s main arguments. Hayek puts his faith in the spontaneous order, and more specifically, in the market catallaxy to bring greater degrees of freedom to all. This being the case, some attention to Goudzwaard and de Lange’s critique of classical economics is warranted. Particularly important to their critique is the theme of neutrality. Goudzwaard and De Lange note that “since its inception in the nineteenth century, modern, neo-classical economic thought has attempted to protect itself from the reproach that it is making the ‘value-laden’ attempt to recommend a specific direction for

²⁰⁸ Hayek, *Individualism and Economic Order*, 5. For more on how Hayek was influenced by Adam Smith and the Scottish Enlightenment in particular, see Andrew Farrant, ed., *Hayek, Mill and the Liberal Tradition*, Routledge Studies in the History of Economics (London and New York: Routledge, 2010), <https://doi.org/10.4324/9780203834992>, especially Leonidas Montes’ chapter in the collection “Is Friedrich Hayek Rowing Adam Smith’s Boat?” 7-38.

²⁰⁹ See Hayek’s postscript, “Why I am Not a Conservative,” in F. A. Hayek, *The Constitution of Liberty*, ed. Ronald Hamowy, The Definitive Edition, vol. XVII, The Collected Works of F.A. Hayek (London and New York: Routledge, 2020), 517.

²¹⁰ Montes, “Is Friedrich Hayek Rowing Adam Smith’s Boat?” 28.

²¹¹ Goudzwaard and de Lange, “Beyond Poverty and Affluence,” 47.

society to take.”²¹² We see this same theme particularly in *Law, Legislation and Liberty* where Hayek argues that

Among the members of a Great Society who mostly do not know each other, there will exist no agreement on the relative importance of their respective ends. There would exist not harmony but open conflict of interests if agreement were necessary as to which particular interests should be given preference over others. What makes agreement and peace in such a society possible is that the individuals are not required to agree on ends but only on means which are capable of serving a great variety of purposes and which each hopes will assist him in the pursuit of his own purposes.²¹³

The agreement not on ends, but on means is Hayek’s way of maintaining (supposed) neutrality. To bring this to bear Hayek’s view of the state (which, recall, he believes should be “a piece of utilitarian machinery intended to help individuals in the fullest development of their individual personality”²¹⁴), I argue that Hayek is able to recognize and pinpoint where the dangers of state oppression are, without recognizing that there is a similar danger of market oppression. In other words, even the most minimal state, one that makes and upholds only negative laws, is *still not* a neutral state. To support a state that enables the “fullest development of ... individual personality” *is to make a moral choice*, it is to set individual freedom up as a supreme value, which is not a neutral thing to do. One might account for this blindness based on Hayek’s evolutionary understanding of order, an order for which no one is responsible (in the sense of there being no directing consciousness). What Hayek fails to realize, however, is that there are moral choices implicit in the maintenance of the spontaneous order. As Goudzwaard and De Lange point out, these kinds of debates about the extent of government involvement in society can be unhelpful and abstract²¹⁵ since “those who seek to set in motion the free play of social forces also seek to shape society.”²¹⁶ Since there *are* ways of organizing society differently (totalitarianism is the only one that Hayek

²¹² Goudzwaard and de Lange, “Beyond Poverty and Affluence,” 51.

²¹³ Hayek, *Law, Legislation and Liberty*, 171.

²¹⁴ Hayek, *The Road to Serfdom*, 115.

²¹⁵ Goudzwaard and de Lange, *Beyond Poverty and Affluence*, 118.

²¹⁶ Goudzwaard and de Lange, *Beyond Poverty and Affluence*, 119. I will further explore interactions between Goudzwaard and Hayek on the topic of “shaping society” in the next chapter.

recognizes, but there may be more), I conclude that to go along with the spontaneous order is a *moral* choice, and a choice that, at the very least, Hayek thinks humans have a meaningful ability to make.

The Hayekian Paradox of Freedom

A closer examination of Hayek's argument reveals that by submitting themselves to the "impersonal forces" of the spontaneous order of society (specifically, the market catallaxy) in the name of individual freedom, people paradoxically experience feelings of powerlessness on an individual and a societal level. This paradox reveals a contradiction that lies at the heart of Hayek's thought about human agency. In theorizing the spontaneous ordering of society in the name of individual freedom, he leaves little room for meaningful human action. Unlike Goudzwaard, Hayek fails to adequately conceptualize the ways in which human agents have a whole range of choices when it comes to cultural development. For Hayek, it is a binary choice between spontaneous order or serfdom; there is no room to consider the many ways in which human actions may shape the "spontaneous" order towards different normative ends. As Goudzwaard and de Lange argue in their critique of modern economics, Hayek's paradox is a result of his insistence on the spontaneous order's supposed neutrality towards human ends. Hayek argues that the spontaneous order simply allows people to most effectively use the knowledge they have access to combined with the knowledge they gain through the price mechanism towards any and all ends they may have as individuals. As for the development of society, he asserts that "the reason why one rule [in his particular sense of *law* in the spontaneous order] rather than another was adopted and passed on will be that the group that had adopted it did in fact prove the more *efficient*, not that its members foresaw the effects the adoption of the rule would have."²¹⁷ Here Hayek links what I will call the norm of efficiency to his evolutionary understanding of the development of the

²¹⁷ Hayek, *Law, Legislation and Liberty*, 172 (emphasis mine).

spontaneous order, and herein lies another tension between him and Goudzwaard. As Goudzwaard and de Lange illustrate, “[o]ddly enough ... modern economics reserves for itself exclusive authority to render judgments about the efficiency of the means employed to meet these needs! Why is efficiency desirable? Does not a value judgment lie here? More important, do not human needs and choices themselves contain an economic aspect that economics as a science ought to investigate?”²¹⁸ When Hayek argues that the best way of organizing society is by submitting to the impersonal forces of the spontaneous order, he abdicates responsibility for the outcomes brought about by these forces. As Goudzwaard and de Lange describe it, within such an impersonal and abstract order, “individuals, organizations, and entrepreneurs” “are not ‘living’ realities, but rather ‘mummified objects.’”²¹⁹ Further, they “become more or less automatons, who in a given, presupposed manner simply react to the facts as they present themselves. Economic processes pass through them, as water runs through an eaves trough.”²²⁰

Goudzwaard and de Lange argue that it is very “damaging” and “a loss for economics and society as a whole, “that modern economic thought rejects any possibility of assigning responsibility for economic damages and ailments to their economic agents!”²²¹ They continue: “[t]he theory of economic policy refuses to consider the economic benefit or harm that people do to others; rather, it understands economic benefit and harm solely as effects of the good or bad functioning of the market mechanism itself. As a result, economic policy in practice usually attacks only the symptoms, not the real cause of economic misdoing.”²²² This is exactly the sense in which Hayek’s spontaneous order obfuscates human agency. By failing to acknowledge the human exercise of agency and power employed in the creating and sustaining of the current (and really, any) economic system and relying instead on the

²¹⁸ Goudzwaard and de Lange, *Beyond Poverty and Affluence*, 54.

²¹⁹ Goudzwaard and de Lange, *Beyond Poverty and Affluence*, 56-57.

²²⁰ Goudzwaard and de Lange, *Beyond Poverty and Affluence*, 56-57.

