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**THE INVISIBLE HAND AND THE
CUNNING OF REASON**

By

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The Invisible Hand and the Cunning of Reason*

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HERE is a distilled list of the theses I shall discuss:

- that the idea of the invisible hand has had an impact not only on the eighteenth and the nineteenth centuries but on the twentieth century as well;
- that this idea had a curious ideological career: in previous centuries it had been used to promote ideals of secular, enlightened progress, while in our century it is used inversely, to promote conservative reverence toward traditions;
- that there are two main models for invisible-hand explanations;
- that the current, inverse, ideological use of the idea of the invisible hand by conservative circles as against liberals and social planners springs from not distinguishing between the two models;
- that Hegel's idea of the cunning of reason is historically related to the idea of the invisible hand, and that, like the latter, it is also used in contemporary political argumentation;
- that despite superficial affinity between these two ideas, they serve profoundly different doctrines.

And now to the details.

F. A. Hayek talks about the "shock caused by the discovery that [not only the *kosmos* of nature but] the moral and political

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kosmos was also the result of a process of evolution and not of design" (Hayek, 1978, p. 190). What he alludes to here is the natural human response to the phenomenon of order. Upon encountering orderliness and patterned structures, people tend naturally to interpret these as the products of someone's intentional design. If complex order is exhibited by an artifact—say, a clock—the postulated designer would be a human agent, an artist, or an engineer. If complex order is exhibited by the physical world—say, the lunar period—the postulated designer would be a superhuman agent, God. The "argument from design" (or the cosmological argument, as it is sometimes called) is indeed a most powerful argument, psychologically, for the existence of God. At the very core of religious sensibility is the conviction that the world is not just the product of divine creation, but that it is the manifestation of divine, cosmic design.

It is against this background that the idea that the *kosmos* can be seen as the result of a process of evolution rather than design is described by Hayek as "shocking." To this shock, moreover, he goes on to attribute a significant contribution in the production "of what we call the modern mind" (p. 190). And since the nineteenth-century notion of evolution, or spontaneous order, is itself rooted in the eighteenth-century notion of the invisible hand, there is a sense in which we may take the notion of the invisible hand as expressing a major antireligious intuition. This notion was meant to replace that of the "Finger of God," or "Divine Providence." It was to play a central role in forging modern, secular sensibility.

In tracing the history of the notion of the invisible hand, it is commonly attributed to the great Scottish Enlightenment figures of David Hume, Adam Smith, and Adam Ferguson. It is Adam Smith who is credited with coining the expression "invisible hand";¹ it is Adam Ferguson who formulated the splendid, formative phrase about people's "stumbling upon establishments, which are indeed the result of human action, but not the execution of any human design" (1767, p. 187);

and it is David Hume who is generally acknowledged to have laid the philosophical foundations for these ideas. It is intellectually pleasing, however, to go still further back and to claim, with Hayek (and others), that it was Bernard Mandeville, the Dutch-turned-English doctor, who “made Hume possible” (Hayek, 1978, p. 188). In his famous *Fable of the Bees*, subtitled *Private Vices Public Benefits* (1924[1714]), the idea is articulated that complex social order forms itself without design. Orderly social structures and institutions—law, morals, language, the market, money, and many more—spontaneously grow up without men having deliberately planned them or even anticipated them, and it is these institutions that ensure that men’s divergent interests are reconciled. In discussing the growth of law, Mandeville says: “We often ascribe to the excellency of man’s genius, and the depth of his penetration, what is in reality owing to the length of time, and the experience of many generations” (1924, ii, p. 142).

However, even though the idea *that* order may form itself without design was expounded by Mandeville, the question *how* remained unaddressed. The initial breakthroughs in suggesting some sort of mechanisms for the workings of the invisible hand were not to be provided before the appearance upon the stage of the Scottish social and moral thinkers. Their work made it possible to delineate a mechanism that can show in specific detail how the actions of numerous individuals who pursue their own divergent interests may actually aggregate so as to bring about a well-structured yet undesigned social institution. And it is this sort of aggregative mechanism that is the heart of an invisible-hand explanation worthy of its name. Only when an invisible-hand mechanism can be pointed to, can the spell of an explanation that postulates a creator, a designer, or a conspiracy be effectively broken.

