

# RATIONALITY AND FREEDOM IN ARISTOTLE AND HAYEK

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THE *POLIS* EXISTS ACCORDING TO NATURE, Aristotle argues, because it originates for the sake of life and continues to exist for the sake of the good life (*Politics* 1. 2. 1252b27-30). Modern liberal critics have pointed out that by assigning such a positive goal to the *polis*, understood as the state, Aristotle has compromised his dedication to liberty.<sup>1</sup> Nevertheless, some philosophers argue that certain distinctive doctrines in Aristotle's ethics can serve as grounds for a defense of individual freedom antithetical to Plato's authoritarian social philosophy.

First, there is the doctrine that the ultimate good is *eudaimonia*, i.e., flourishing or happiness. Many commentators find *eudaimonia* to be quite different from the concept of utility, which forms the basis of modern welfare economics, for flourishing does not consist in "maximizing" anything. Rather, flourishing is an *inclusive* conception of the good life, comprehending a plurality of specific values: primarily actualizations of intellectual virtues and, secondarily, of moral virtues. Thus, David Wiggins remarks that "in Aristotle's *Politics* that form of government is held to be best in which every man, whoever he is, can act well and live happily." Aristotle's "theory does not subserve a program for social action to maximize anything." Wiggins adds: "Insofar as it suggests a social program, the program is only for the removal of the public impediments to *eudaimonia*."<sup>2</sup>

A second doctrine involves the concept of *choice* (*proairesis*). Flourishing consists in activity in accordance with perfect virtue, but virtuous acts must be *chosen for their own sakes* (*Nicomachean Ethics* 2. 4. 1105a26-33; *Eudemian Ethics* 8. 3. 1248b40-1249a8). If another person makes your choices for you or forces you to act in a certain way, you will not be acting virtuously thereby, but only as if you were

virtuous. Thus, D. J. Allan argues that “precisely because [Aristotle] desires that men shall perform *kalai praxeis* [noble actions], which entails actions from *proairesis* [choice], the legislator is likely to restrict his improving activity by self-imposed limitations,” for “to make an action compulsory may stifle *proairesis*.” Accordingly, “the law requires not virtuous action in the full and proper sense, but the external actions of virtue irrespective of the motive which may lead particular men to do them.” Therefore, Aristotle does not “credit the politician, in his capacity as a lawgiver, with the power of manufacturing happiness or virtue, but represents him as establishing a framework within which happiness can be attained.” Not surprisingly, “the requirements, positive and negative, of the law should be kept to a minimum.”<sup>3</sup>

This paper will argue that a third doctrine in Aristotle’s ethics provides further support for an individualist social philosophy: the doctrine that virtuous moral agents must exercise practical rationality at the time of action in order to determine how to pursue their ultimate ends. Even if agents have a correct general apprehension of the end, this will not provide them with *a priori* recipes for answering concrete moral questions in complex and unpredictable situations. Since it is up to agents to determine how the end is to be attained in concrete occasions for action, they should be free to determine the precise character that the virtuous life will take for them. The first section of this paper will rather summarily set forth the textual evidence for this doctrine in Aristotle’s ethical writings.<sup>4</sup> The second section will try to unpack the social implications of this doctrine by comparing it with the views on social planning of the modern economist Friedrich Hayek.

## PLANNING, PRACTICAL RATIONALITY, AND INSIGHT

Practical rationality (*phronesis*) is an intellectual virtue or excellence that enables a person to plan or deliberate<sup>5</sup> well about what is good or useful for living well or being happy (*N.E.* 4. 5. 1140a25-28). There is strong *prima facie* evidence that practical rationality is confined to identifying the means to ends; for, in addition to the bald statement that we deliberate about means and not ends (*N.E.* 3. 1112b11-12), Aristotle states that practical rationality makes our means right, in contrast to excellence of character or moral virtue, which makes the end right (*N.E.* 6. 12. 1144a7-9); cf. also *N.E.* 3. 8. 1151a18-19).<sup>6</sup> In *Nicomachean Ethics* Book III, Aristotle compares the process of planning or deliberating to the process of scientific discovery (to the process of geometrical construction [*N.E.* 3. 1112b16-24], for example). Just as problem-solving terminates in the recognition of something ultimate, which forms the first step in the construction of a figure, planning terminates in the recognition of something ultimate, which is the “first cause” in action.