²²¹ Goudzwaard and de Lange, *Beyond Poverty and Affluence*, 57.

²²² Goudzwaard and de Lange, *Beyond Poverty and Affluence*, 57.

abstractions of an evolutionary mechanism, Hayek cannot help but postulate a theory that robs humanity of its power, one that is not able to acknowledge the true agency and relevance of deeply held human convictions and beliefs in shaping the economic order.

The Role of Normativity in Cultural Development and Its Relation to Human Agency

According to Hayek, “the central problem” to keep in mind when assessing the “moral or legal order” is the reality that “[r]ules are a device for coping with our constitutional ignorance. There would be no need for rules among omniscient people who were in agreement on the relative importance of all the different ends.”²²³ In the world as it is, he argues, “individuals must mostly aim not at some ultimate ends but at procuring means which they think will help them to satisfy those ultimate ends.”²²⁴ The search for means results in the fact that “[t]he immediate purpose of a man’s efforts will most often be to procure means to be used for unknown future needs— in an advanced society most frequently that generalized means, money, which will serve for the procurement of most of his particular ends.”²²⁵ In an improvisation on Adam Smith’s “invisible hand,” Hayek concludes that “[i]t will be through this choice of immediate aims, for him merely a generalized means for achieving his ultimate ends, that the individual will use his particular knowledge of facts in the service of the needs of his fellows; and it is thus due to the freedom of choosing the ends of one’s activities that the utilization of the knowledge dispersed through society is achieved.”²²⁶

When Bob Goudzwaard and Craig Bartholomew discuss the “Classical Modern Worldview” they ask a key question which I would like to echo. “Social scientists,” they argue, “often suggest that the underlying worldview of modern society—a worldview that espouses freedom and equality for all—is so self-evident that everyone can accept it and so

²²³ Hayek, *Law, Legislation and Liberty*, 176.

²²⁴ Hayek, *Law, Legislation and Liberty*, 176.

²²⁵ Hayek, *Law, Legislation and Liberty*, 176.

²²⁶ Hayek, *Law, Legislation and Liberty*, 177.

value neutral that it transcends all religious divisions and distinctions. But is this worldview as self-evident and value-free as it seems? *And are freedom and equality its only presuppositions?*²²⁷ With this rhetorical question Goudzwaard and Bartholomew imply that, no, they are not. I argue that there is evidence of additional presuppositions in the Hayekian claims outlined above. Hayek also takes, at the very least, the norm of efficiency completely for granted. While he does not outright deny the presence of norms (considering his insistence that individuals should be free to pursue any ends they deem desirable), he does not recognize that layer of experience with regard to which human agents must critically interrogate the ultimate ends of their societies.. As Goudzwaard and Bartholomew point out, “[n]o human society can exist without at least some foundational values-based assumptions about the nature of humanity and the place of the environment. Every society possesses, to some extent, its own kind of ‘normativity,’ ideas about what is and is not permissible and what is and is not achievable.”²²⁸ As Goudzwaard argues in *Capitalism and Progress*, “[c]ontemporary man hardly thinks in terms of generally valid norms. He thinks almost exclusively in terms of personal and societal goals-in-the-future, and of rules necessary to achieve them.”²²⁹ It seems to me as if this sentence could have been written in direct response to Hayek’s characterization of freedom in a society governed by general laws (that arise through efficiency) where each individual is free to choose their own ends.

In his analysis of the nature/freedom ground motive Dooyeweerd argues that “the freedom motive was humanism’s deeper driving force. This motive embodied itself in the modern ideal of the personality, the cult of the human person understood as an end in itself. Freed from all faith in given authority, human personality attempted to establish the law for

²²⁷ Goudzwaard and Bartholomew, *Beyond the Modern Age*, 16.

²²⁸ Goudzwaard and Bartholomew, *Beyond the Modern Age*, 16.

²²⁹ Goudzwaard, *Capitalism and Progress*, 241.

itself in complete autonomy and according to its own rational standards.”²³⁰ While Hayek has some very clear reservations about the extent of human rationality (and thus to characterize him as wanting to subject society to “rational standards” would be misleading), he is nevertheless a strong proponent for the autonomy of human personality. Freedom, for Hayek, is of ultimate value; “its [true individualism’s] main principle is that no man or group of men should have the power to decide what another man’s status ought to be, and it regards this as a condition of freedom so essential that it must not be sacrificed to the gratification of our sense of justice or of our envy.”²³¹ To put it differently, even justice should give way to “freedom” (in Hayek’s sense of the word, as outlined above and in Chapter 2 in more detail). Freedom is such a supreme value that “a complex society” necessitates “the individual submitting to the anonymous and seemingly irrational forces of society—a submission which must include not only the acceptance of rules of behaviour as valid without examining what depends in the particular instance on their being observed but also a readiness to adjust himself to changes which may profoundly affect his fortunes and opportunities and the causes of which may be unintelligible to him.”²³² It should be clear from this discussion that Hayek does indeed fall on the freedom side of the nature/freedom dialectic, and his criticisms of rationalism notwithstanding, as falling into the glorification of individual autonomy, his thought is therefore subject to the problems associated with this line of thinking that I outlined in greater detail in Chapter 1. Namely, at the heart of Hayek’s freedom lies a contradiction—it is the reality that freedom subject to no other norms leads not to true freedom (as it would in the case of Goudzwaard’s simultaneous realization of norms) but to powerlessness.

²³⁰ Dooyeweerd, *Roots*, 171. It is worth noting that Dooyeweerd’s critique applies to forms of collectivism (e.g. Romantic nationalism on the freedom side, Marxism on the science side) as well as to the kind of individualism being discussed here.

²³¹ Hayek, *Individualism and Economic Order*, 30.

²³² Hayek, *Individualism and Economic Order*, 24.

Hayek's Freedom as Goudzwaard's Powerlessness

Hayek was an innovative and groundbreaking thinker in his time, and he was rightfully wary of the dangers of government oppression. His theory of the spontaneous order accurately identifies some key attributes of human knowledge in disagreement with positivist and rationalist assumptions. Hayek's theory of knowledge in society—especially as it allows for his critique of rationalism outlined above—is his most helpful contribution to my inquiry into human agency. His idolizing of individual freedom is the least so. In *Aid for the Overdeveloped West*, Goudzwaard states that “[w]e, as over-rational western people, will have to learn anew that our deepest motives are anything but rational, and that one faith or another leads and directs us, whether we like it or not.”²³³ Hayek, while recognizing that the character of human knowledge is more than just rational, does not inquire into human motives in the way Goudzwaard does. Dooyeweerd has remarked that “[b]ecause of its overestimation of the individual, liberalism became unrealistic, colorless, and alien to social reality.”²³⁴ Hayek, as I have shown, is guilty of making absolute the value of the human individual, and as Dooyeweerd's critique of the personality ideal suggests, this absolutization impacts Hayek's assessment of “reality.” Ultimately, Hayek's view of freedom is unrealistic, in the sense that it is not attuned to the fulness of human experience. Hayek places a high value on the liberal ideals of the 19th century, and in his later works especially, he attempted to bring liberal theory to bear on the problems of his own time. Freedom was Hayek's idol, to speak in Goudzwaardian terms; for him freedom was the end that justified all means, even such means as political repression.²³⁵ It is paradoxical that in his quest for personal economic

²³³ Bob Goudzwaard, *Aid for the Overdeveloped West* (Toronto: Wedge Pub. Foundation, 1975), 5.

