

Striving and Attainment

A Theory of Social Interaction

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For Mimi

Thank you Richard Dalton and Paul Wilder for your help with the
manuscript.

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Part I – Praxeology

Praxeology

The goal of the analytic or formal approach to social science is the theoretical explanation of recurring social phenomena. As Menger writes, the goal of this type of social science:

...is the determination of strict laws of phenomena, of regularities in the succession of phenomena which do not present themselves to us as absolute, but which in respect to the approaches to cognition by which we attain to them simply bear within themselves the guarantee of absoluteness. It is the determination of the laws of phenomena which commonly are called “laws of nature,” but more correctly should be designated by the expression “*exact laws*.”(I-59)

Mises’s term for this approach to cognition is “praxeology.” Praxeology is the theoretical science of purposive, goal-directed human activity, or *human action*.

The science of human action that strives for universally valid knowledge is the theoretical system whose hitherto best elaborated branch is economics. In all of its branches this science is a priori, not empirical. Like logic and mathematics, it is not derived from experience; it is prior to experience. It is, as it were, the logic of action and deed.(EP-12-13)

...in the last analysis, logic and the universally valid science of human action are one and the same.(EP-13)

...Our science, on the other hand, disregarding the accidental, considers only the essential. Its goal is comprehension of the universal, and its procedure is formal and axiomatic. It views action and the conditions under which action takes place not in their concrete form, as we encounter them in everyday life, nor in their actual setting, as we view

them in each of the sciences of nature and history, but as formal constructions that enable us to grasp the patterns of human action in their purity.(EP-13)

...as long as there are men [who]... act because they seek to attain goals—they will necessarily always be subject to the logic of action, the investigation of which is the task of our science.(EP-152)

Taking Menger and Mises together then, praxeology is the study of the logic of the coexistence and succession of the phenomena of human goal-directed behavior, or *human action*.

Libertarian Ethics

It is obvious that ethics, and especially libertarian ethics, has not been pursued as a formal-logical science of ethical phenomena. Historically, ethics has been pursued as a “normative” discipline studying ethical behavior in its “contentual” and “commonsensical” sense. This typically involves describing various realistic ethical situations and scenarios, and discussing or debating possible courses of ethical action.

The various libertarian ethical theories are primarily rationales or “justifications” for a proposed system of ethical conduct. They approach ethics from the point of view of philosophical objective-realism and ontological materialism, and argue for a concrete system of ethical-political values and corresponding political institutions. This differs markedly from the formal praxeological approach where concepts are conceived as absent specific content. Praxeology is value-free, anchored in theoretical value-subjectivism. But objective ethicists generally eschew the method of *Wertfreiheit* and theoretical value-subjectivism, believing these analytical tools to be inimical to the pursuit of ethical knowledge.(EOL-12,26)

In disregarding the formal approach to social science, libertarian ethicists practice objective ethics by default. Ultimately this means ethical theories based on the physical or biological aspect of man. In libertarian ethics this approach is closely linked to, if not inseparable from, natural-law ethics.

...For in natural-law ethics, ends are demonstrated to be good or bad for man in varying degrees; value here is *objective*—determined by the natural law of man's being...(EOL-12)

We note how in the quote from Rothbard above the concept of *natural law* is linked to the concept of *objective value*.

The goal of this kind of natural-law ethics is not a scientific understanding of the world of ethical phenomena. Rather, the purpose of objective natural-law ethics is the establishment of an absolute scale of ethical values.

The Problem of Natural-Law Ethics

But inseparable from the natural-law approach are certain problems natural-law ethical philosophy has not been able to overcome. Consider this simple scenario:

...let us assume that the ultimate value of a particular ethical system could be proven, what could be made of conscious, deliberate defiance of it?

We come upon a man committing some act grossly violative of his nature: let us say that he was engaged in theft. We apprehend him, and while we have him in custody we question him about the nature of the act we caught him performing. We find he is an extremely knowledgeable fellow, familiar with all the arguments of the natural law school. In fact, he....was convinced that the proposition that a man ought

to act according to his nature is correct, logically. “Well,” we ask him, “if you know that to steal is to act against your nature, and you know that you ought to act according to your nature, how could you bring yourself to commit your felonious act?” “I chose not to act in accord with correct ethical principles,” our philosophical burglar might answer.(PON-94)

In the above-quoted article, Patrick M. O’Neil is arguing that natural law in its current form cannot overcome Hume’s “is-ought” gap. The ethical scenario he provides brings to light a very simple question in ethical theory. What is the result or consequence of acting contrary to any particular ethical code?

With regard to acts of an ethical nature, is there any particular consequence to taking one course of ethical action versus another?

This eventually leads us to the general nature of the relationship between two events (in our case, the ethical act and its consequence), and also to the question of the necessity or nonnecessity of the consequence occurring upon commission of the ethical act in question.

These important questions need not involve any consideration of what things a person *should* or *should not* do. We may limit our inquiry to an analysis of what harm or benefit may follow from acting one way versus another.

Considering the ethical scenario quoted above, it is possible that if caught, the burglar may suffer the consequences meted out by his captors. But he may also escape capture and thus escape those consequences. Stealing from others may cause the burglar to experience guilt or fear of retribution. But it is also possible that he will not experience these things.

We already know that choosing to act in a particular way will have *possible* consequences. But the question is whether there are any *necessary* consequences to particular ethical acts. Specifically, is there any *necessary* impact upon the happiness or well-being of the ethical

actor, consequent to the adoption or rejection of specific ethical conduct?

Let's assume that natural-law ethicists succeed in convincing people to adopt the ethical conduct and political institutions they propose. What will be the inescapable result of people adopting such conduct and institutions? Must every individual who lives according to the natural-law ethical code and who adopts natural-law political institutions necessarily become happier and better off than before? If so, precisely how? This is a problem natural-law ethics has not been able to solve.

The Purpose of Formal-Theoretical Ethical Science

Menger writes:

The purpose of the theoretical sciences is understanding of the real world, knowledge of it extending beyond immediate experience, and control of it. We understand phenomena by means of theories as we become aware of them in each concrete case merely as exemplifications of a general regularity. We attain knowledge of phenomena extending beyond immediate experience by drawing conclusions, in the concrete case, from certain observed facts about other facts not immediately perceived. We do this on the basis of the laws of coexistence and of the succession of phenomena. We control the real world in that, on the basis of our theoretical knowledge, we set the conditions of a phenomenon which are within our control, and are able in such a way to produce the phenomenon itself.(I-55-56)

In this passage we can see the essential structure of Menger's vision of theoretical social science.