Aristotle provides detailed and difficult discussions of the relationship between the action taken by the moral agent and the practical reasoning leading up to it. The most plausible interpretation is that the employment of practical rationality in the planning process can be completed only at the time of action, and that it includes, as its terminus, a practical syllogism. In the *Motion of Animals*, for example, Aristotle describes the following reasoning:

I need covering; a cloak is a covering. I need a cloak. What I need, I have to make; I need a cloak. I have to make a cloak. And the conclusion, the "I have to make a cloak," is an action. And he acts from a starting-point. If there is to be a cloak, there must necessarily be this first, and if this, this. And this he does at once. [701a17-22]

The reasoning here involves both means and ends reasoning ("If there is to be a cloak, I must do *X*, and to do *X* I must do *Y*, etc.") as well as the practical syllogism (which generally has the form, "An *A* is to be acted on in such and such a way, this is an *A*, so this is to be acted on in such and such a way"). It is also evident that the reasoning leads "at once" to action.

There are a number of passages in the *Nicomachean Ethics* which indicate that practical rationality is exercised in the concrete context of action: "Nor does practical rationality deal only with universals. It must also recognize particulars, since it is concerned with action, and action has to do with particulars" (*N.E.* 6. 7. 1141b14-16). Further, practical rationality is "concerned with the ultimate, for this is what is to be done" (6. 8. 1142a24-25). Aristotle uses "particular" (*kath' hekaston*) and "ultimate" (*eschaton*) to refer to concrete individuals like Socrates, which are objects of sensory observation in the context of action. Aristotle's position here is quite reasonable. In normal cases of planning—in business, teaching, healing, warfare, etc.—the process of working out what to do cannot be completed before action, and perception of the field of action must make a contribution. Even if one has drawn up contingency plans for a battle, these necessarily will be incomplete, in that the final crucial stages of the plan can be identified only by coming *in medias res*. A deliberating doctor should also take into account the observable peculiarities of a patient, as Aristotle emphasizes: "While, on the whole, rest and abstinence from food are good for someone with a fever, for a particular person they may not be" (*N.E.* 10. 9. 1180b8-10). Moreover, a patient's condition changes in observable ways, which requires continuing revisions in one's plan of treatment. Thus, deliberation or planning terminates with the identification of individual things and circumstances in the context of action and can be considered complete only at the time of action. Further, practical rationality is concerned with the ultimate, which is the object of *perception* (*N.E.* 6. 8. 1142a26-27). Aristotle links perception to the working of *insight* or *nous* in practical contexts (*N.E.* 6. 11. 1143b5). An understanding of this notion of practical insight is

therefore also required for a full appreciation of practical rationality in Aristotle.

Insight is an indispensable mental capacity in the sphere of purposeful action as well as of theoretical wisdom (*N.E.* 6. 1. 1139a33-35; *N.E.* 6. 7. 1141a18-19). In its practical application, insight brings deliberation to completion, through the identification of suitable means, within the observable field of action, for the realization of the agent's ends. To see that this is the correct interpretation, it is useful to start with the contract that Aristotle makes between the theoretical and practical uses of insight.