²³⁴ Dooyeweerd, *Roots*, 173.

²³⁵ This is evidenced by his willingness to sacrifice democracy to preserve economic freedom. See F.A. Hayek, “The Dangers to Personal Liberty,” Letter to *The Times*, July 11, 1978, <https://coreyrobin.files.wordpress.com/2012/07/hayek-letter-to-the-times-july-11-1978.pdf>. In this letter to the editor, Hayek writes: “A limited democracy might indeed be the best protector of individual liberty and be better than any other form of limited government, but an unlimited democracy is probably worse than any other form of unlimited government, because its government loses the power even to do what it thinks right if any group on which its majority depends thinks otherwise. If Mrs. Thatcher said that free choice is to be exercised more in the market place than in the ballot box, she has merely uttered the truism that the first is indispensable for individual

freedom, Hayek was willing to sacrifice personal political freedom, but for Goudzwaard and Dooyeweerd this is logically the kind of contradictory outcome we should expect when a theorist orients their scholarship towards the service of an idol.

What we learn from Goudzwaard's analysis is that the economic freedom of choice Hayek advocates is only one very small part of true human freedom. The discipline of ecological economics, for example, draws our attention to some earthly limits, limits which we have so far disrespected in the name of Hayek's kind of "freedom." Hayek's "freedom" ultimately leads us to feel powerless because it at best, allows people to ignore, and at worst, encourages people to transgress, earthly limits for right living with the Creator, creation, and other creatures. Freedom without a recognition (implicit or explicit) of the Creator's norms for good life is not really freedom, as I will discuss in more detail in the next chapter. As humans we have been given great freedom—we can make choices that transgress these earthly limits. But a mysterious thing happens when we do this, somehow, the dynamic of our power begins to shift, and as Bob Goudzwaard points out, we become the servants of the forces we have unleashed. Then we feel as though we are powerless to change. We feel trapped in the status quo, trapped by corporations, or governments, or the stock market, or our reliance on these institutions for our very livelihoods. We feel as though our choices don't really matter, or we feel trapped in the choices we have made. Goudzwaard shows us that this need not be the case. Recovering a sense of agency can begin at these very low points, because here we can examine our deepest faith convictions. Ultimately, even a faith commitment to freedom or justice, or any other good and worthy cause cannot save us in itself. Only a commitment to the ways of the Creator can do such a thing.

An Alternative for Societal Development: Disclosure and Degrees of Freedom

freedom, while the second is not: free choice can at least exist under a dictatorship that can limit itself but not under the government of an unlimited democracy which cannot."

In *Capitalism and Progress*, Goudzwaard, importantly, provides not a blueprint for societal development, but a description for how capitalist societies may begin to take steps to earn “degrees of freedom” from the powerlessness he associates with the idolatry of progress. Gaining “degrees of freedom” for Goudzwaard means that there must be “greater flexibility on the part of economic development vis-a-vis the dictates of technology.”²³⁶ Goudzwaard means by this that “technology should contribute to social interaction, and ‘ethically’ speaking, it should increase rather than decrease man’s love for work.”²³⁷ The other side of gaining degrees of freedom requires the “[emancipation of] the development of technology from the tyranny of scientific determinism and a compulsive drive for monetary efficiency.”²³⁸ Monetary efficiency, driven by the necessity of competition in the capitalist order, argues Goudzwaard, “called forth a technological development which, reinforced by natural-scientific determinism, could only permit the violence of a single-track, mostly large-scale progress.”²³⁹ Gaining degrees of freedom from the interconnected demands of technology, science, and efficiency leads to a process of “disclosure,” which “implies the recovery of the meaning and value of human life outside of its subjection and service to progress” and “means life’s liberation from the closed horizon of a deadly servility to the narrow goals which we established for ourselves by accepting progress as the essence of Western culture.”²⁴⁰ Disclosure is the term Goudzwaard uses in *Capitalism and Progress* for a society in which the simultaneous realization of norms becomes possible. It is “first of all a process in which the *norms* for human life—like justice, trust, and truth—regain their original validity for our decision and acts”²⁴¹ and it “implies a genuine change in the order of society because progress may no longer function as the absolute criterion for society.”²⁴² In a society

²³⁶ Goudzwaard, *Capitalism and Progress*, 201.

²³⁷ Goudzwaard, *Capitalism and Progress*, 199.

²³⁸ Goudzwaard, *Capitalism and Progress*, 201.

²³⁹ Goudzwaard, *Capitalism and Progress*, 200.

²⁴⁰ Goudzwaard, *Capitalism and Progress*, 186.

²⁴¹ Goudzwaard, *Capitalism and Progress*, 186.

²⁴² Goudzwaard, *Capitalism and Progress*, 188.

undergoing a process of disclosure, institutions such as government, businesses, and unions “regain opportunities to develop themselves according to their distinct responsibilities.”²⁴³ Ultimately, the process of disclosure leads to a recovery of human agency; it “removes the unbridled pressure on the individual *person* to adjust his or her habits and behavior to external demands.”²⁴⁴ No longer are people objects of progress—“[d]isclosure implies that every day life is intended to have its own meaning; that today’s significance is not exhausted in what it may contribute to tomorrow’s needs and wants.”²⁴⁵

Conclusion

In this chapter, I have brought Goudzwaard and Hayek into dialogue with each other on the related themes of powerlessness and freedom. I have explored how each conceptualizes cultural development in an attempt to understand how they differ from one another regarding the human role in shaping society. Although Hayek rejects the rationalistic faith in reason, I have argued that he is still caught in Dooyeweerd’s (and Goudzwaard’s adapted version) of the nature/freedom ground motive, and situated him (perhaps rather ironically) in the camp of the romantic cult of human personality. Using Goudzwaard’s analysis of the freedom/domination dialectic, I have showed how Hayek is subject to the critiques of the personality ideal. Finally, I have concluded that Hayekian freedom is ultimately paradoxical, because it leads to the phenomenon of powerlessness which Goudzwaard describes. Ultimately, I conclude that Hayekian freedom is unrealistic because it does not take into account the integrality of human society and relationship in/with creation. In the next chapter, I will return to Goudzwaard’s view of cultural development, with a view to uncovering how normativity further relates to the exercise of human agency.

²⁴³ Goudzwaard, *Capitalism and Progress*, 186.

²⁴⁴ Goudzwaard, *Capitalism and Progress*, 186.

²⁴⁵ Goudzwaard, *Capitalism and Progress*, 186.

