

embodiment, or *existential project*. Gloria Zúñiga provides a useful survey of the alternative approaches to individualism in issue 4:2 of this journal.

These “blind spots” enable Davis to conclude his ideological critique that neo-classical Lockean individualism has failed (which is an important though not novel finding) and that ill-defined “embeddedness” offers the only alternative to individualism. They also cause him to hesitate when elaborating his theory of individuality between (1) defining embeddedness (or holism) as social forces *determining* individuality (in his concluding comments where he favorably comments on Parfit’s negation of individuality, 188), and (2) suggesting (elsewhere, in chapter 6) that the individual is merely *influenced* by his environment with which he shapes his individuality. Yet, Davis clearly expresses his “personal preference” for the second “view” (in sections 6.4.2 and 6.5 and in his remarkable conclusions on page 148).

In conclusion, and to be a bit provocative, I am very pleased by Davis’s demonstration that the dominant academic discourse leads at best to the conclusion that “embedded” beings *might* become individuals. Christians know that human nature is ambiguous and that the basic characteristic of the Western ethos—individuality—remains shaky as long as it is not rooted in its Christian tradition and continuously provided with the embodying (incarnation) of the Trinitarian “prototype” (of autonomous individualities interacting with each other) into the project of human individualization. It is also scientific to recognize (1) that this ethos is opposed to the (presently dominant?) pagan ethos of holism and impersonal irresponsibility and (2) that Western rationality has realized that individuality remains the most potent instrument for reducing scarcity, which characterizes the human condition. Modern science thus supports the Christian ethos and vice versa, while postmodern irrationalism does away with both. Davis’s analyses thus (indirectly) demonstrate that the rational Western construction of individualism remains “unstable” without Christian inputs.

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Friedrich Hayek: A Biography

Alan Ebenstein

Chicago: University of Chicago Press, 2003 (403 pages)

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Alan Ebenstein received a Ph.D. in political philosophy from the London School of Economics. He is the author or coauthor of seven other books on the history of economic and political theory.

With this book, Ebenstein provides the first full-scale biography considering both Hayek’s work *and* life. An important source, besides Hayek’s works, both published and unpublished, are interviews with friends, companions, family members, and others who knew Hayek personally. Ebenstein follows Hayek’s life chronologically and

divides his book into six parts, which are supposed to follow the six “chapters” of Hayek’s life. It began in 1899 in a middle-class family in intellectually blossoming fin-de-siècle Vienna and lasted for most of the twentieth century.

While studying at the University of Vienna, Hayek was introduced to the ideas of the Austrian School of Economics. Making use of the university’s freedom of studies, he attended lectures in many disciplines and received two doctorates, one in law (1921) and the other in political science (1923). In 1924, he became director of the Austrian Institute for Business Cycle Research. In addition, he attended Ludwig von Mises’ private seminar until Hayek left for London in 1931. It was Mises’ influence that changed Hayek from a mild Fabian socialist to a liberal.

From 1931, when he received a chair at the London School of Economics, until 1949, Hayek lived in Great Britain. Ebenstein follows Hayek’s discussions with major economic ideas, including the controversy with John Maynard Keynes. He criticizes Hayek’s economic thinking, following, it seems, Milton Friedman’s ideas (81–83). The 1930s saw Hayek’s focus of interest shift from mere economics to the field of interaction between economics and political structure, where it would remain for the rest of his scientific life. Ebenstein puts more emphasis on this part of Hayek’s work and holds it in higher esteem than his economic thinking, calling Hayek’s societal philosophy his greatest contribution (270). In 1950, Hayek arrived in Chicago, where he found an ideal working environment at the University of Chicago’s Committee of Social Thought. He then returned to Europe in 1962, living and teaching in Freiburg im Breisgau, Germany.

In 1974, Hayek received the Nobel Prize, without which, as Ebenstein points out, Hayek’s reputation today would be questionable. The prize brought him and the Austrian School of Economics prominence and new opportunities. He died in 1992, having seen the collapse of Communism in 1989 and of the Soviet Union two years later.

Ebenstein identifies two central ideas in Hayek’s work. First, he notes, the concept of limited knowledge is the key to understanding Hayek. According to this idea, our knowledge of the physical world is extremely limited because the brain stresses those relationships between the external world and the organism, which in the course of evolution so far have proved significant for the survival of the species. Hayek believed in the ability of reason, but he emphasized that reason is not all-powerful. No government, therefore, can possibly have the necessary knowledge and understanding to provide the common good by way of central planning. Hayek’s argument against socialism, Ebenstein points out, is not so much on a normative or moral but on a practical level: It just cannot work.

Hayek’s criticism of Marx notwithstanding, Ebenstein calls him a “utopian philosopher” (233) who admired the courage of socialists to imagine Utopia. His utopia was, of course, of a different kind.

The second “core Hayekan topic,” as Ebenstein calls it (232), is the idea of societal evolution. It is a consequence of limited knowledge. Laws should create liberty through the establishment of a societal framework that allows individuals to live their lives rationally, knowing what is allowed in a society and what is not. Prosperity can only be achieved when people are allowed to coordinate their values by way of prices within the spontaneous order of the market and are able to use their knowledge and abilities for their own purposes. In a sphere of freedom, they can try out new ways and means. This will lead to inequality, but there can be no progress without inequality and diversity. Competition among individuals and organizations will distinguish successful courses of conduct from unsuccessful ones.

Liberty allows progress not only to occur within but also among societies. The more successful laws and customs are, the more successful a society is and the more likely that it will prevail over time. The traditions and customs already established have succeeded in the evolutionary process of society and should therefore not be given up lightheartedly. Societal evolution has, in Hayek’s opinion, reached its culmination in Western civilization.

Ebenstein devotes one chapter to the influence Hayek’s ideas had on both the Reagan and the Thatcher revolutions. Interest in Hayek spread from Latin America to Central and Eastern Europe during his lifetime (206–14). Hayek himself considered the founding of the Mont Pelerin Society (which he intended to call “Acton-Toqueville Society”) to be one of his most important achievements. Another important institution that emerged from Hayek’s ideas was the Institute of Economic Affairs, which became the model for comparable institutions and played an important role in the upcoming Thatcher reforms (285).

It is worth noting that Ebenstein has responded to at least three reviews of the original edition of his book. The reviews were written by distinguished scholars of the Austrian School: Peter Klein, associate editor of *The Collected Works of F. A. Hayek*; Richard Ebeling, adjunct scholar at the Mises Institute; and Bruce Caldwell of the University of North Carolina, Greensboro, and London School of Economics, and himself an author of a Hayek biography. All of them criticize Ebenstein’s presentation of Hayek’s economics, which they regard as overly negative. Ebenstein answered in an online article, revealing that he does not agree with some of Hayek’s economics and that he does not consider himself an Austrian.

In summary, the book gives a good overview of and many valuable insights into both the life and thought of Hayek, emphasizing his political and social philosophy. Hayek’s contribution to economics is, however, portrayed from a critical point of view.

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