And insight is of ultimate things in both directions; for insight and not reasoning is of the primary bounding principles and of the ultimate things, and insight, in *demonstrations*, is of immutable bounding principles, whereas insight, in *matters of action*, is of the ultimate and of the contingent and of the minor premise.... [*N.E.* 6. 11. 1143a35-b3]

One might well ask why Aristotle uses the same word *nous* for these theoretical and practical excellences, if they differ so strikingly. An important reason is that insight, in either context, has a close connection with *perception* or *observation*. In the *Posterior Analytics*, as well as the *Ethics*, theoretical insight is a capacity to grasp universal principles as a result of repeated sense experiences, for insight is an epistemic capacity acquired through the process of induction (*N.E.* 6. 3. 1139b28-29 and *N.E.* 6. 1141a7-8; cf. *Post. An.* 1. 18. 81b2; *Post. An.* 2. 19. 100b3-5, 12); and the induction presupposes *experience*, which consists of sense-perceptions retained in the form of memories (*Post. An.* 2. 19. 100a3-9). For example, one might observe visually that spherical bodies wax and wane in a specific manner. One sees the connection between the properties of being spherical and waxing and waning in a certain way, and has the insight that it must be so in all cases (cf. *Post. An.* 1. 31. 88a16-17). One grasps such a generalization through a process of induction on the basis of accumulated experience.

Aristotle's account of practical insight resembles this in important respects, for he speaks of insight as the perception of particulars (*N.E.* 6. 11. 1143b5); but the precise relationship between practical insight and sense-perception is quite subtle. Insight involves an act of sense-perception, but it also presupposes the possession of accumulated experience.

This can be inferred from two passages. In the first, Aristotle is arguing that one cannot be *morally* virtuous without having insight. Natural virtue is a necessary, but not sufficient, condition for moral virtue in the full sense; for natural virtue without insight (*aneu nous*) can be harmful, "as a strong body which moves without sight may stumble badly because of its lack of sight" (*N.E.* 6. 11. 1144b9-12). Aristotle notes that this deficiency is especially characteristic of

*children*, an observation that seems to recall another passage, in which he says that young people cannot have practical rationality because they lack experience (*N.E.* 6. 8. 1142a12-16). It is reasonable to infer that the lack of *nous* of the young involves their inexperience and resulting inability to identify particular ways of attaining their goals.

Aristotle does not go into detail about the precise contribution of insight and experience in these passages, but he evidently has in view the necessity of perception in order to find the means. For example, a youthful person may possess natural generosity but, due to inexperience, may blunder disastrously in trying to act generously. He may err in identifying the proper beneficiaries of his actions. He may be mistaken in the form his generosity should take, so that he ends up insulting or humiliating his beneficiary. He may be wrong about the magnitude of the gratuity or the beneficiary's true interests, his timing may be off, and so forth. "In the case of such particular matters, the decision rests with perception" (*N.E.* 4. 5. 1126a31-b4; *N.E.* 2. 9. 1109a24-30, b20-23). But, as the foregoing passages about the young suggest, the ability to perceive available opportunities in one's field of action presupposes *experience*. The role of experience in practical cognition is, in a way, analogous to its role in theoretical inquiry; for, by experience one can "go on" to new and difficult cases and identify specific means for attaining one's ends.

Insight is called perception, and like practical rationality, it is directed to the concrete object of perception. Insight is, in effect, the perception that an individual thing will serve one's needs. Since practical rationality is excellence at deliberation, the implication is that deliberation can be completed only at the time of action by the agent observing the field of action and that insight brings deliberation to completion through the identification of suitable means in the field of action. For example, if one has the goal of eating healthful foods, the process of deliberating about what to eat will be properly completed when one observes a particular object in one's environment, observes that it is, say, a piece of chicken, and observes that it will serve as a means to one's ends.

Moreover, insight is the perception of "what is ultimate *and* contingent *and* the minor premise," which serve as the starting points for the goal (*N.E.* 6. 11. 1143b3). Insight is the perception that a perceptible means (the ultimate thing) is required to reach one's end prescribed in the minor premise.

Thus concludes the defense of the interpretation of Aristotle on rationality in action according to which practical rationality is exercised at the time of action, practical insight is indispensable to the completion of rationality, and the practical syllogism is a part of deliberation.