CHAPTER 4 | RECOVERING AGENCY IN THE FACE OF IDOLATRY

Introduction

In this, my final chapter, I will expand on Goudzwaard’s argument for a more expansive sense of agency—a sense that warrants rejecting both the ideology of progress, and one that is able to overcome the sense of powerlessness that might result from embracing Hayek’s view of freedom. To this effect, I will begin by returning to my previous argument from Chapter 2 that Hayek’s approach to freedom of choice is not robust enough to give people living in Western societies like that of Canada a real sense of human agency (as defined in Chapter 1). This lack is especially evident when it comes to the problems those of us living in capitalist societies face particularly in regards to the myriad ways our economic choices (enshrined in our economic institutions) lead to climate change. In response to this lack, I will explore Goudzwaard’s argument for creation order as a gift of God woven throughout the creation that stands against idolatry. I will look at the Goudzwaardian argument for the normative “ways” God has made present to humans in the creation order, drawing on Goudzwaard’s more recent works to explicate the implications of his views on agency particularly as they apply to the global climate crisis. Finally, I conclude with a phenomenological reflection on the relevance of regaining a sense of agency in my own life as a person living in Alberta, Canada who cares deeply about the political and economic possibilities for justly addressing the climate crisis and mitigating its effects.²⁴⁶

²⁴⁶ The approach I take in this section follows Max Van Manen’s argument that “[t]he object of human science research is essentially a linguistic project: to make some aspect of our lived world, of our lived experience, reflectively understandable and intelligible.” Max van Manen, “By the Light of Anecdote,” *Phenomenology + Pedagogy* 7 (1989): 237. Similarly, Gideon Strauss defines phenomenology as “the philosophical study of lived human experience,” a definition that I will adopt for the remainder of this thesis. Gideon Strauss, personal communication, November 27, 2021.

PART I: FREE INDEED? A CLOSER LOOK AT HAYEK'S "FREEDOM"

Hayek's Paradoxical Freedom

In Chapters 2 and 3, I dealt briefly with Hayek's assertion that we must adjust ourselves to the demands of the spontaneous order so that we can be maximally free. In this section I will investigate Hayek's claims further, and further show how the kind of "freedom" he advocates can lead to a sense of apathy or powerlessness, in the sense of Goudzwaard's conceptualization of powerlessness.

The central thrust of my argument goes as follows: Hayek argues that in order to be free, we must submit ourselves to the impersonal forces of the market. We must submit thus because the nature of knowledge and the limits of rationality (as I explain in Chapters 2 and 3, respectively) are such that we cannot hope to do better than achieve a situation in which each person is free to use their best judgment to meet their own ends as they see fit. In other words, submitting ourselves to the market forces of competition and free exchange is the best way to achieve (what Hayek calls) the Great Society; a society in which each person is free to make their own choices based on the knowledge that is made available to them in their individual circumstances and through the price mechanism. On the topic of the Great Society, Hayek writes:

The suggestion that in this wide sense the only ties which hold the whole of a Great Society together are purely 'economic' (more precisely 'catallactic') arouse great emotional resistance. Yet the fact can hardly be denied; nor the fact that, in a society of the dimensions and complexity of a modern country or of the world, it can hardly be otherwise. Most people are still reluctant to accept the fact that it should be the disdained 'cash-nexus' which holds the Great Society together, that the great ideal of the unity of mankind should in the last resort depend on the relations between the parts being governed by the striving for the better satisfaction of their material needs.²⁴⁷

²⁴⁷ Hayek, *Law, Legislation and Liberty*, 272.

In other words, Hayek himself admits (and admits proudly) to an economic reductionism of society. Further, the theme of submitting to the impersonal forces of the market (or the spontaneous order more broadly) is not something that Hayek mentions just once. Instead, it is so important to his work that it comes up in nearly all of his key texts. Describing the process of societal development in his earliest major work, *The Road to Serfdom*, Hayek states:

Though it is natural that, as the world around us becomes more complex, our resistance grows against the forces which, without our understanding them, constantly interfere with individual hopes and plans, it is just in these circumstances that it becomes less and less possible for anyone fully to understand these forces. A complex civilization like ours is necessarily based on the individual's adjusting himself to changes whose cause and nature he cannot understand...²⁴⁸

Indeed, Hayek argues, “[i]t was men’s submission to the impersonal forces of the market that in the past has made possible the growth of a civilization which without this could not have developed; it is by thus submitting that we are every day helping to build something that is greater than any one of us can fully comprehend.”²⁴⁹ He restates this thought in *Individualism and the Economic Order*, arguing for

the necessity in any complex society ... of the individual submitting to the anonymous and seemingly irrational forces of society—a submission which must include not only the acceptance of rules of behaviour as valid without examining what depends in the particular instance on their being observed but also a readiness to adjust himself to changes which may profoundly affect his fortunes and opportunities and the causes of which may be unintelligible to him.²⁵⁰

Later, in *Law, Legislation, and Liberty*, Hayek explicitly links human submission to external forces to his definition of freedom: “Freedom means that in some measure we entrust our fate to forces which we do not control; and this seems intolerable to those constructivists who believe that man can master his fate—as if civilization and reason itself were of his making.”²⁵¹ He takes the view that

²⁴⁸ Hayek, *The Road to Serfdom*, 211.

²⁴⁹ Hayek, *The Road to Serfdom*, 212.

²⁵⁰ Hayek, *Individualism and Economic Order*, 24.

²⁵¹ Hayek, *Law, Legislation and Liberty*, 96.

[a]ll the possible differences in men's moral attitudes amount to little, so far as their significance for social organization is concerned, compared with the fact that all man's mind can effectively comprehend are the facts of the narrow circle of which he is the centre; that, whether he is completely selfish or the most perfect altruist, the human needs for which he *can* effectively care are an almost negligible fraction of the needs of all members of society.²⁵²

In other words, humans have a very narrow sphere in which their choices (economic and otherwise) make a difference in the “social organization” of society, since humanity is limited in its capacities for both knowledge and action. This point of view with regard to the limitations inherent in human nature is the counterpart and perhaps the underlying support for Hayek's argument for the necessity of all humans, individually and collectively, submitting ourselves to the impersonal forces of the market.

From the arguments outlined above, it seems as if Hayek conceptualizes two possible ways of understanding human society. He thinks we humans can either masquerade as masters of our own fate, or we can recognize the limits of our rationality and entrust this fate to forces greater than ourselves. Here, Hayek's anti-rationalism²⁵³ leads him to conclude that the best shot humans have at accomplishing free societies lies in giving up the illusion of control. In fact, he concludes *Law, Legislation and Liberty* with the pronouncement that “[m]an is not and never will be the master of his fate: his very reason always progresses by leading him into the unknown and unforeseen where he learns new things.”²⁵⁴ The implication of these passages and the ones quoted at the start of this section is that the choice to adjust ourselves to blind forces is the very choice that gives us the most freedom. The irony of this view is that it is precisely in the service of freedom that freedom itself is lost. To support my assertion of this irony, I will now turn to Goudzwaard's concept of idolatry and illustrate how Hayek's approach to freedom can (and inevitably must) lead to a sense of powerlessness. “Idols” are a theological concept Goudzwaard uses to frame and analyze the

²⁵² Hayek, *Individualism and Economic Order*, 14.

²⁵³ As was explored in greater detail in Chapter 3 in the section entitled “Hayek and ‘True Individualism’.”