When Menger says that by theories we attain knowledge of phenomena extending beyond immediate experience, we interpret this

in the following way. *Immediate experience* is that experience which is *currently present*. In the sense that this experience is a present or current experience, we may say it is known. This present experience *excludes* the presence of a different experience. The different or other experience is not immediate (not current). It is “beyond” immediate (it is other than what is current).

We can see that this must always be the case. What is immediate experience is that which is presenting now, and this excludes that which is not presenting now. That which is not presenting now is beyond immediate experience. We seem to be describing two separate formal categories: that which is now present, and that which is not now present (Menger’s “that which is beyond immediate experience”).

By this interpretation then, we understand Menger’s view of theoretical social science to be an understanding of the relationship between phenomena, with special emphasis on phenomena that are beyond immediate experience. Based on the laws of coexistence and/or succession of phenomena (if we succeed in finding them), we control the real world, in that we set the conditions for some phenomenon that is within our control, and “are able in such a way to produce the phenomenon itself.”(I-56)

We understand this to mean that if we succeed in producing some phenomenon X, then based on the laws of coexistence and/or succession we will be successful in producing phenomenon Y (either coexistent with X or following X), even though Y is beyond immediate experience when phenomenon X “presents.”

This is an important but subtle idea. Here we are saying that Y is understood to coexist with X, or follow X, but that X is the phenomenon understood to be present currently. So in a fundamental sense, phenomenon Y is *always, and in principle*, beyond immediate experience, because in this understanding of things, X is always currently present.

This idea is important because when we investigate the consequences of ethical acts, we find it extremely difficult to arrive at a logically consistent account of what the consequences of ethical acts are or must be. Everyone has opinions and preferences about ethical acts, but a consistent account of what must be the consequences of ethical acts remains elusive. This may be so because the current ethical act, and its consequence which is not current (since the act itself is what is current), are separated in some fundamental or categorical way.

Menger's vision of theoretical social science is relevant to the study of ethics when we seek a theoretical understanding of the invariant regularities of ethical phenomena.

Libertarian Ethics: Two Schools

The vast majority of libertarian ethical theories are what one may call *objective* or *positive* theories of ethics. The primary characteristic of these theories is that they argue for a specific set of social institutions and ethical practices. In fact, objective and positive ethical theories predominate to such a degree that the terms "ethics" and "ethical theory" are considered virtually synonymous with arguing for a specific set of social institutions and ethical practices.

In the theory which follows, ethics is pursued as a *theoretical science* and not as a normative discipline attempting to instruct man on what he *ought* to do. In pursuing ethics in this manner, we are simply trying to extend the theoretical vision of Menger beyond economics, and into the ethical realm of human action. Menger's vision is clear:

...the second problem of the theoretical sciences: the determination of the typical relationships, the *laws* of phenomena. The specific goal of this orientation of theoretical research is the determination of regularities in the relationships of phenomena which are guaranteed to be absolute and as such to be complete.(I-61)

The theoretical sciences are supposed to provide us with understanding of phenomena, a knowledge of them extending beyond immediate experience, and a certain ability to foresee them.(I-67)

Our goal, like Menger's, is a theoretical science of the *laws* of phenomena. In our case, this means an understanding of the regularities (the recurring patterns) of ethical phenomena. The primary focus of such an ethical science is the discovery and conception of what Menger terms *exact laws*:

The aim of this orientation, which in the future we will call the *exact* one, an aim which research pursues in the same way in all realms of the world of phenomena, is the determination of strict laws of phenomena, of regularities in the succession of phenomena which do not present themselves to us as absolute, but which in respect to the approaches to cognition by which we attain to them simply bear within themselves the guarantee of absoluteness. It is the determination of laws of phenomena which commonly are called "laws of nature," but more correctly should be designated by the expression "*exact laws*."(I-59)

Objective ethicists generally share a belief that the determination of strict laws of social phenomena, while perhaps appropriate for economics, is not appropriate for ethics. This belief is obscured when objective and natural-law ethicists use terms such as "moral *laws*" or "*laws* of man's nature" in discussing their theories. However, their theories do not present moral or ethical "laws." Instead they present a concrete system of ethical values, and an argument or rationale for that system.

Thus, there exist two distinct schools of libertarian ethical thought. Objective ethicists generally believe that formal theory and the attempt to conceive human behavior in terms of exact laws are not appropriate in the field of ethics. But the question is, why? There seems to be no clear argument demonstrating why the science envisioned by Menger

and Mises is not capable of arriving at universally valid knowledge in the ethical realm of human action.

The Recurrence of Ethical Phenomena

Just as economic phenomena recur, so too do ethical phenomena. Every day prices go up or down and goods and services become more scarce or abundant. And every day people are honest or dishonest and associate voluntarily or under threat of coercion.

On a more fundamental level, ethical phenomena continually recur as the fundamental choice whether to help or harm another person. We can try to help someone attain that which he is trying to attain, or we can try to take away something we believe he has attained. There can be no doubt that there are recurring patterns of ethical behavior. And thus a natural goal of ethical science is to understand the recurring phenomena of ethical behavior.

In differentiating economic phenomena from ethical phenomena we are on solid ground, at least according to the leading libertarian economist of the twentieth century:

There have never been any doubts and uncertainties about the scope of economic science. Ever since people have been eager for a systematic study of economics or political economy, all have agreed that it is the task of this branch of knowledge to investigate the market phenomena, that is, the determination of the mutual exchange ratios of the goods and services negotiated on markets, their origin in human action and their effects upon later action.(HA-232)

Economics is mainly concerned with the analysis of the determination of money prices of goods and services exchanged on the market.(HA-234)

As Mises conceives things there is praxeology, the *general* science of human action, and within praxeology, there are specific “branches”

or subsections, economics being but one such subsection of praxeology:

The scope of praxeology, the general theory of human action, can be precisely defined and circumscribed. The specifically economic problems, the problems of economic action in the narrower sense, can only by and large be disengaged from the comprehensive body of praxeological theory.(HA-234)

Not logical or epistemological rigor, but considerations of expediency and traditional convention make us declare that the field of catallactics or of economics in the narrower sense is the analysis of the market phenomena. This is tantamount to the statement: Catallactics is the analysis of those actions which are conducted on the basis of monetary calculation.(HA-234)

Thus, we are in accord with Mises in defining *economic* as opposed to ethical phenomena, as those human actions or behaviors conceivable in terms of prices or exchange ratios. Ethical phenomena, such as giving up one's seat on the bus to an elderly person, are typically not conceived in terms of exchange ratios. Yet, helping someone in this way is definitely an *action* or goal-directed activity. An action which is not an economic action in the *market* or *catallactic* sense, is an action in some other sense, and thus we conceive that an action directed toward another person is an ethical action.¹

¹ Previously we also conceived a third class of actions, such as when one attempts to "overcome one's fear." Overcoming one's fear typically wouldn't be conceived as an economic phenomenon, and since this activity needn't refer to another person, it wouldn't be conceived as an ethical phenomenon either. Yet attempting to "overcome one's fear" is a goal-directed activity and thus an action. We proposed that a phenomenon such as attempting to overcome one's fear is something analogous to a "psychological" phenomenon, and we proposed as a beginning point the existence of three classes of action: economic, ethical, and psychological.

