

Why Hayek Should Matter to Christians

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Who is Hayek?

Four Contributions

- OBSERVATION 1: A Complex World and Local Knowledge
 - The Economic Problem

 - Even the seemingly simple things are complex

 - Knowledge is

 - Knowledge is not just

- OBSERVATION 2: What Works? Prices, Not Planning
 - Claim: All action requires planning.
 - The basic argument for decentralized planning is:
 - If knowledge is local,
 - and sound decisions require much and diffuse information,
 - then a central planner cannot make sound decisions,
 - and decision-making should be decentralized.
 - Solution: The price system, because prices
 - convey information
 - expand options, through discovery

- OBSERVATION 3: Culture Evolves
 - Two extremes
 - Instinct
 - Reason
 - Cultural evolution

 - What works is codified in tradition/morals/law

 - The resulting order is spontaneous, that is, “of human action, but not human design.”

- OBSERVATION 4: Two Worlds/Two Moralities
 - Hayek distinguishes the intimate and local from the large/extended.
 - Extended order
 - Families

Important Differences

- Hayek does not recognize a “natural order,” revelation, or have eschatology in mind.
- He “cannot” accept a “man-like” God.
- Others
 - Objectives/defining success
 - To Hayek, motives don’t matter
 - Language: Law, morals,...

Notable Congruence

- Hayek
 - Observes that man is limited – in goodness, reasoning ability, knowledge
 - Appreciates differences among people - in skills and purpose
 - Respects institutions, traditions, history but makes no idols of them
- Consequently, Hayek and the historic Christian faith agree
 - States should be limited
 - States play a unique role
 - Appreciation of reasoning but skepticism of human reason → humility

Selected Applications

(1) Consider carefully what works for human flourishing.

(2) Make a case for liberty.

(3) Engage in effective poverty alleviation.