²⁵⁴ Hayek, *Law, Legislation and Liberty*, 507.

sense of powerlessness people encounter in socio-economic life. In *Idols of Our Time*, Goudzwaard describes the process by which “idols” are created:

We know from Scripture that both persons and societies can put their faith in things or forces which their own hands have made. In their pursuit of prosperity, salvation, health, protection and so forth, people sooner or later create gods. But gods never leave their makers alone. Because people put themselves in a position of dependence on their gods, invariably the moment comes when those things or forces gain the upper hand. The things or forces control their creators as idols, as gods who betray their makers.²⁵⁵

Idolatry, then, is the worship of these things that have been created by human hands. I will argue that Hayek has turned “freedom” into an idol to which we must sacrifice (for example, by giving up our freedom to the impersonal forces of the market). By relinquishing our responsibility to the “impersonal forces” of the market, I will argue (following Goudzwaard), we become trapped in an idolatry, which leads to a lost sense of agency and ultimately undermines our freedom itself.

The Powerlessness of Idolatry: How Goudzwaard Sheds Light on Hayek’s Freedom Paradox

As I have discussed previously, Goudzwaard’s criticism of the idolatry of progress includes a critique of rationalism. In Chapter 3, I argued that Goudzwaard’s criticisms can still be applied to Hayek, despite his similar rejection of rationalism. Taking the conclusion of my earlier argument as my starting point, I will now show how Goudzwaard’s conceptualization of powerlessness applies to Hayek’s concept of freedom.

In the section above, I outlined how Hayek grounds his argument for human submission to the spontaneous order in the assertion that by thus submitting ourselves to the forces of that order, humans will achieve the most freedom possible. Furthermore, he argues that such freedom will allow human society to achieve more than any one individual human

²⁵⁵ Goudzwaard, *Idols of Our Time*, 13.

person could imagine.²⁵⁶ The market, according to Hayek, is the key mechanism by which freedom (in this sense) is achieved, since the market is “an effective way of making man take part in a process more complex and extended than he could comprehend.”²⁵⁷ Given this claim of Hayek’s, it is fair to say that Hayek absolutizes the market mechanism (specifically), and the spontaneous order (more generally), as that which will deliver humanity from our historical limits and allow us to achieve the Great Society. Following Goudzwaard, I define “absolutizing” as the giving of ultimate priority (or making into an ultimate standard) of a goal or societal good, by an individual or group, such that it eclipses all other societal goals or goods. In *Capitalism and Progress*, Goudzwaard notes that “the forces of economic growth, technical innovation, and scientific aggrandizement have established themselves securely in our society as *ultimate standards*. They need not measure up to society, but society must measure up to them.”²⁵⁸ This absolutization is evident in *The Constitution of Liberty* where Hayek comments on the “fashionable disillusionment about progress” which was prominent around the time of this book’s writing (1960).²⁵⁹ While he agrees that “[u]p to a point, this reaction against the exuberant and naive belief in the inevitability of progress was necessary” he also argues that “[t]he preservation of the kind of civilization that we know depends on the operation of forces which, under favorable conditions, produce progress.”²⁶⁰ The particular type of progress Hayek is referring to here is based in evolution, and though he admits that “evolution does not always lead to better things” he nevertheless remains convinced that “without the forces which produce it, civilization and all that we

²⁵⁶ See, for example, Hayek, *Individualism and Economic Order*, 10-11, where he states: “true individualism believes on the contrary that, if left free, men will often achieve more than human reason could design or foresee.”

²⁵⁷ Hayek, *Individualism and Economic Order*, 14.

²⁵⁸ Goudzwaard, *Capitalism and Progress*, 191. Goudzwaard, Vander Vennen, and Van Heemst use this term particularly in the context of their analysis of ideology, stating that “ideology consists of an *absolutized* political or societal *end* (goal).” *Hope in Troubled Times*, 33 (emphasis original).

²⁵⁹ Hayek, *The Constitution of Liberty*, 91.

²⁶⁰ Hayek, *The Constitution of Liberty*, 92.

value—indeed, almost all that distinguishes man from beast—would neither exist nor could long be maintained.”²⁶¹

By contrast, Goudzwaard argues “that certain unavoidable dangers are inherent in every culture which isolates and absolutizes the potentials for economic and technical development.”²⁶² Hayek’s approach constitutes such an isolation and absolutization, because of the way in which he enshrines the importance of the impersonal forces of the spontaneous order. “Such a culture,” continues Goudzwaard, “seems at first to raise man to the position of sovereign master of his own fate—one who calls forth these economic and technical processes and determines their direction. But in the final analysis such a culture quickly relegates this ‘master’ to the position of utter dependence on the powers of development which he himself has enthroned. He ends by being an object, an extension of his own creations.”²⁶³ While Hayek rejects the rationalism that assumes humanity is sovereign over its own fate by virtue of our capacity for reasoning, he nevertheless buys into the dynamic that it is through submitting ourselves to the impersonal forces of the market catallaxy that we may become free. In other words, he absolutizes (or makes ultimate) and enthrones the market catallaxy. Enthronement, for Goudzwaard, refers to the dynamic whereby humans give up control to impersonal “forces” (or other idols) such as the market mechanism.²⁶⁴ I have shown in Chapter 2 how Hayek’s ideal vision for society is based on a commitment to autonomous individual spheres, in which individual ends are considered supreme.²⁶⁵ And as I have shown in the section entitled “Hayek’s Paradoxical Freedom” above, Hayek believes that in order for individuals to be free to achieve their own ends, they must submit to the spontaneous order. But now, following Goudzwaard, I may ask, where does such submission

²⁶¹ Hayek, *The Constitution of Liberty*, 92.

²⁶² Goudzwaard, *Capitalism and Progress*, 69.

²⁶³ Goudzwaard, *Capitalism and Progress*, 69.

²⁶⁴ See Goudzwaard, *Idols of Our Time*, 13. For more on this dynamic, see also Goudzwaard, Vander Vennen, and Van Heemst, *Hope in Troubled Times*, 170.

²⁶⁵ See Hayek, *The Road to Serfdom*, 102, and see my discussion of this passage under the heading “Human Knowledge (And Its Limits)” in Chapter 2.

to the spontaneous order lead? Importantly, I do not want to vilify the market mechanism per se here since, following Goudzwaard, I agree that “[b]y themselves, there is nothing evil about technology, the economy, money, the market, and the exercise of power in the service of justice and reconciliation.”²⁶⁶ However, as Goudzwaard reveals, “[t]he modern project of creating a malleable society, organized to suit our own goals, has given them an exalted status. Their enthronement process has gone so far that we begin to see these forces as living, self-propelling powers.”²⁶⁷ Goudzwaard argues that the enthronement of these forces leads to a sense of objectification and powerlessness on the part of humans. According to Goudzwaard, this is where Hayek’s submission to the market forces can lead us:

[w]e then follow them as gods wherever they go, initially because we expect their progress over time to deliver only good things, but later because we find it difficult to escape their almost hypnotic influence. From that point on, we may feel that the ability to chart our own future has been whisked out of our hands. There seems to be no recourse, no ability to withdraw us from where these dynamic powers and forces could ultimately bring us. And then a sense of betrayal and powerlessness creeps in.²⁶⁸

It is worth noting that Hayek does not recognize these consequences as a problem, or as something to be avoided. Based on his epistemological presuppositions of individualized knowledge and the price mechanism, he sees submission to external forces as, if not inevitable, at least freeing in the fact that it allows humanity to create a great system in which each individual has maximal control over their own autonomous sphere of influence.²⁶⁹

Hayek argues that “if we are to make use of the distinct factual knowledge of the individuals inhabiting different locations on this world, we must allow them to be told by the impersonal signal of the market how they had best use them in their own as well as the general interest.”²⁷⁰ In the remainder of this chapter, however, I shall argue that submission to absolutized dynamic systems and external forces goes against our true human nature, and

²⁶⁶ Goudzwaard, Vander Vennen, and Van Heemst, *Hope in Troubled Times*, 170.