The primary goal here is to realize that there are several conceivable classes of recurring human actions. If economics is the science of one class of human actions, then it seems reasonable that there should be a science of the other classes. Or if this is unreasonable, then we would be looking for an explanation or demonstration why a science is not possible in respect to the other classes of human actions.

Our position is that recognizable types of ethical actions recur, and that a science attempting to understand the relationships in the succession and/or coexistence of ethical phenomena is possible. The following was Menger's view:

The nature of this exact orientation of *theoretical* research in the realm of ethical phenomena, however, consists in the fact that we reduce human phenomena to their most original and simplest constitutive factors. We join to the latter the measure corresponding to their nature, and finally try to investigate the laws by which *more complicated* human phenomena are formed from those simplest elements, thought of in their isolation.(I-62)

In using the terms “ethical phenomena” and “human phenomena,” Menger is envisioning a comprehensive science of human action as Mises does. He is not talking strictly or exclusively about *economic* science.

The Relationship Between Events

It appears that all ethical theory ultimately entails an assertion that a particular course of action will bring forth a particular result or consequence. Generally, an ethical theory that attempts to *change* ethical behavior also attempts to show how *not acting* in accord with its teachings will result in some negative or unwanted consequence, while *acting* in accord with its teachings will result in some positive or beneficial consequence.

This leads to what appears to be an inescapable circumstance: Ethics must address the universal problem of the relationship between two events.

When a theory asserts that the appearance of event A will bring about the appearance of event B, then the question naturally arises whether the appearance of event A will actually bring about event B. This is why Menger is on target in stressing that theoretical social science is concerned with exact laws, laws of the succession or coexistence of phenomena (phenomenon A and phenomenon B). This is also why modern ethical theory begins with David Hume, the philosopher who most famously brought the problem of the relationship between events to bear on ethics:

What are the logical grounds for men's belief in the uniformity of nature?

Before Hume, the usual answer to this question was in terms of "causal necessity": Everyone agreed that every event that occurs has some cause that necessarily produces it. The new scientific method rested on this belief, and the success of the method seemed to substantiate the belief. Accordingly, Hume set himself to examine the notion that a necessary connection can exist between events, a connection such that if one of the events occurs, the other must inevitably also occur.(HWP-315)

It is commonly held that Hume's primary contribution to ethical theory was: "...the raising of the alleged "fact-value" dichotomy, thus debarring the inference of value from fact,..."(EOL-14) But the view that Hume's primary contribution to ethical science was to raise the is-ought or "fact-value" dichotomy, is based on a pre-existing conception of ethics as a discipline of the "ought." However, when ethics is considered a science of ethical phenomena, its task being "the determination of typical relationships, *laws* of phenomena,"(I-57) then the is-ought dichotomy loses its significance, since neither the *ought* nor objective ethical values are sought.

To the extent that ethics asserts a connection between an ethical act and the consequences to that act, then perhaps the problem of causality is the primary problem of ethics, and not the is-ought dichotomy as is generally believed.

The fact that the is-ought dichotomy is considered Hume's most important ethical insight, and not "his denials of the provability of causality"(PON-82), is due to a pre-existing belief that ethics is a discipline whose task is to establish an objective scale of ethical values. This is a conception of ethics fundamentally different from a proposed value-free formal science of ethical phenomena.

The Relationship Between Events (continued)

The theory presented here takes Hume's doctrine of nonnecessity between event A and event B as a fundamental epistemological principle. That epistemological principle is something along the following lines: When event A and event B are considered as two separate events in the temporal order, then it will be impossible to demonstrate strict necessity in the following of event B from event A. Our postulate is that this nonnecessity between event A and event B is "co-present" with our viewing event A and event B *as* two separate events in the temporal order. That is, to view event A and event B as two nonidentical temporal events, and for the following of one event from the other to be nonnecessary are, in our view, two aspects of the same thing.

This kind of principle we hold to be the kind of principle that Menger and Mises have in mind in speaking of "laws of thinking" on which they base their theories of exact laws of social phenomena.

The theory of ethics proposed here is based on and consistent with Hume's epistemological principle of nonnecessity between events,

what we refer to as Hume's Law.² We would likely avoid referring to Hume's Law as a law of thought, since that may imply to some a differentiation between *thought* and *action*, a differentiation we do not make in this theory. In our view, Hume's Law would more accurately be called a "law of experience" or "law of action." It is a law (in the sense of recurring entailment) of the *acting experience* or *acting reality* of an acting being.

The Necessity of Events

We will begin here with a brief passage from Menger, and attempt to demonstrate the basis on which a theoretical science aspiring to arrive at strict laws may be constructed:

...the determination of strict laws of phenomena, of regularities in the succession of phenomena which do not present themselves to us as absolute, but which in respect to the approaches to cognition by which we attain to them simply bear within themselves the guarantee of absoluteness.(I-59)

Previously, we used the example of the aerodynamic car to illustrate the same idea expressed by Menger.(POC2-46,47) When a car is made more aerodynamic to increase its fuel efficiency, it must necessarily be made harder to bring to a stop. The same change in shape which allows the car to glide through the air more easily (thus reducing the amount of fuel needed to propel the car) also makes the car harder to stop, so that more braking power must be applied to bring the car to a stop in a given distance or time period. However, the measurements or observations which attempt to confirm this fact may not confirm it absolutely. It is possible that a given set of measurements may confirm that the car is more fuel efficient than before, but that more braking power is not needed to bring the car to a

² This as opposed to the common conception of Hume's Law as the impossibility of surmounting the is-ought gap.

stop in a given distance or time period. This is how we would interpret Menger's "determination of strict laws of phenomena...which do not present themselves to us as absolute..." Yet we can see that increasing the car's fuel efficiency by increasing the aerodynamic efficiency of the car's shape *must necessarily* also make the car harder to stop. We see this not because measurements or observations tell us so, but because "the approaches to cognition by which we attain [this knowledge] simply bear within themselves the guarantee of absoluteness."