This view of rationality and deliberation holds both for the technical case in which the doctor who is deliberating about how to treat a patient and for the moral case in which the citizen is trying to determine what is the generous thing to do. Practical *moral* knowledge

often differs from productive knowledge of the sort exhibited by the doctor, insofar as the means to the end grasped by practical rationality and insight is itself a constituent of the end sought (*N.E.* 6. 5. 1140a24-28). Practical rationality enables one to grasp in a concrete situation what the generous or courageous act is, i.e., what constitutes the noble act, which is valued for its own sake. (cf. *N.E.* 2. 4. 1105a26-69). Hence, it is by means of practical rationality that the end of human conduct is to be fully articulated (cf. *N.E.* 6. 5. 1140b4-7).

## INDIVIDUAL FREEDOM AND SOCIAL PLANNING

Aristotle's moral epistemology has implications about the way in which planning should be carried out in a wider social context. As we have seen in a variety of instances, deliberation about a specific course of action will be tied to immediate observation of the context of action. This is why Aristotle emphasizes the importance of experience in a field such as medicine. He applies similar considerations to the areas of education and athletic training:

Private education has an advantage over public, as private medical treatment has; for while, on the whole, rest and abstinence from food are good for someone with a fever, for a particular person they may not be; and a boxer presumably does not prescribe the same style of fighting to all his pupils. It would seem then, that the particular (*to kath hekaston*) is worked out more precisely if the control is private; for each person is more likely to get what suits him. [*N.E.* 10. 9. 1180b7-13]

Aristotle's point does not touch on the manner in which education is financed but on the way in which it is administered. His arguments are directed primarily against a centralized and prefabricated system of education of the sort envisaged by Plato in the *Republic*. In medicine or education the process of deciding what type of action to carry out in order to reach one's objectives cannot be carried out effectively without detailed factual knowledge of the circumstances in which one must act. Hence, in such cases direct observation *by the individual agent* is indispensable for carrying out the planning process, and the agent cannot simply be mechanically implementing a plan made in advance by a philosopher-king or anyone else.

The view that Aristotle takes toward planning has very interesting affinities with the criticisms of centralized social planning by the twentieth-century economist F. A. Hayek,<sup>7</sup> who was following the lead of Ludwig von Mises. Von Mises had argued that centralized economic planning of the sort envisaged by the socialists was impossible on the grounds that facts relevant to planning could be taken into account in an efficient manner only by means of the pricing process of the competitive market (p. 143). In his defense of this thesis, Hayek relies not on formal economics but on informal epistemological con-

siderations. He compares the difference between a system in which prices are registered by a central authority on the basis of certain mathematical formulas and a free-market system to the difference “between an attacking army in which every unit and every man could move only by special command and by the exact distance ordered by headquarters and ways in which every unit and every man can take advantage of every opportunity offered to them” (p. 187). The suggestion that an “omniscient” planning board could draw up a plan, which was to be mechanically implemented by plant managers and workers, and that such a planning board could modify this plan by “trial and error” on the basis of new data, involves a false view of the context of human action and planning.

If in the real world we had to deal with approximately constant data, that is, if the problem were to find a price system which then could be left more or less unchanged for long periods, then the proposal under consideration would not be so entirely unreasonable. With given and constant data such a state of equilibrium could indeed be approached by the method of trial and error. But this is far from being the situation in the real world, where constant change is the rule. [p. 188]

Effective planning in a social context requires a method that will serve the most “rapid and secure adjustment to the daily changing condition in different places and different industries.”

Hayek accepts the Aristotelian view that planning is normally carried to the point at which the individual is directly observing the context in which he is acting and deciding on the most appropriate options. The knowledge required is knowledge of the particular circumstances in which the economic agent is acting. Hayek rejects as the “fallacy of composition” the claim that all the available data would be compiled and used to draw up a master plan for everyone to follow:

. . . it is the main merit of real competition that through its use is made of knowledge divided between many persons which, if it were to be used in a centrally directed economy, would all have to enter the single plan. To assure that all this knowledge would be automatically in the possession of the planning authority seems to me to miss the main point. [p. 202]