²⁶⁷ Goudzwaard, Vander Vennen, and Van Heemst, *Hope in Troubled Times*, 170.

²⁶⁸ Goudzwaard, Vander Vennen, and Van Heemst, *Hope in Troubled Times*, 170.

²⁶⁹ See Hayek, *Individualism and the Economic Order*, 24. And see footnote 2 for more on the Great Society.

²⁷⁰ Hayek, *Law, Legislation and Liberty*, 504.

against the Creator's intent for creation. To make this claim, I will now turn to a discussion of the creation order as that which affords a proper normative development of human societies, societies in which people have a sense of agency over, against, and even with the powers of this world.²⁷¹

PART II: WAYS WOVEN IN CREATION THAT REVEAL TRUE HUMAN POWER

In the previous section, I argued that Hayek's view of freedom as submission to the impersonal forces of the spontaneous order leads to a sense of powerlessness. Now, I will stake my claim that we *can* in fact do better than submitting to the spontaneous order in our economic lives. Further, I want to argue that the proof of this claim lies in the very depth levels of creation. Our ability to resist submission to "impersonal forces" comes to humanity as a gift (creationally-bound and historically-determined) from God that allows us to generate norms. These norms or "ways" (as Goudzwaard, later in his career, prefers to call them) are formed and applied in response to the gift and potentialities inbuilt in the creation by the Creator.

I have referred to "norms" in this thesis so far in Chapters 1 and 3, with reference to Goudzwaard's adoption of the concept of a "simultaneous realization of norms."²⁷² I have also shown how Goudzwaard argues that going against the "ways inscribed by the Spirit in history"²⁷³ results in a closing down of life-giving opportunities for socioeconomic life.²⁷⁴ Especially later in his career, Goudzwaard emphasizes the significance of norms in the creation order using the language of "ways," and I will follow this definition as well. The language of norms as "ways" implies a certain malleability, as opposed to a more traditional

²⁷¹ That is to say, the forces which have the potential to be "enthroned" - see footnote 18 above.

²⁷² See Goudzwaard, *Capitalism and Progress*, 65.

²⁷³ Goudzwaard, Vander Vennen, and Van Heemst, *Hope in Troubled Times*, 174.

²⁷⁴ See the section "Norms for Human Life" in Chapter 1.

Reformed conception of static, fixed principles.²⁷⁵ It involves actively listening to the creation, to determine “what justice and God’s love asks from us in our current situation.”²⁷⁶

In a lecture from 2013, Goudzwaard describes some of the implications of speaking in terms of “ways”:

referring to a Way-orientation, both in our own lives and in the life of our societies, implies much more than accepting some kind of restraint or boundary in the pursuit of our own goals. A true Way-orientation does not restrict life but encompasses life. Ways of life are like water surrounding a fish. They form the climate in which we can breathe freely and are enabled to choose truly responsible goals. But if we reject that perspective, and especially if our own self-oriented goals take the lead, then sooner or later ways such as justice, love and stewardship become distorted or crooked. Then they also lead to deep, unavoidable crises in our personal and social lives.²⁷⁷

In *Beyond the Modern Age*, Goudzwaard expands on the concept of “way orientations,” noting that “[a]ll three theisms have in common the fact that the call from the outside comes from the one who created the world, so that there are inbuilt paths carved into the creation to guide us toward ways of flourishing.”²⁷⁸ He and Bartholomew hyphenate the word

²⁷⁵ Lambert Zuidervaart is one Reformational voice who is (rightly, in my opinion) critical of creation order as it has been traditionally conceived. Among other challenges, Zuidervaart notes that “[o]ntologically, it has become hard to reconcile the supposed “givenness” of creational ordinances with the evolutionary path of human development and the historical character of society itself. Epistemologically, doubts have arisen about our ability to discern what the relevant creational ordinances are and what they mean. Theologically, the appeal to creational ordinances has come to seem insufficiently Christological, pneumatological, and eschatological, as if a salutary emphasis on a good creation has come at the expense of sufficient attention to redemption and fulfillment.” (Lambert Zuidervaart, “Macrostructures and Societal Principles: An Architectonic Critique,” in *The Future of Creation Order: Order Among Humans: Humanities, Social Science and Normative Practices*, ed. Govert J. Buijs and Annette K. Mosher, vol. 5, *New Approaches to the Scientific Study of Religion* (Cham: Springer International Publishing, 2018), 155, https://doi.org/10.1007/978-3-319-92147-1_10.) In response to these challenges, Govert Buijs argues for an understanding of creation order that uses a phenomenological and experiential lens to demonstrate that through lived experiences of suffering, we can discern that creation order “has something to do with the depth-structure of existence, as it shows itself right now, in our experience.” (Govert J. Buijs, “Response: The Hermeneutics of Suffering, Creation Order, and Modern Society,” in *The Future of Creation Order: Order Among Humans: Humanities, Social Science and Normative Practices*, ed. Govert J. Buijs and Annette K. Mosher, vol. 5, *New Approaches to the Scientific Study of Religion* (Cham: Springer International Publishing, 2018), 181, https://doi.org/10.1007/978-3-319-92147-1_11). My approach in this section draws on Buijs’ understanding of creation order not as “something given in a particular point of time, a kind of historical “beginning” of cosmic or human history” but as something that “presents” itself integrally in the very fabric of our experiences, and thus I hope to similarly avoid the pitfalls of the traditional understanding of creation order of which Zuidervaart (and others) are so rightly critical. (For more on creation order “presenting” itself, see Buijs, “The Hermeneutics of Suffering,” 182).

²⁷⁶ Bob Goudzwaard, “The Awakening Hope Economics of Bob Goudzwaard,” interview by Bruce C. Wearne, *Fiji Daily Post*, October 2005, All of Life Redeemed, 5, <https://www.allofliferedeemed.co.uk/Goudzwaard/BG104.pdf>.

²⁷⁷ Goudzwaard, “Goals, Ways and the Roots of Our Economic Crisis,” 3.

²⁷⁸ Goudzwaard and Bartholomew, *Beyond the Modern Age*, 218.