The phenomenon which increases the car's fuel efficiency is *the same phenomenon* which makes the car harder to stop. It is a kind of logical entailment, not something that is verified empirically. Regarding this type of *theoretical science*:

The specific goal of this orientation of theoretical research is the determination of regularities in the relationships of phenomena which are guaranteed to be absolute and as such to be complete...Exact science, accordingly, does not examine the regularities in the succession, etc., of real phenomena either. It examines, rather, how more complicated phenomena develop from the simplest, in part even unempirical elements of the real world in their (likewise unempirical) isolation from all other influences,...It does this without taking into account whether those simplest elements, or complications thereof, are actually to be observed in reality uninfluenced by human art; indeed without considering whether these elements could be found at all in their complete purity.(I-61)

Staying for a moment with our car example, let's say we want to investigate a regularity; whether making a car more fuel efficient by making a car more aerodynamic is always followed by, or is always copresent with, the car being harder to bring to a stop. According to Menger:

The most obvious idea for solving the above (the theoretical) problem is to investigate the types and typical

relationships of phenomena as these present themselves to us in their “full empirical reality,” *that is, in the totality and whole complexity of their nature*; in other words, to arrange the totality of the real phenomena in definite empirical forms and in an empirical way to determine the regularities in their coexistence and succession.(I-56)

Thus, one can undertake an empirical investigation, and observe whether one event or phenomenon (increasing fuel efficiency by making a car more aerodynamic) is actually in reality always followed by or coexistent with another event/phenomenon (the car being harder to bring to a stop). But then, according to Menger:

Phenomena in all their empirical reality are, according to experience, repeated in certain empirical forms. But this is never with perfect strictness, for scarcely ever do two concrete phenomena, let alone a larger group of them, exhibit a thorough agreement.(I-56)

In an empirical investigation, it will be possible that a given set of observations and measurements show that the car’s fuel efficiency has been improved due to making the car more aerodynamic, but that the car has *not* thereby been made harder to bring to a stop.

There are no strict types in “empirical reality,” i.e., when the phenomena are under consideration in the totality and the whole complexity of their nature...

If the world of phenomena is considered in a strictly realistic way, then laws of the latter signify merely the actual regularities, determined by way of observation, in the succession and coexistence of real phenomena which belong to certain empirical forms. A “law” obtained from the above point of view can in truth only state that in reality, regularly or without exception, phenomena belonging to the empirical form C have followed the concrete phenomena belonging to the empirical forms A and B, or that they were observed coexistent

with them. The conclusion that the phenomenon C follows the phenomena A and B *in general* (that is, in all cases, even those not observed!), or that the phenomena under discussion here are *in general* coexistent, transcends experience, the point of view of strict empiricism. From the standpoint of the above manner of consideration it is *not strictly* warranted.(I-57)

The Necessity of Events (continued)

Taking into consideration insights such as Menger's, and Hume's Law of nonnecessity between temporal events, we arrived at a kind of "epistemological blueprint" or epistemological principle. This principle essentially states that what is strictly necessary with respect to some event or phenomenon is atemporal in nature, while human experience of that event is temporal in nature.

Another way of saying this is that a phenomenon which presents to experience logically entails something else, but what is logically entailed can only be experienced as a distinct phenomenon in a separate "presentment." This separate presentment is temporally removed from the original presentment, and as such constitutes a second event in temporal succession. By this fact then does this second event lose its necessary connection to the first primary event. What is *logically entailed* in the original presentment can only be *experienced or observed* as another presentment, i.e., as another event in the temporal order. This then severs the necessary connection between the two events or phenomena.

It is the theoretical science, the analytical method, which reveals or demonstrates the necessity in that which can only be experienced or observed by a sequence of temporal presentments. Quoting Robbins:

If, in a given situation, the facts are of a certain order, we are warranted in deducing with complete certainty that other facts which it enables us to describe are also present...If the "given situation" conforms to a certain pattern, certain other

features must also be present, for their presence is “deducible” from the pattern originally postulated. The analytic method is simply a way of discovering the necessary consequences of complex collocations of facts—consequences whose counterpart in reality is not so immediately discernable as the counterpart of the original postulates. It is an instrument for “shaking out” all the implications of given suppositions. Granted the correspondence of its original assumptions and the facts, its conclusions are inevitable and inescapable.(LR-121,122)

In individual action, the logical consequence or logical entailment of some event or phenomenon is not graspable simultaneously with the original presentment of that event or phenomenon. The consequence or entailment is “beyond direct experience” or “beyond immediate experience”(I-52,55,56) *on principle*, because the experience of the consequence, as a phenomenon in its own right, can only be had as a separate, temporally removed experience. As something temporally removed, it is no longer necessarily connected to the original phenomenon.

Exact Science as Equivalency Relations

We return once again to the thought of Carl Menger, and note his view of the relationship between natural science and social science:

The contrast between the theoretical *natural sciences* and the theoretical *social sciences* is merely a contrast of the phenomena which they investigate from a theoretical point of view. It is by no means a contrast of methods, as both the realistic and the exact orientation of theoretical research are admissible in both realms (natural and social) of the world of phenomena. A contrast exists only between the *realistic* and the *exact* orientation of theoretical research, and between the sciences comprising the results of both orientations, the

empirical and the exact theoretical sciences. There are natural sciences which are not exact ones (e.g., physiology, meteorology, etc.), and conversely there are exact sciences which are not natural sciences (e.g., pure economics).(I-59-fn)

Menger is expressing the idea that theoretical exact science is something common to all realms of phenomena, whether physical phenomena or ethical phenomena (meaning phenomena of human intentionality). Mises expresses this same view when he stresses that praxeology, the logical science of human action, is formal (exact), just as mathematics or formal logic.

If both the physical and the ethical realms have their exact as opposed to their empirical orientations, as Menger believes they do, then it would be surprising if there weren't commonalities between the exact orientations of both realms of phenomena. That is, there may be some universal features of the exact orientation, regardless of whether that orientation is directed toward physical or ethical phenomena.

For example, let us take the law(s) of conservation as perhaps exemplifying a type of exact law in the physical realm. In its most generalized form, the law of conservation is an expression of the idea that some change (we could also perhaps say some "event" or "phenomenon") implies or entails what we may call a "counterchange" in equal measure or proportion. This counterchange may well extend beyond immediate experience and/or may not be as immediately discernable as the change or phenomenon originally presenting. But, paraphrasing Robbins, if the given situation conforms to a certain pattern, then by the law of conservation, certain other features must also be present, for their presence is "deducible" from the pattern originally postulated.

The law of conservation is of practical value since it instructs on the "exact" but not immediately or directly experienced consequences of originally given or originally postulated facts.