It is in this sense, and in this context, that we may allude to Wittgenstein’s notion of being “in the grip of a picture”: the picture is the theological picture, within which one is held in

the grip of the “argument from design.” The liberating role from the grip of this picture is assumed by an invisible-hand explanation that succeeds in showing, through spelling out the workings of an appropriate mechanism (or process), how the social institution in question could have come about “as a result of human action but not of human design.” This liberating role firmly establishes the notion of the invisible hand as a cornerstone in the secular, rationalist worldview that we associate with the Enlightenment.

The role of the notion of the invisible hand does not end here, however. It continues to exert influence on the intellectual climate (or, on the “modern mind”) down to our own time. Interestingly, though, its spheres of influence shift. The original framework in which it began playing its eighteenth-century role vis-a-vis the theological outlook was that of economic models, with Adam Smith’s discussion of the working of the free market as the paradigmatic example. Later, in the nineteenth century, the locus of its influence was to be found primarily in biology, as bound with the notion of evolution and the origin of species—but also in history and historiography, as bound with Hegel’s notion of the cunning of reason. In its latest, present-day manifestation, the invisible hand looms within ecology, where it relates to the equilibrium of ecosystems, and also, if we are willing to go along with Hayek, within general discussions about culture and morals.

While in the early phase of its career the invisible hand made it possible for economics, and social theory in general, to serve as a model for biology, what Hayek does in fact is the reverse. For him it is the workings of the invisible hand in biology, or in what he understands as the biological evolution of spontaneous order, which is—and which should be—the model for social structures and institutions. Now something funny happens to the notion of the invisible hand on this reverse way. When first introduced, this notion played a liberating role—in the name of light, reason, and progress—as against the religious outlook. However, within the secular outlook that came to prevail, the

invisible hand is predominantly an instrument in the service of darker ideologies, conservative and counter-Enlightenment ones.

There is no other theme that Hayek, whom I shall take to be the latterday spokesman of these gloomier ideologies, emphasizes more than the need for human reason to recognize the limitations of human reason. In the more distant past, to preach for recognizing the limitations of human reason was tantamount to preaching for recognizing the supremacy of external, superhuman—that is, divine—authority. The project of the Enlightenment, which consisted in the rejection of this authority, came to be identified not only with the supremacy of human reason but with the deification of human reason. This, to Hayek, is man's ultimate, "supercilious," fatal conceit (Hayek, 1983, p. 330).

For Hayek the recognition of the limitations of human reason, instead of leading us to accept divine authority, should rather force us to concede superiority "to a moral order to which we owe our existence . . . to a tradition which we must revere and care for . . . to a system which we must accept as given . . . to a gradually evolved set of abstract rules of which human reason can avail itself to build better than it knows . . . to structures based on more information than any human agency can use" (Hayek, 1983, pp. 330, 326). Hayek follows Hume in taking seriously the limitations of human understanding, or, more specifically, the upper bounds on the human capacity to possess, process, and compute information. He thus wages a war against the rationalist confidence in the human ability to plan and to design ("it is indeed quite difficult," he says, "to find a positivist who is not a socialist" [1983, p. 326]). The most we can do—the most Hayek believes we should be allowed to do—is to "humbly tinker" on a system that serves us well ("a moral order which keeps us alive") but which we can never hope to understand more than imperfectly.

The "moral order" Hayek talks about comprises in effect the entire cultural realm—the social, economic, political, and legal

institutions,² as well as the moral tradition. For him the moral order is the product of spontaneous growth, that is, of a generations-long process of cultural evolution. As already mentioned, for Hayek the cultural evolution of traditions and habits is modeled on the biological evolution of “the particular kinds of spontaneous orders which we call organisms” (Hayek, 1967, p. 101). And, furthermore, when Hayek says of certain social institutions that they are the product of an evolutionary process, for him this seems the only adequate explication of the older, Scottish-Enlightenment idea of explaining social institutions through the workings of an invisible hand.

Now, it is one thing to say that the idea of the invisible hand paved the way for the idea of evolution, and it is quite another to conflate the two ideas. My challenge to Hayek at this point is this: while evolutionary explanations are indeed one type, or a species, of invisible-hand explanations, they are not the only species of invisible-hand explanations; they do not exhaust the genus. Moreover, while there is a strong sense in which evolutionary explanations can be said to be value laden, or, if you will, ideology laden, invisible-hand explanations as such are ideology free. This last point is of crucial significance with respect to Hayek’s ideological use of the notion of the invisible hand.