“response-ability” to underscore “on the one hand ... the power humans wield” and on the other, “the fact that we are not free to direct this power however we wish.”²⁷⁹ In this formation, as well as in the quote above, it is evident that in Goudzwaard’s view, “ways” do not themselves trap us or restrain us. As opposed to a narrow “thou shalt not” they highlight paths towards life-giving means of development and growth. In fact, Goudzwaard cites Bonhoeffer: “we are living in the time before, the penultimate, the last but one, ‘das Vorletzte’. We should be living from the meaning coming to us from the end; not just trying to live in terms of the Beginning.”²⁸⁰ In other words, the “ways” Goudzwaard speaks of are, again, not static law structures. They must be open to the future; their “logic” is this: “trust that if you begin in justice and love, then a follow-up will be possible as justice and love grow.”²⁸¹

To bring the discussion back to that of agency, specifically in terms of a sense of powerlessness, when we make choices to reject ways of life, we are in fact responsible for our own sense of powerlessness. In *Capitalism and Progress*, Goudzwaard argues that the

fundamental deviation from the principle of a ‘simultaneous realization of norms’—which presupposes the simultaneous validity of legal, ethical, and economic standards for every human decision and act—has contributed to a pattern in which the opportunities for a free human choice have increasingly crumbled and weakened. When the norms of ethics and economics are not applied simultaneously in society, they also no longer need to be applied by the same persons or agencies in society.²⁸²

In other words, when we reject the validity of norms or ways for good human life, even in the name of autonomous self-determination, or “freedom,” as Hayek understands it, our true freedom actually crumbles. True freedom depends on that “simultaneous realization of norms” which requires us to be attuned to *all* of the ways or paths or presences in creation that lead to life. Exalting one above the rest creates an idol, as Goudzwaard has shown. And it

²⁷⁹ Goudzwaard and Bartholomew, *Beyond the Modern Age*, 218.

²⁸⁰ Goudzwaard, “Awakening Hope,” 8.

²⁸¹ Goudzwaard, “Awakening Hope,” 5.

²⁸² Goudzwaard, *Capitalism and Progress*, 205.

is the result of idolatry that “[w]e become controlled by what we first saw as our liberator”—in other words, we feel powerless.²⁸³

PART III: GOUDZWAARD ON THE ENVIRONMENT AS KEY LOCATION FOR A RECOVERY OF AGENCY

In *Capitalism and Progress*, Bob Goudzwaard was already writing about the impacts of the idolatry of progress on the environmental crisis. Central to his critique of progress is its enslavement of norms such as justice and stewardship in the name of economic and technological mastery.²⁸⁴ Reflecting on the multiple crises of Western civilization, Goudzwaard stated in 2010 that “[f]or the first time in history it appears that our progress-oriented Western civilization is confronted by a combined set of limits and restrictions that cannot be overcome by means of its own further progress. When we nevertheless try to do so, the unexpected, seemingly inexplicable outcome is the emergence of a series of painful, deteriorating paradoxes at the heart of our societies.”²⁸⁵ Here Goudzwaard points to a phenomenon that might explain why, in Canada, just 24% of people under 30 think that their generation will have better lives than their parents’ generation.²⁸⁶ I propose that one reason for this is that we no longer expect that continued economic and technological progress will be enough to save us from the devastating effects of global problems such as climate change. In this final section of my thesis I will give an account of why our hope in progress has failed, and why finding a renewed sense of agency through Goudzwaard’s work matters profoundly to my own life not just as a scholar, but as a citizen of Canada living in my own context of Alberta.

²⁸³ Bob Goudzwaard, “Goals, Ways, and the Roots of Our Economic Crisis,” *Koers - Bulletin for Christian Scholarship* 79, no. 1 (August 2014): 4, [http:// dx.doi.org/10.4102/koers.v79i1.2158](http://dx.doi.org/10.4102/koers.v79i1.2158).

²⁸⁴ See Goudzwaard, *Capitalism and Progress*, 209.

²⁸⁵ Bob Goudzwaard and Mark Vander Vennen, “Global Problems: The Lost Dimension,” *The Other Journal*, June 16, 2010, <https://theotherjournal.com/2010/06/16/global-problems-the-lost-dimension/>.

²⁸⁶ See Ami Sedghi and George Arnett, “Will Your Generation Have a Better Life than Your Parents?,” *The Guardian*, April 14, 2014, sec. Datablog, <https://www.theguardian.com/news/datablog/2014/apr/14/will-your-generation-have-a-better-life-than-your-parents>.

In 1978, Bob Goudzwaard wrote that the “*powerlessness* of the industrially advanced nations may well determine the political future of the world more decisively than their *power* has done until now.”²⁸⁷ He further describes a paradox of power, specifically in the Western economies. The paradox goes as follows: while “the rich western countries have enormous technological and economic power ... it is precisely as a result of this progress that they have become more and more vulnerable.”²⁸⁸ In the case of the Alberta oil sands, Goudzwaard was entirely correct in this prediction. Alberta’s undesirable, low-quality, and high cost oil sands were developed despite massive funding and technological challenges as a means of meeting American (and Canadian) demand for energy security after the oil crisis of the 1980s.²⁸⁹

In Alberta, there is a deep sense of powerlessness that lies at the heart of oil sands development. Many of my relatives are tradespeople, and I know they feel that we have no choice but to continue to develop the oil sands because the economic wellbeing of their families relies on this continued development. I’ve felt this sense of fatedness in my own life as well. In fact, for most of my childhood, my father worked as a draftsman drawing the plans for the Petro-Canada refinery. I watched this refinery take shape on the skyline from my front window, across the banks of the kisiskâciwanisîpiy (North Saskatchewan) river. As a second generation settler, I grew up in an amiskwaciy-wâskahikan (Edmonton) that was shaped by the city’s relationship to oil extraction. Suburbs in the city sprawled to make room for the workers coming to Edmonton with hopes of cashing in on oil booms. Industrial areas expanded and whole towns sprang up around the oil industry. Oil money paid for infrastructure, highways, and healthcare.

In my adult life, I myself have worked for companies that relied heavily on the oil sands (or related service industries) for work. During my undergraduate education, I lost my summer job of four years working as an administrator at a steel fabricator during the oil price

²⁸⁷ Goudzwaard, *Capitalism and Progress*, 123.

²⁸⁸ Goudzwaard, *Capitalism and Progress*, 123.

²⁸⁹ John Hiemstra, “Oil Sands Apocalypse” (manuscript of forthcoming book, Edmonton, AB, 2021).

crash of 2016, and as a result I took out more student loans to cover my tuition the next year. The majority of these loans came from the Alberta government; and in the decade leading up to this price crash, non renewable resource revenue had made up around 20-40% of total government revenue.²⁹⁰ When COVID-19 hit, I moved back home from Toronto to live with my parents again for a time. Our house was heated with fossil fuels in the winter and cooled by them in the summer. These are just some of the ways the fossil fuel industry has reached its tentacles into my everyday life. It is difficult not to feel hopeless when my life is so entwined with the very energy developments that are contributing to the catastrophic effects of climate change. But my own sense of powerlessness had never been more evident to me than this summer.

I spent the majority of my summer in Sturgeon County, Alberta writing this thesis during the hottest summer I have ever experienced. The land around me grew dry and cracked, areas that had always been marshy turned dusty instead, and every night after the blistering heat I would go out to my garden to water. At first, I used the accumulated rainwater from the spring, but that soon ran out. To nurture the life that would help sustain me and my family I used water that had been brought out to our acreage with the help of a fossil-fuel driven truck. I lived in a tiny house. I worked there too. To make the heat bearable I bought an air conditioner on Amazon so I could continue to work on my thesis in these conditions. I discovered that for every degree above precisely 27 °C my brain turned a little more to mush.