In exact *social science* the law of conservation may have a counterpart in the fundamental law of value and supply, commonly

known as the law of marginal utility or the law of decreasing marginal utility. In its most generalized form, the law of marginal utility asserts a necessary connection between value and supply.

Previously we attempted to demonstrate that value and supply are necessarily related in human action, because to “attain” is to not “strive.”(POC2-49-53) The event which is *attainment* (a supply) is the same event which is *no longer striving* (no longer valuing).

If we understand the linked concepts of value and supply to be conceptions of praxeology that have not yet been fully “formalized,” then it is possible to view the essence of “value” as “striving” (the *trying to attain*), and it is possible to view the essence of “supply” as “attainment” (the presence of something).

The fundamental logical relationship underlying the concepts of value and supply is the reason the law of marginal utility has enduring validity through all its various expressed forms. When those concepts are stripped of material content and rendered simply as “striving” and “attainment,” then the logical relationship between them is clarified. Obtaining a unit of supply is necessarily related to a decrease in value because attainment is the logical counterpart to striving. Something attained is no longer striven for. Thus, in the fullness of empirical reality—as opposed to what is demonstrated by formal analysis—an increase in supply is always related to a decrease in value.

To the acting individual, only one event or phenomenon presents originally. So for example, an individual obtains something, or alternatively, he tries to obtain it. The fact that there is an inescapable copresent entailment to obtaining something, or alternatively, trying to obtain something, is shown by analysis. But in empirical reality, an individual experiences the necessary entailment as another, separate presentment in the temporal order, and not as something necessarily connected to the originally presenting event. Thus, people experience the general (but not exact or absolute) phenomenon that they *often* value something less after having gotten possession of it. Or conversely, they notice how *often* (but not always), that the less something is available, the more they tend to value it.

Both the law of conservation and the law of value and supply can be misunderstood and misapplied. For example, if the law of value is interpreted as stating that an increase in the overall supply of some good must lead to a decrease in its price (written or asking price), then the law is interpreted as stating that event B must follow event A temporally, something we claim violates Hume's Law of nonnecessity between events.

So too can the law of conservation be misapplied:

There are other conservation laws that have been proposed from time to time, of the same nature as counting. For example, chemists once thought that no matter what happened the number of sodium atoms stayed the same. But sodium atoms are not permanent. It is possible to transmute atoms from one element to another so that the original element has completely disappeared. Another law which was for a while believed to be true was that the total mass of an object stays the same.(F-68)

Understanding the precise way exact laws apply to empirical reality is perhaps difficult. But through the difficulties, misunderstandings and misapplications, one question persists: how can the idea of necessary entailment or necessary counterchange be applied to the phenomena in question? This central question is what exact natural science and exact social science have in common. The succinct expression of such necessary entailment or counterchange is what the fundamental laws of each science express.

Previously, we tried to capture this idea with the term "equivalence."(POC2-29) In this view we consider mathematics as essentially an exact science of the equivalency relations of physical reality. And the simple expression:

$$() = ()$$

is considered the universal form of exact science.

We often encounter similar expressions in social science when we read passages such as: “an increase in phenomenon X, or, what is the same thing, a decrease in phenomenon Y.” This is an equivalency statement with the words “what is the same thing” substituted for “=.”

Consider the following statement:

“The attainment of X, or, what is the same thing, the non-striving for X.”

This is a rudimentary equivalency statement; a statement about the necessary but not immediately apparent implication of an originally given change, event, or phenomenon.

The Phenomenology of Praxeology

One aspect of praxeology that people have trouble with is its phenomenological aspect. What follows is an attempt to describe the phenomenology of praxeology in simple terms.

Let’s assume we see something such as a person or a basketball. When we talk about phenomenology with respect to seeing these things, we have in mind an idea such as the following. When we see things, there is what is actually seen, and then there are also the assumptions we make about what we see. The assumptions are not seen, but rather things assumed to be true, or believed to be true.

For example, when we see a person smiling, we see the smile, and we may believe that the person we are looking at is happy. We don’t *see* happiness. We see a face in a particular configuration. The part about happiness, in cases when we believe the person is happy, is something not seen, but rather assumed. Something similar happens when upon seeing a basketball, for example, we automatically assume we are seeing a spherical object. What is seen when we see a basketball is not a spherical object, but a disc-shaped or perhaps a semicircle-shaped object. The other side of the basketball is not

visible. We don't see a spherical object, rather we see something other than a spherical object, and we add further assumptions or beliefs to what we see.

Here it is crucially important to realize that in approaching things in this way, we do not deny that a person really is happy, and we also do not positively affirm it. Similarly, we do not deny that a basketball really is spherical, nor do we positively affirm it. All we do is try to accurately classify the "phenomena" which actually present to us. The phenomenological approach has to do with taking the phenomena as they actually appear, and making the scientific approach conform to, or be consistent with, the phenomena as they actually appear.

Insofar as we believe that a person is happy upon seeing him smile, and insofar as we believe that the seen basketball is spherical, then these beliefs or assumptions are also phenomena, and our science or approach must take account of them. But notice that in this view of things, we will be making distinctions between the various *types* of phenomena that present to experience. Something that a nonphenomenologist may consider as one unified thing—a happy person, a basketball—we treat as *two things*, and two things of distinctly different natures. In our example, one thing is the visual experience, and a second thing is the belief about the meaning of that experience (that a person is happy, or that there is a semisphere on the other side of the one seen). These two sets of phenomena seem to be of *essentially* different natures.

From the point of view of phenomenology, naïve realism makes crucial mistakes by not taking account of relatively simple distinctions. Naïve realism seems to want to scientifically approach something called a "happy person" as a real object, as if the totality of that object were extended in space as one kind of thing. It treats the thing which is "happy person" as if the person part (what is observed) is of the same essential nature as the happy part (what is never observed). It does this seemingly without a prior analysis or understanding of the possible epistemological problems (or at least limitations) with this approach.

The seminal philosopher who most powerfully characterized realistic (naturalistic, empirical, etc.) philosophy was Husserl in his essay “Philosophy as Rigorous Science” (section: Naturalistic Philosophy). Below we will quote the relevant passages. It is important to note that we will distinguish between what Husserl poses as the problem of contemporary philosophy and his proposal for a solution to this problem. Obviously, it is possible to accurately characterize the flaws in a particular theoretical system while at the same time not overcome those obstacles satisfactorily in one’s own system.

Social thinker John Searle, for example, criticizes phenomenology based largely on his reading of Husserl’s difficult philosophy. But in our opinion Searle never really gets around to addressing the fundamental questions raised by Husserl. If we grant that Husserl’s philosophy does not seem to provide an adequate solution to the problem of naturalism, this in no way invalidates his points about the limitations or shortcomings of naturalism. It only means that Husserl himself was not able to arrive at a satisfactory nonnaturalistic philosophy.