Some clarification is in order.³ I shall begin by spelling out, a bit, the nature of evolutionary explanations. First, let me recall the invisible-hand aspect of evolutionary explanations—whether biological or social. It consists, of course, in the fact that when an item, be it a social institution or an organism, is claimed to be the product of an evolutionary process, its existence is thereby taken to be explained without any reference to a designing agent. Evolutionary explanations qualify as invisible-hand explanations insofar as they are liberated from the grip of the formative—yet in a way primitive—picture according to which to account for the existence of something is to point to its creator.

The expression “to account for something’s existence,”

however, can be taken in more than one way. And it is the basically two different ways this expression is construed that distinguish the evolutionary explanations from the other, nonevolutionary, invisible-hand explanations. One way to account for something's existence is as an answer to the question of origin: How did it come into being, how did it begin to exist? The other is as an answer to the question of endurance: Why does it persist (regardless of how it came about in the first place), why does it continue to exist? The distinction, then, is between an explanation of emergence and an explanation of endurance.

Evolutionary explanations are clearly of the second kind. Their central conceptual tool of "natural selection," and its concomitant notion of "survival of the fittest," are supposed to account for continued existence, not for origins. At this point, however, an important difference between evolutionary explanations within biology, and evolutionary explanations in the domain of society and culture, has to be noted. In the biological case some sort of an account (or, a place-holder for an account) of origins is part and parcel of the explanatory apparatus. It is, namely, spontaneous and random mutations that are supposed to account for the emergence of the items (organisms, organs) whose continued existence is evolutionarily explained. No analogue to the notion of mutation exists in the sociocultural case: an evolutionary explanation of a social institution involves no commitment, and tells no causal story, as to its historical origins.

There is yet another difference between the biological and the social evolutionary explanations, a difference that will play a significant role in what follows. It involves the notion of function. In the biological case, where the item to be explained (say an organ, like a kidney) is known to have withstood the generations-long evolutionary test, it may safely be assumed—or, at least, rebuttably presumed—that the item in question has some survival value to the organism containing it, that it fulfills a positive function contributing to its overall fitness. Matters

are notably different in the social domain. When a social item is to be explained (a practice, a norm, an institution), it cannot in general be assumed that it has withstood the generations-long evolutionary test—it may be too recent for that. Nor can it in general be assumed that it fulfills a positive function that contributes to the survival and well-being of the society incorporating it—it may, for example, promote sectarian interests, or it may lack a function (in the relevant sense) altogether. The attributes of lastingness and of overall positive functionality have to be *ascertained*, case by case, rather than presupposed.

So, what an evolutionary explanation in the social domain does is the following: first of all, it ascertains that the institution in question fulfills a useful social function and identifies it (say, the continuous creation of money within the banking system); that is, it establishes its contribution to the equilibrical well-being and survival of the society incorporating it. Once this is ascertained, the explanatory schema can flow on. It assumes that by performing its useful function, even the faint beginnings of the social institution in question—whatever their origins—are with time reinforced and selected for. Consequently, this institution is seen as contributing to the evolutionary “success” of the society incorporating it, and this success, in turn, accounts for the perpetuated existence of the institution in that society. What we have here, then, is a non-man-made process of selection: a large scale evolutionary mechanism scans, as it were, the inventory of societies and of their social structures at any given period of time, and screens through to the next phase those societies whose structures and institutions serve them best. But for all that this explanation tells us, the social institution thus explained could have come about in any one of a number of ways. It could have originated, somehow, through people’s “stumbling upon establishments, which are indeed the result of human action, but not the execution of any human design,” in Ferguson’s words. However, it could also, for that matter, have come

about as a result of intentional design and careful execution by some enlightened ruler or clever committee—and yet the explanation of its continued existence would still count as an invisible-hand explanation of the evolutionary kind.

In order for an evolutionary explanation in the social domain to take off, the social institution to be explained, as we saw, has to fulfill some useful function, whether manifest or latent. Only institutions that perform a beneficial function for the society incorporating them can be candidates for an evolutionary explanation. Put somewhat differently, only institutions that promote the well-being and the survival of their society better than any alternative arrangements that happened to have been historically tried can have their continued existence explained through the evolutionary explanatory apparatus. It is through this door that conservative ideology enters the stage, by blurring the delicate distinction between *requiring* that the institution that is the explanandum phenomenon have a socially beneficial function, and *presupposing* that it has such a function.