These circumstances speak to the powerlessness I have felt in my own life, because although I may have some ethical qualms about using air conditioning or supporting Jeff Bezos, these did not stop me from making those choices. The reality is that the climate is changing, and my choosing to live in a tiny house or to buy an AC is going to have little

²⁹⁰ Alberta, “2019 Historical Royalty Summary Revenue Workbook,” Excel Workbook (Edmonton: Government of Alberta, January 7, 2020), <https://open.alberta.ca/dataset/historical-royalty-revenue/resource/50cf1918-0faf-4d7c-9a83-0aec3858cc2>.

effect on this global crisis. In my own life I've seen a few different responses to the climate crisis. Some people I know are not necessarily climate deniers, but delayers. They acknowledge the reality of climate change but prioritize the present (i.e. jobs, lifestyles) at the expense of the future. Others are fully convinced of the imminent and catastrophic consequences of climate change but don't see any hope, so they live their lives the same as they would anyways, thinking that they may as well enjoy the present because they expect an inevitably tragic future. Others have hope, but at best a tenuous hope. Few people are naive enough to think that the future will remain the same without significant structural changes.

When I began writing this thesis, I started with an inkling that I would like to investigate what Bob Goudzwaard has to say about human agency, because intuitively I felt that he was speaking to reality in all its complicated messiness. I wanted answers, and most of all I wanted hope. I am convinced that hope is only real when we face the darkness head-on; in this case, it means recognizing the incredible forces of evil in the ideologies we espouse today. I was convicted by what Goudzwaard had to say about the prevailing sense of powerlessness in our society. It seems to me that if we are to have any hope for the future, recovering a sense of agency will be key. And this is where Goudzwaard comes in.

Ultimately, I became convinced of his diagnosis; that is, what he sees to be the root cause of the sense of powerlessness or lack of agency I was feeling. Goudzwaard's work provides an insightful theory of the power dynamics that exist between the individual and society, and individuals, society, and ideology. The purpose of this thesis was to dig deep into what Goudzwaard had to say about powerlessness and uncover what that might mean for us to recover a sense of agency in our society today. In this thesis, I have spoken often of the kind of powerlessness that Goudzwaard refers to; it is a sense that things are fated, and that individual human actions matter little in the grand scheme of the crises our society currently faces. The opposite pole of this concept is a sense of agency, where we recognize that our

deepest faith desires have created and continue to uphold the powers that be, whether that is the frenetic pace of modern technological development at the expense of humans and the environment, or the ugly face of the alt-right rearing its head in Alberta (and Canadian) politics. This hope isn't easy. Enacting it means staring into the abyss of our own desires. It is only when we do this, however, that conversion can occur. I am not speaking here of merely personal conversion. Instead, in agreement with Goudzwaard, my view of conversion is broader. It is a moment, perhaps, but is more than that. It is to make a choice, over and over again, to walk in the ways of life. Goudzwaard shows us that we can make this choice, and that it really does matter.²⁹¹

A starting point to begin combating this sense of powerlessness that I describe above would be to reclaim a sense of agency. It would be to recognize that our faith choices (in Goudzwaard's sense) *matter*, and they matter a great deal. What I have come to realize is that a systems-level analysis cannot tell us all. In fact, it cannot take us to the heart of the matter: the human heart. Instead, I can begin with myself, investigating my own deepest convictions, my hopes for salvation. There are two implications of doing this. 1) I may then ask of my society why we continue to unearth fossil fuels at an increasing rate despite the well-known negative consequences for human flourishing (i.e. we can ask why we act as if more fossil fuels will save us when it is in fact killing us).²⁹² And 2) I can recognize that wholesale systems change will never come about without a change of heart first. It is worth noting that I do not want to imply that individual actions are enough to "save" our planet. In fact, I would strongly argue along Goudzwaardian lines that they are not. We have seen how the Hayekian

²⁹¹ There is some resonance between this view and Pope Francis' view of "ecological conversion." (See Francis, "Laudato Si' [Encyclical Letter On Care for Our Common Home]," sec. 216-221, accessed February 10, 2022, https://www.vatican.va/content/francesco/en/encyclicals/documents/papa-francesco_20150524_encyclica-laudato-si.html.) It was not possible within the limits of this study to further investigate the connection, but it would be worthy of attention in the future.

²⁹² For instance, the province of British Columbia was impacted by a heat dome that was intensified by climate change, causing 595 deaths in that province alone. Rhianna Schmunk, "595 People Were Killed by Heat in B.C. This Summer, New Figures from the Coroner Show," *CBC News*, November 1, 2021, <https://www.cbc.ca/news/canada/british-columbia/bc-heat-dome-sudden-deaths-revised-2021-1.6232758>.

view of society as a collection of individuals can lead us astray if we presume that the best good in society is to maximize individual freedom and autonomy. Allowing individuals unrestricted autonomy is one of the things that got us here in the first place. When freedom (in the sense of autonomy) is the supreme good, we end up with the kind of environmental crisis we find ourselves in today.

Conclusion

As Goudzwaard reveals, a more fruitful path forward lies in the potentials inscribed throughout creation as life-giving norms. As human agents, we are not free because we are autonomous; we are free when we follow those life-giving paths. Galatians 5:1 says “It is for freedom that Christ has set us free.” When we look at the practices of the early church, the freedom they practiced was not autonomous self-determination. This freedom is given in grace; grace to follow a way, to find a way, to create new ways where the old ones fall short (the key here being that this creation is always in community with God and neighbour). I would like to suggest that when we recover a sense of agency, we recognize the immense power we have as creatures to create. For the environmental crisis of our times, we must be forward-looking. Using the presence of creational norms as guides, we must not be stuck in the old paths. Even what worked in the past may no longer be viable. We should not seek a return to the old ways, even if those old ways had moments of truth. Instead, we can learn from those ways as we forge new ways of embeddedness in creation, of taking creational boundaries not as limits but as guides for a good life.

CONCLUSION

In this thesis, I have juxtaposed two central themes: Hayek's freedom and Goudzwaard's powerlessness. While I have argued that Hayek's conceptualization of freedom may in fact lead to the powerlessness that Goudzwaard so accurately puts his finger on, powerlessness does not get the last word (either in Goudzwaard's work or here). "There is a crack, a crack in everything," even (or especially) in the idolatry of the capitalist order.²⁹³ This *is* how the light gets in.

This thesis represents my first attempt to come to terms with my own intellectual and philosophical inheritance. It is also an imperfect attempt to articulate where my own hope comes from. I did not choose this topic because it simply interested me academically (although it did), but because on some deeper level, I needed to choose it. I needed to find hope, and it needed to be a grounded hope, one that could hold up to the realities of the world today. Bob Goudzwaard's work gives me just such a hope. It does this because he so accurately describes the sense of paralysis and powerlessness I see in the people around me. His work is hopeful, though, because it doesn't stop there. Goudzwaard openly challenges the idolatry of the capitalist order, and in so doing he holds forth a vision for societies where people experience freedom by rejecting these idols. Freedom, for Goudzwaard, is not an absolute or abstract concept; when Goudzwaard speaks of freedom he speaks of it in degrees.²⁹⁴ People regain their freedom by taking small and concrete steps in the direction of life. Let this be just one such step on that way.

²⁹³ Lyrics from Cohen, "Anthem."

²⁹⁴ See Goudzwaard, *Capitalism and Progress*, 201.

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