Some of the relevant passages from Husserl are:

Naturalism is a phenomenon consequent upon the discovery of nature, which is to say, nature considered as a unity of spatiotemporal being subject to exact laws of nature.(H-79)

Thus the naturalist, to consider him in particular, sees only nature, and primarily physical nature. Whatever is is either itself physical, belonging to the unified totality of physical nature, or it is in fact psychical, but then merely as a variable dependent on the physical, at best a secondary “parallel accompaniment.”(H-79)

Characteristic of all forms of extreme and consistent naturalism, from popular naturalism to the most recent forms of

sensation-monism and energism, is on the one hand the naturalizing of consciousness, including all intentionally immanent data of consciousness, and on the other the naturalizing of ideas and consequently of all absolute ideals and norms.(H-80)

What has constantly confused empirical psychology since its beginnings in the eighteenth century is thus the deceptive image of a scientific method modeled on that of the physiochemical method. There is a sure conviction that the method of all empirical sciences, considered in its universal principles, is one and the same, thus that it is the same in psychology as in the science of physical nature...The true method follows the nature of the things to be investigated and not our prejudices and preconceptions.(H-102)

Only the spatiotemporal world of bodies is nature in the significant sense of that word. All other individual being, i.e., the psychical, is nature in a secondary sense, a fact that determines basically essential differences between the methods of natural science and psychology.(H-103)

Everything that in the broadest sense of psychology we call a psychical phenomenon, when looked at in and for itself, is precisely phenomenon and not nature.(H-106)

A phenomenon, then, is no “substantial” unity; it has no “real properties,” it knows no real parts, no real changes, and no causality; all these words are here understood in the sense proper to natural science. To attribute a nature to phenomena, to investigate their real component parts, their causal connections—that is pure absurdity, no better than if one wanted to ask about the causal properties, connections, etc., of numbers. It is the absurdity of naturalizing something whose essence excludes the kind of being that nature has.(H-106)

What psychological being “is,” experience cannot say in the same sense that it can with regard to the physical. The psychological is simply not experienced as something that appears; it is “vital experience” and vital experience seen in reflection; it appears as itself through itself, in an absolute flow.(H-107)

As many readers of Husserl have undoubtedly noticed, his own philosophy is complicated and relatively inaccessible. However, the points Husserl raises about naturalism seem to still be valid. Those primary points appear in the passages above, and can be summarized as follows. Naturalism is the philosophy that is committed on principle to describing everything as ultimately constituted by spatiotemporal bodies. But there appear to exist in human experience some things whose nature excludes description in such terms. If we consider numbers as Husserl does, and if we consider numbers as lead marks on paper, then everyone understands that we can treat these as spatiotemporal objects. But isn't there something in the nature of numbers beyond mere lead marks on paper?

One way of approaching this may be to conceive that numbers, as well as psychic or ethical phenomena, are *relations*. If it turns out that relations must always be the relations of something, and even if we grant that everything that is related is physical (spatiotemporal, extended, durable, etc.), this still leaves the relation. It is possible that a *relation* is in principle incapable of physical description, since every physical thing, to appear for us, must do so coupled with a relation that does not appear in the same way. The relation “appears” not physically, but let's say, indirectly or by implication, as the “presentation mechanism” or “presentation enabler” of that which presents physically.

The main point is that what Husserl states about numbers, if valid, may also apply to other similar phenomena, and that with respect to social science, happiness and unhappiness may be analogous phenomena to numbers. To try to find happiness and unhappiness out there among the various objects of my experience, may be an absurdity or fundamental impossibility, since happiness and unhappiness may be

a *relation* through which I experience physical objects. That is, each object I encounter, by virtue of my encountering it, will then be related by me, and that relation is somehow identical with or constitutive of, my happiness and unhappiness. In searching for new objects, I may *on principle* only be able to find new objects that can relate as happiness or unhappiness *for me*, and not, as I perhaps believed, find an object or group of objects called “happiness.”

This question or problem is similar in nature to the one Husserl is raising, and one which naturalism either does not adequately address, or simply on principle believes can be overcome in the course of further naturalistic investigations. Naturalism is a philosophy holding that all questions exact science tries to answer can in principle be answered by physical-empirical science.

The point being advanced by exact or formal social scientists is that they do not consider mathematics a physical-empirical science, and they believe that formal social science stands in the same relation to human purposive behavior as mathematics does to physical nature.

The Category of Objects

In formal social science it is common to read that social science should not mimic the methods of the natural sciences. It is also common to read in the very same works that social science begins with a distinction between an external world of real things, and an internal world of thoughts and feelings. If this idea is taken literally, it means that social science somehow deals with the relationship between *internal* and *external* things. Of course, *internal* and *external* are terms of physical location, virtually the foundational concepts of physical science! It is no small wonder that naturalists and empiricists feel confident that their approach is the only practicable approach to all scientific problems.

Exact or formal social science does not begin with a distinction between internal and external. It begins with the phenomenon of

wanting (aiming at ends) and the closely related concepts of happiness and unhappiness (satisfaction/dissatisfaction, etc.). In starting its reasoning process from the primary concepts of wanting, happiness, and unhappiness, formal social science (what Mises calls *praxeology*) does not deny the physical side of human experience, rather it circumscribes and delineates the physical as a specific set of phenomena within the theory of human action. Hayek writes:

...though all the social phenomena with which we can possibly deal may have physical attributes, they need not be physical facts for our purpose. That depends on how we shall find it convenient to classify them for the discussion of our problems.(IEO-59)

The idea is to construct a social theory that contains a fundamental dualism. The social theory is constructed such that whatever is physical is assigned a specific place in the theory. Anything physical is categorized as an “object,” and all things physical (all objects) are considered identical qua objects. These physical objects are *objects* in that they appear as discrete, differentiable “presentations” to individual actors. Something which is perceptible, noticeable, differentiable, etc., to an actor, is an object of his action in this sense. It is something taken notice of, thereby appearing in or for action.

The second part of the theory is the “relational” part. Here, we may understand the term *relation* as being a preliminary term indicating what is to be conceived as contrasting to the concept of *object* in the theory.

