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Technological Progress and Economic Order

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It is impossible to formulate a final judgment about the success or failure of an idea or a critical position in the more or less open market of political concepts. The idea of progress has been engaging the mind of humanity since antiquity. Throughout the course of history, it is possible to distinguish five different basic interpretations of this idea.

First, history is incapable of being shaped by humans. It has a God-given beginning and a God-given end.

Second, development is a continuous downfall. Each generation is a bit worse than the previous one and we are drifting ever farther away from the good old days, from the Golden Age. (Critical of belief in progress).

Third, development pursues a neutral path between progress and downfall, constantly producing new combinations of advantages and disadvantages. What we call "development" is merely stumbling from one muddle to the next. (Skeptical of belief in progress).

Fourth, development takes a cyclical or dialectical course. Times of progress alternate with periods of downfall. Although we may be able to reach a level of technical perfection, a comparable level of perfection in human behavior and morals will remain an illusion, and the curse of uninterrupted progress is permanent regression. (Ambivalent toward the idea of progress, a middle way).

Fifth: development means qualitative improvements for everyone. Technical progress also has a benign effect on human relationships and culture. That humans can be educated has been empirically proven, although it takes longer than many would hope. (Belief in progress).

At the workshop of the Progress Foundation, where fourteen classical texts were used to discuss primarily the third, fourth and fifth positions, none of these standpoints was capable of convincing a majority of the participants. A moderate, modest optimism with regard to the idea of technological and commercial progress received the most favorable reception, although it left many questions unanswered, especially in relation to cultural and ethical progress.

While the French Enlightenment author and co-founder of positivism, Auguste Comte, posited a state of harmony between science, technology and ethics in days to come, Daniel Bell cautioned against having politicians and technocrats compete, and against placing too great a value on rational social organization. However, both believed in progress, each in his own way.

The radical democrat Jean-Jacques Rousseau, the liberal conservative Jacob Burckhardt and the cultural pessimist Oswald Spengler are all counted among the number of well-known pessimists on this topic. They based their distrust of the idea of progress on very different views of the world and of humanity, and put their skepticism into perspective in very different ways. Rousseau's yearning for a life in harmony with nature also has something cynical about it. In earlier times, many people lived below what today would be called the poverty line. Only a minority of the population was able to fulfill the basic human needs for food, clothing and shelter from the elements. Whoever looks back longingly to a bygone day and age should be aware that the chances of belonging to the relatively tiny privileged class was much smaller than the far greater probability of having to vegetate on the edge of destitution. At the workshop, the moderate pessimism of Jacob Burckhardt was discussed most and acknowledged as being probably the most positive approach to an explanation of historical developments. In the area of culture, especially the visual arts and literature, it is indeed difficult to find any evidence of genuine progress. Moreover, what appears to be progress has repeatedly been shown to be nothing of the sort. In the long term, what is simpler and more robust often tends to gain the upper hand.

Two essays, one by Arnold Gehlen, a conservative, and another by Herbert Lüthy, a liberal critic of technology, provided the occasion to discuss the relative benefits and shortcomings of "middle ways". In the fifth talk, three great optimists with regard to the idea of progress took the stage, each of whom was also, however, in his own way a critic of the naive belief in progress: Friedrich August von Hayek, Karl Popper and Joseph Schumpeter.

Friedrich Hayek's oeuvre includes numerous publications dealing with the history of ideas and with social philosophy. One of the outstanding social philosophers of the twentieth century, his main significance today is his skeptical approach to social engineering, to collectivism and to what he called constructivism. His writings on political philosophy are conceived largely as criticisms of existing conditions and developments, always based on long-term perspectives (both retrospective and prospective), and are aimed directly at observed shortcomings. His intent was by no means merely to analyze those shortcomings; rather, his academic and personal passion was to improve political, economic and social conditions by learning from mistakes and missteps. He was especially interested in institutions of long standing, and his skepticism was directed at trends which, in his view, would not be of great duration because they lacked what today might be termed "sustainability."

Hayek is a versatile and well-read analyst of government, economics and society, and a penetrating observer of real, existing political structures. But anyone trying to derive from his writings a partisan program directly applicable to everyday politics is certain to be disappointed. When he makes proposals, he speaks at the constitutional level, and even there he operates in the realm of broad principle. Any attempt to construct a consistent "Hayekism" from his writings is frustrated by the fact that his concept of "spontaneous order" is not free of internal contradictions. It is process-oriented rather than structure-oriented.

Josef Schumpeter's concept of creative destruction places him in the vicinity of the cyclical theories of those who are ambivalent toward the idea of progress.

The final discussion was devoted to two texts by lesser-known authors: an essay on the history of ideas written by the Zurich economist Friedrich Lutz, and a cross-section of the history of civilization by the American economic historian John U. Nef, whose contribution ended with the following reflection presenting optimism not as a fact, but as a hope to focus upon.

"Laissez faire may well be, then, more a symptom than the cause of the general well-being of a nation and its people. But to recognize this should not lead anyone to minimize the importance of free enterprise, individual liberty, and tolerance for the well-being of a nation and its people. They have always been precious as means of seeking the ends of civilization.

They have become more and more precious for all peoples of the world in the nuclear age than they were ever before, at the very time when the United States is threatened as never before, with their loss. That is because, as it has been indicated, they thrive on peace and languish in war. The more total the war, the more complete their eclipse. As war has been made potentially almost infinitely more destructive by the discovery of nuclear fission and other scientific advances, and their application to armament, the dangers of war for liberty have multiplied manifold during the last decades. A diminution of violence in settling disputes among nations has become a necessity for the future of civilization and perhaps for the existence of the human race."