Each person acts within a specific context, facing specific alternatives, and plans on the basis of the knowledge that he possesses in virtue of his special circumstances. This knowledge is based on direct observation and, as Aristotle would say, is of the ultimate particular. For example, the decision of “whether and in which way the making of tools already in use should continue to be disposed of” is not a judgment about a type or class but about “an individual whose usefulness is determined by its particular state of wear and tear, its location, etc.” (p. 154). Likewise, detailed technical know-how is not found in a prefabricated form: “Most of it consists in a technique of thought which enables the individual engineer to find new solutions

rapidly as he is confronted with new constellations of circumstances” (p. 155). Hayek sees similar difficulties in responding, on the basis of mathematical formulas, to the *continuous* revision of individual consumers’ demand for commodities: “We have to treat as different commodities all the final products to be completed at different times,” and the mathematical equations used to define consumer demand have to take into account all such differences (p. 156).

Hayek’s argument, of course, goes beyond Aristotle’s both in terms of its level of economic sophistication and in terms of the libertarian conclusions at which it arrives. But, at bottom, Hayek’s stand on the rational foundation of social planning is quite close to Aristotle’s. For both Aristotle and Hayek, the locus of rationality in planning is the experienced individual agent exercising perceptiveness and insight in the immediate context of action. Therefore, both Aristotle and Hayek repudiate the Platonic vision that effective social planning can, in general, be carried out by a group of experts who hand down prescriptions to be mechanically carried out by nonexperts.<sup>8</sup>

1. Karl Popper, *The Open Society and Its Enemies* (New York, 1963), vol. 2, chap. 11, pp. 2-4: “Aristotle’s thought is entirely dominated by Plato’s.” Jonathan Barnes, *Aristotle* (Oxford, 1982), pp. 82-83. I have argued that Aristotle’s assignment of this positive goal to the State results in part from conflating the functions of the political state with those of the social community. See “The State and the Community in Aristotle’s *Politics*,” *Reason Papers* No. 1 (1974), pp. 61-69.
2. David Wiggins, “Weakness of Will, Commensurability, and the Objects of Deliberation and Desire,” in *Essays on Aristotle’s Ethics*, ed. A. O. Rorty, (Berkeley, 1980), p. 261.
3. Donald J. Allan, “Individual and State in the *Ethics* and *Politics*,” in *Entretiens sur l’Antiquité Classique* 11 (1964), pp. 64, 66, 68-69.
4. The arguments of the first section are set forth with much greater rigor and detail in a forthcoming essay, “Aristotle on Rationality in Action.” In that essay I criticize at length an alternative interpretation of *phronesis* and *nous* in John Cooper, *Reason and Human Good in Aristotle* (Cambridge, Mass., 1975), chap. 1.
5. The Greek word *bouleusis* can be translated as “deliberation” or “planning.” The Greek word does not have the connotation of weighing alternatives associated with “deliberation,” which derives from the Latin verb *librare*, “to weigh.” Although deciding on a plan of action rules out alternative plans, the process of planning need not always involve a consideration of alternative means.
6. One passage, *N.E.* 6. 6. 1142b32-33, has been thought to provide evidence that practical rationality provides knowledge of the end, but this passage is too ambiguous and controversial to provide much support. The controversy over whether it is possible to deliberate over ends has, in any case, been somewhat misdirected; for the real issue should be whether the means about which one deliberates are *constitutive of* or part of the end (as having good digestion is a means to health) or merely external preliminaries to attaining the end (as paying a fare is a means to going on a voyage). See the final paragraph of the first section.
7. F. A. Hayek, *Individualism and Economic Order* (Chicago, 1948). Subsequent page references are to this work.
8. This paper has gone through several previous incarnations, including versions read at Johns Hopkins (1977), Bowling Green State University (1981), and Georgetown University (1983). In its original version it was presented to the Liberty Fund Conference on Reason, Values, and Political Principle held at Pomona College in 1977, under the title “The Rational Basis of Social Planning in Aristotle.”