The intention is to theoretically preclude a social theory based on physical distinctions by treating all physical entities as categorically singular. By this method, the scope of praxeology may be precisely defined and circumscribed as contrasted to the scope of the natural sciences and as contrasted to the scope of empirical social science.³ If

³ See Human Action, page 234, from which some wording for this sentence was borrowed.

all physical entities are considered alike qua physical entities, then no physical distinctions can arise, and thus apparently no empirical science. What we have in mind is a conceptual foundation of formal social science which cannot result in an empirical social science because the categories or classifications necessary for empirical science are absent. This would be somewhat analogous to the situation in exact natural science (i.e., mathematics) as it relates to quantum theory:

Generally the dualism between two different descriptions of the same reality is no longer a difficulty since we know from the mathematical formulation of the theory that contradictions cannot arise.(PP-50)

Similarly, praxeology cannot inadvertently adopt empirical methods—resulting in fundamental theoretical contradictions—when there is no classification for physical distinctions.

As opposed to a theory based on physical distinctions, the present theory focuses on the distinction between the *physical* and the *relational*. One way of conceiving the difference may be the following. In individual action, we may conceive that a *particular* physical presentation precludes another physical presentation of the same nature. The presentation of red precludes the presentation of green, the presentation of red and green precludes the presentation of blue and black, etc. Then, taking this idea as it applies to particulars, we universalize it to a generality and arrive at the dual concepts of presence and exclusion (presence and nonpresence, etc.).

Every particular presence implies a particular nonpresence. And presence in general implies nonpresence in general. But if we assume identity between what is present in action and what is physical in action, then what is physical in general implies what is nonphysical in general. Thus, what is physical in action categorically implies what is nonphysical in action as a separate category.

Reasoning in this way, we may begin to understand the basis and nature of a nonphysical category of action.

The Challenge of Theoretical Social Science

A fundamental difficulty of formal social science seems to be the correct path towards conceiving its formal concepts. This difficulty is probably inherent to exact (formal) science. Formal concepts seem to be incommunicable other than by physical means (symbols, images, sounds, etc.). The means of communicating something essentially nonphysical, are physical means. Thus, every positing of something nonphysical must bring forth a physical image, sound, impression, etc., as the inescapable means of such positing. And such a predicament is perpetual and fundamental—there is no way around the predicament that we must try to circumscribe and define the nonphysical via physical means.

We can say that we intend the terms happiness and unhappiness as purely formal terms. But the phenomena to which these terms can be referred are particular (unique, individual, etc.) sensuous experiences as those experiences are lived through and felt in the fullness and complexity of life.

Menger realizes this, and that is why he writes as we quoted earlier:

Whether the individual constitutive factors of human phenomena, thought of in their isolation, are real;...all this is no less irrelevant for the exact orientation of theoretical research in the realm of social phenomena than in the realm of nature.(I-62)

For example, consider whether a mathematical “line,” thought of in its isolation, is “real”:

Exact science, accordingly, does not examine the regularities in the succession, etc., of real phenomena either. It examines rather...It does this without taking into account whether those simplest elements, or complications thereof, are actually to be observed in reality uninfluenced by human art; indeed, without considering whether these elements could be found at all in their complete purity.(I-61)(underline added)

Compare in this regard the underlined sentences above to Husserl's:

To attribute a nature to phenomena, to investigate their real component parts, their causal connections—that is pure absurdity, no better than if one wanted to ask about the causal properties, connections, etc. of numbers.(H-106-107)

What Menger and Husserl seem to be referring to is an approach to scientific inquiry that is focused on the “relational” aspect of phenomena and not on their physical aspect. They are talking about a science of relations and not of objects. The science(s) they envision could perhaps be defined, negatively, as those sciences resulting from the attempt to *avoid* treating or conceiving relations as physical objects. But the difficulty seems to lie in that the means of all scientific communication will be objects (images, sounds, symbols, etc.).

In the important essay “The Facts of the Social Sciences,” as quoted earlier, Hayek notes:

...though all the social phenomena with which we can possibly deal may have physical attributes, they need not be physical facts for our purpose.(IEO-59)

The concepts of social science...

...can be defined only by indicating relations between three terms; a purpose, somebody who holds that purpose, and an object which that person thinks to be a suitable means for that

purpose. If we wish, we could say that all these objects are defined not in terms of their “real” properties but in terms of the opinions people hold about them.(IEO-59-60)

What I am arguing is that no physical properties can enter into the explicit definition of any of these classes, because the elements of these classes need not possess common physical attributes.(IEO-61)(emphasis added)

Hayek continues. Regarding the classifications of social science:

The common attributes which the elements of any of these classes possess are not physical attributes but must be something else.(IEO-62)

Thus, the challenge of social science has to do with making a distinction between physical concepts and social concepts.

We note a few things in passing about the passages from Hayek above. First, Hayek states that the concepts of social science can be defined only by indicating relations between... And we will take Hayek’s usage of this term as support of the direction we are taking in conceiving that a “relation” is a close approximation to what is opposed to “object” in formal social theory.

Second, in the passage above, Hayek associates the idea of “object” with the idea of “means,” as in: “an *object* which that person thinks to be a suitable *means*.” This usage is also consistent with our theory, and we will discuss the idea of object-as-means in a later section.

Here we primarily want to call attention to the fact that part of what defines social concepts is precisely their not being physical concepts.

Finally, Hayek indicates what kind of concepts the social sciences employ; concepts that are to be considered non-physical concepts:

...whenever we interpret human action as in any sense purposive or meaningful, whether we do so in ordinary life or for the purposes of the social sciences, we have to define both the objects of human activity and the different kinds of actions themselves, not in physical terms but in terms of the opinions or intentions of the acting persons,...(IEO-62)

So according to Hayek, the kinds of concepts employed by social science—concepts that are to be considered nonphysical—are those such as purpose, opinion, intention, and similar concepts.

The Objects of Action

Formal social science begins not with a classification of various physical objects, but rather with a distinction between the *categories* of object on the one hand, and of action (striving, purpose, intention, etc.) on the other hand.

We can get a preliminary idea of the difference by imagining that a person enters a park and sees something that may be a statue or may be a person posing as a statue. If we try to answer the question whether the object seen is *really* a person or *really* a statue, we have embarked on a specific kind of inquiry. But if we try to analyze the logical implications of that person seeing a statue, versus his seeing a person posing as a statue, we embark on an inquiry of a different nature. There is a difference between empirically investigating whether a physical object is one type of object or another, or alternatively, analyzing the logical implications of various opinions and beliefs one may hold.⁴ This is the difference between empirical and exact social science.

⁴ By the word “opinion” is not meant something that is the result of careful or casual deliberation. Rather, by the word “opinion,” we mean that the thing in question exists for person A in a certain way. For example, when see a chair, we don’t typically say or conceive that it is our “opinion” we see a chair. It simply exists for

The reason it is important to try to arrive at a precise distinction between the category of objects (what is physical in the theory of action) and the category of action, is that making this distinction as accurately as possible seems to constitute a large part of the challenge of formal social science. What follows is a proposed conception of the physical which is held to be consistent with a logical-formal social theory.