All sociocultural evolutionary explanations align themselves with the so-called functionalist school in sociology and anthropology.⁴ And within the outlook of this school it is indeed taken for granted that any social pattern, structure, or institution that has been around for some time fulfills a certain society-wide positive function—or else it would have been eliminated in due course. This outlook is further committed to more far-reaching presuppositions: that any existing social pattern, besides being “functional,” is also “optimal” (as a “solution”) in some sense, and that human societies are self-regulating, goal-directed, organic systems. All of these highly controversial assumptions are heavily substantive, value-laden assumptions. Somewhat crudely put, their gist is this: while it may be the case that we do not inhabit the best of all possible worlds, we do nonetheless inhabit an optimal social world that is the fittest and best adapted of all actually tried alternative worlds.

So much for evolutionary explanations *qua* invisible-hand explanations. Let me return now to the claim made earlier, that evolutionary explanations are but one kind of invisible-hand explanations, that they do not exhaust the field. Indeed, the way I see it, they are not the ones that constitute the hard core, paradigmatic cases of the invisible-hand explanations envisioned by the Scottish Enlightenment thinkers. When Adam Smith talks about an invisible hand leading to the equilibrial pricing system within a perfectly competitive market,⁵ what he is referring to is an altogether different model of explanation.

The model in question envisages an invisible-hand process that is largely synchronic, not diachronic like the evolutionary selection processes. This process is an aggregate mechanism that takes as “input” the diverse and dispersed actions of numerous individuals, and produces as “output” an overall, structured, social pattern—subject to the assumption that the individuals concerned need neither foresee this pattern nor intend to bring it about. It is this process that, when spelled out, bears the brunt of the invisible-hand explanation. Such classical invisible-hand explanations, as those explaining the pricing system, or the continuous creation of money within the banking system (see Samuelson, 1958, Ch. 15), or the development of media of exchange (Jones, 1976), or the rise of the so-called ultraminimal state (see Nozick, 1974, part I), are all instances of the aggregate model. The aggregate model, then, supplies a chronicle of emergence and initial existence of some social pattern, while the evolutionary model is concerned with establishing reasons for the prolonged and continued existence of a social pattern.

The point to be stressed at this stage is this: for an invisible-hand explanation of the aggregate variety to go through, nothing in particular need be assumed about the social pattern that is a candidate for this sort of explanation—except, perhaps, that it be *structured* in some interesting sense. Matters, as we saw, are different in the case of an

invisible-hand explanation of the evolutionary variety. There it is a prerequisite—if not, indeed, a presupposition—that the social pattern to be explained have a *function*, that it perform a useful service to the society incorporating it. This, as we saw, was where conservative ideology entered the picture in the evolutionary case. And we are now in a position to see why it is that no ideology enters the picture in the aggregate case. When the existence of a social institution is accounted for by means of an aggregative invisible-hand explanation, there is no assumption, explicit or implicit, that it is a good institution, a valuable one, one that ought to be preserved or revered.

To be sure, it is entirely possible that an institution whose emergence is accounted for in this way turns out, as a matter of empirical fact, to fulfill a function that contributes to the survival or well-being of the society incorporating it. If it does, then its endurance, or continued existence, may be subjected to the other, that is, to the evolutionary model of invisible-hand explanations. Indeed, it may even be the case that many, or most, of the social institutions whose emergence can be explained by the aggregative invisible-hand explanation, are relevantly “functional” and hence also amenable to an evolutionary invisible-hand explanation. But this is an empirical, not an analytical, connection. And as a matter of ideological hygiene, it seems to me important to keep these two models conceptually apart.

Let me return, finally, to Hayek. Put somewhat bluntly, it is my belief that for Hayek the following sweeping generalizations were true: that all the institutions constituting our social fabric can—and should—be explained invisible-handedly, that invisible-hand explanations are evolutionary explanations, and that evolutionary explanations presuppose a functionalist outlook. As I hope to have shown, none of these generalizations is strictly true. His having subscribed to them, however, made Hayek unaware that the explanations he was championing for all of our social institutions were not explanations of emergence at all. These generalizations also helped blind him

to the need to subject each existing social institution to a critical examination, free of presuppositions, in order to ascertain whether it was indeed of such positive social function and of such pedigree as to make it worthy of respect and preservation. For Hayek the cited generalizations confirmed that the sociocultural sphere is "a system which we must accept as given," that it represents a "tradition which we must revere and care for" (Hayek, 1983, n. 8, p. 330), and, ultimately, that we obey reason when we submit to traditional rules that we cannot rationally justify (p. 325). It is in this way, then, that the notion of the invisible hand is nowadays being put to an ideological use by conservative circles; it is in this way that this notion serves as a weapon against liberals and social planners. And this way, I have argued, is faulty and misguided.⁶

* * *

The idea that human society produces its moral and economic institutions in an autonomous and spontaneous way had its profound impact on historical thinking as well. From Vico to Marx, the notion of the invisible hand, in one version or another, served to replace the older ideas of "the finger of God," or divine providence. The outlook according to which the meaning of history was to be extracted from some transcendent premise or promise, gradually gave way to the view that the meaning of history was immanent. A notion of particular interest in this context is Hegel's notion of the cunning of reason (*List der Vernunft*).

Hegel transformed Kant's comments on "the hidden plan of nature" into his doctrine: "This is to be called the cunning of reason, that it lets the passions do its work."⁷ The higher purposes of reason—the *telos* of history—are realized, obliquely, through the exercise of the passions, self-interests, and motives of individuals. The historical agent, by acting out his own will, inadvertently acts as an instrument of reason; his

“passions, ambition, jealousy, greed and the like are thus viewed as the handmaids of reason working in history” (Avineri, 1972, p. 232). The subjective freedom of the individual may appear independent of, or even in conflict with, the objective necessity of reason. But in truth, in each historical period, they coincide—their mediation being effected by the cunning of reason.

This doctrine is problematic on many counts; it is much discussed and variously interpreted by commentators. These accounts often draw attention to an affinity between the doctrine of the cunning of reason and the notion of the invisible hand. It is to this purported affinity that I should like to turn now.

The point of contact is what is sometimes referred to as the “dialectical tension” between intent and outcome. Both the doctrine of the invisible hand and the doctrine of the cunning of reason focus on the fact that the result of human action need not be the outcome of any human design. Moreover, both doctrines spring from the recognition that some unintended and unexpected consequences of human action may fulfill a purpose, may serve a valuable function, may lead to progress or to perfection. This, indeed, is why these unintended consequences appear (misleadingly) to be the result of some superb—if not superhuman planning. And it is precisely this that the two doctrines attempt to address in terms other than superhuman planning.

This point of contact, however, while striking, does not take us very far.⁸ It is important to note, by way of contrasting the two doctrines, that the notion of the cunning of reason is meant to apply to the actions of a few great men only—to the actions of the historical heroes, or the “world-historical individuals,” as Hegel calls them. It is the Pericleses, Alexanders, Caesars, and Napoleons who, unbeknownst to them, are the instruments of the “deed of the world mind” that leads to the “progress of the universal spirit”: it is they “whose own particular purposes comprehend the substantial content

which is the will of the world-spirit." Hegel's best-known example, perhaps, is the case of Caesar, who is assassinated as soon as he has done the work of the Spirit in bringing the Republic to an end: "this," as Charles Taylor puts it, "is an example of reason using expendable instruments" (1979, p. 99). This feature of the doctrine of the cunning of reason stands of course in marked contrast to its parallel feature in the doctrine of the invisible hand. Namely, for an invisible-hand explanation to go through, a multitude of (nonheroic) individuals have to be postulated as privately pursuing their own particular purposes.

History, in Hegel's view, is the drama of emancipation of human consciousness, the drama of humanity's attainment of ever-growing self-understanding. The idea of history as the realization of conceptual development unfolds through the concrete actions of individuals. The world-historical individuals, as Karl Loewith puts it, "act historically by being acted upon by the power and cunning of reason, which is to Hegel a rational expression for divine providence" (1949, p. 56). The historical heroes contribute to this drama by their actions, while they themselves are only dimly, or "instinctively"—if at all⁹—aware of the conceptual unfolding to which they contribute. Their contribution consists not so much in a dramatic act—like a military victory—as such, nor necessarily in the founding of new orders. It consists, rather, in the undermining of existing orders, in pointing to new alternatives, in creating a critical situation, thereby preparing history for its next stage. The gap about which Hegel talks in terms of the cunning of reason is this gap between the lack of understanding on the part of the historical hero on the one hand, and his contribution to the growing self-understanding of humanity—or of the "Spirit," on the other. And when Hegel says that reason is "the sovereign of the world," and that history has a final purpose, or "ultimate design," he is not postulating agency or intentionality of some hidden mind. The design he talks about is better understood in the sense of a

pattern (as in the design of an elaborate carpet) than in the sense of a plan or a plot. It is the design of the logical-ideational necessity, of the rational causality, which the historical development embodies and unfolds.

Both Hegel's cunning reason and Smith's and Ferguson's invisible hand are conceptual tools devised for the explanation of phenomena that are "the result of human action but not the execution of any human design." Interestingly, both of these tools are being put to political uses these days. While the invisible hand serves as a conservative weapon against social reform, the cunning of reason is taken to account for the spectacle of leaders who carry out a policy that is antithetical to their true desires and declared intentions.

An impressive number of big political decisions in recent times can be described as having been made by leaders who betrayed their constituencies as well as their own past. Thus we have de Gaulle who quitted Algiers, Nixon who went to China, de Klerk who terminated apartheid, Begin who withdrew from the Sinai, and more. These leaders underwent formative processes that made them come to terms with the inescapable constraints and exigencies of reality. In Hegelian terms such leaders, by acting counterintentionally, were being used by Reason as an instrument for carrying out their counterpolicy. A desire/ability dialectics is at work here, whereby the leader who wants to bring about a certain dramatic state of affairs is often politically unable to do so, while the opposing leader who intends to prevent it—and is elected to do so—will end up bringing it about, if forced to by reality. It is thus not the intentions, desires, and wishes of political leaders that count, but rather their capability and power. And the irony is that the leader who strongly and credibly opposes a certain move often has the larger maneuverability for making it, once reality brings him or her around to its imperativeness: the support of those who are anyway in favor of this move is guaranteed, while the trust of this leader's own followers—if he or she has sufficient stature—will bring many of them around as well.

Indeed, in political argumentation today it is this understanding of the notion of the cunning of reason that is sometimes cynically cited by people as a justification for supporting a political candidate who in their judgement will be *capable* of carrying out the policy they favor, rather than the candidate who declares his or her intention to carry it out.

In sum, tying the various threads together, we note that the original doctrines that the notions of the cunning of reason and of the invisible hand were devised to serve differ on several fundamental counts. They differ as to the domain within which the explanation applies, as to what it is that is being explained, and as to the nature of the explanatory mechanism. In the case of Hegel the domain is spiritual history, the phenomenon to be explained is humanity's ever growing self-understanding, and the explanation consists in showing how history uses as its vehicles the results of the actions of a few heroic humans so as to unfold the execution of Reason's design. In the case of Smith and Ferguson the domain is the social order, the phenomena to be explained are social structures, practices, and institutions, and the explanation consists in showing how they come about as the result of the actions of numerous ordinary humans and of no design whatever.

Notes

¹ The well-known passage occurs in Adam Smith, *The Wealth of Nations* (1776), IV.II.9. A less well known, and earlier, occurrence of the notion is in *The Theory of Moral Sentiments* (1759), IV.I 10. Smith's very first use of "invisible hand" is in his *History of Astronomy*, III.2, but there it seems to have ironic theological connotations. Emma Rothschild, however, suggests—in "Adam Smith and the Invisible Hand" (1994)—that Smith's attitude to the invisible hand was ironic throughout.

² As far as the law is concerned, Hayek's position is not entirely clear. On the one hand, he often lumps legal norms and institutions

together with all other social, political, and economic norms and institutions, and makes the sweeping claim that they are all products of "spontaneous order." On the other hand, however, he acknowledges that effectively competitive markets depend on state-created legal preconditions (such as rules of property and contract law).

³ In the following I draw on my "Invisible-Hand Explanations" (1978), pp. 263–91.

⁴ The prominent figures of this school are B. Malinowski and A. R. Radcliffe-Brown.

⁵ *The Wealth of Nations* IV.II.9. He also talks about the invisible hand leading to the optimal distribution by the rich to the poor of "the necessaries of life" (*The Theory of Moral Sentiments*, IV.1.10).

⁶ A personal note: it so happened that some years ago Friedrich A. von Hayek read my article (1978) about invisible-hand explanations. After some correspondence, he invited me to pay him a visit in Freiburg. Overwhelmed as I was by this pilgrimage, it took me a while to realize that for Hayek the mere fact that one is interested in the invisible hand meant that they are surely ideological allies of his. He seemed genuinely puzzled to find out that I was not, and I became subsequently intrigued by the question why he should have been so convinced that I must have been. The present paper represents my attempt to figure this out.

⁷ *Philosophie der Weltgeschichte* (1930), vol. 1, p. 83.

⁸ Consider, for example, this formulation: "In general the Cunning of Reason makes a great deal of mischief at times, and the same may be said of the Unseen Hand, another name which has been given to the summing of consequences" (Hollis, 1987, p. 48).

⁹ On this point, see Taylor's (1975, p. 393, n.) argument with Avineri.

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