In a common sense conception of what is physical, one might consider something as physical if it is perceptible in extended space. Things such as imagined images or imagined sounds might be considered nonphysical because they are not extended in space in the same way tangible objects are, or because their precise constitution in physical science terms is unknown, or perhaps because they are considered immaterial in some sense.

But in our conception of the physical, things such as imagined images and sounds are physical *to the extent they are perceptible entities to an individual actor*. This conception of the physical may be independent of a conception of the physical in terms of spatial location, atomic/force constitution, or the question as to the materiality or immateriality of such entities. It is a conception of the physical based entirely on the perception of an entity by an individual actor. It is a conception of the physical based on whether or not something is present to an individual in his action.

us that we see a chair. However, if it should turn out that what we are seeing is not a chair as we thought, but some facsimile of a chair, our seeing a chair would be considered an “opinion” or “belief.” And when we refer to *an analysis of the logical implications of various opinions or beliefs of actor A*, we mean *opinion* in this latter sense (when something exists for A in a certain way). We’re not referring to some matter A deliberates about and decides upon (comes to an opinion on), but rather that which presents itself to A without question as an obvious fact, such as the fact that he is now seeing a chair. Not *whether A is really* seeing a chair or chair facsimile, but rather *the logic of* one of those versus the other being the case *for actor A*, is what we are interested in.

By this definition, ordinary visible objects and ordinary sounds are physical, but are no different from imagined objects or sounds, *to the extent that those are perceptible in action*. It is important to note that we are not claiming that imagined things are *really* physical in an ontological sense. We are not claiming to know anything about their physical makeup, their spatial location, or physical-ontological status. We are saying that to the extent that such imagined entities are perceived, they have an ontological status for an individual consciousness. They exist as “real things” from the point of view of the consciousness to which they present.

What is a physical object by this definition is any object perceived by an individual consciousness. It is a definition of an object as *that which presents to consciousness*, as opposed to *that which can be described in terms of physical science*.

Such physical objects may be referred to as *perceptual impressions*.

Human Striving

For our original conception of human striving or human action we turn to Mises:

To act means: to strive after ends, that is, to choose a goal and to resort to means in order to attain the goal sought.(UF-4)

The starting point of praxeology is a self-evident truth, the cognition of action, that is, the cognition of the fact that there is such a thing as consciously aiming at ends.(UF-5)

There is only one motive that determines all the actions of all men, viz., to remove, directly or indirectly, as much as possible any uneasiness felt.(UF-78)

Acting man values things as means for the removal of his uneasiness....Acting man sees in these events only a more or a

less of the same kind. In valuing very different states of satisfaction and the means for their attainment, man arranges all things in *one* scale and sees in them only their relevance for an increase in his own satisfaction. The satisfaction derived from food and that derived from the enjoyment of a work of art are, in acting man's judgment, a more urgent or a less urgent need; valuation and action place them in one scale of what is more intensely desired and what is less. For acting man there exists primarily nothing but various degrees of relevance and urgency with regard to his own well-being.(HA-119)

In these passages we can see the primary structural components of purposive or goal-directed activity, what Mises refers to as *action*.

First, action entails aiming at or striving after an end. These appear to be the two most primary or apparent features of action. There is striving, and there is an end striven after.

Second, action entails a *means*. Simply stated, means are used to attain an end.

Third, there are the phenomena of uneasiness and satisfaction. There is uneasiness (a kind of pain, displeasure, or unhappiness) and there is satisfaction (a kind of pleasure or happiness).

Lastly, Mises mentions two further features of action: valuation and urgency.

Human Striving – Initial Conception

Human action is aiming at ends, or striving to attain. Previously we suggested the term *striving* as perhaps a more satisfactory one than *action*. Primarily this is because it is common in literature to make a distinction between *thought* and *action*, implying that action is a concept denoting the physical movement that occurs after or during conscious deliberation. But if action is aiming at ends, then there are

types of aiming at ends that are not accurately described by the concept of physical movement due to deliberation. In the case of thinking, the deliberation is itself an action, since it is aiming at an end (trying to decide something). Thus we proposed the term *striving* as more accurate and as capturing the idea that all “trying to” is what is properly meant by the terms striving and action.

In this conception, as we reiterate, all “trying to” is to be considered striving. Thus, wishing and hoping, as they are aiming at ends, are striving without question. So is a phenomenon such as *trying to* suppress one’s hopes in order to avoid future disappointment. Our goal is to understand the general phenomenon of *trying to* (of striving). We don’t begin by arbitrarily designating some types of striving as real striving, and designating other types of striving as not really striving.

Striving Conceived Realistically

Perhaps the most simple case of striving is the attempt to obtain an object such as a cup of coffee. But striving apparently can also be the attempt to obtain a *state of affairs* such as the amelioration of the feeling of hunger or the attempt to receive admiration. We begin by simply realizing that our goal is to account for *all* striving and for *all* things striven for.

The most obvious way to conceive what is happening in striving might be the following. We notice that there is such a thing as striving and that striving is always directed toward the obtaining of something, whether a simple object or a state of affairs. From this, it seems easy to describe a realistic case of striving. First, the individual pictures—perhaps through imagination—that which he desires or wants, then he strives to attain it, and then finally he attains it.

Though this may constitute something approximating a *realistic* scenario depicting the process of striving, there are several problems with this approach from the formal or logical point of view.

First, the conception of a sequence of events as in “first this, *then* this,” is a sequence of temporal events which will be subject to Hume’s Law of nonnecessity between events. Each event connected by a “then” thereby becomes nonnecessary in its connection to the prior event.

Second, when someone imagines or pictures something, to the extent such an imagining or picturing is an image or any kind of perceptual impression, this thing then becomes an *object* as defined by our theory. If we were to distinguish between an *imagined* object and an *attained* object for example, we would begin making object classifications. This could lead to an open-ended empirical investigation in which the number of types of physical presentments is in principle limitless (e.g., imagined object, attained object, indeterminate object, peripheral object, duplicate object, etc.). Our goal as we understand it is to construct a system of formal-logical categories, not to enumerate the myriad forms of physical presentment.

So there are possibly several theoretical problems which emerge when we try to conceive striving *realistically* as a series or sequence of temporal events.

The primary insight gained is that when an imagined or visualized object “presents” for the individual actor (indeed, when any perceptual impression whatever presents), these presenting entities are considered as exactly identical in our theory. In the present theory, there is no distinction made between a seen cup and an imagined cup. Both present as objects to an individual consciousness.

This may seem strange at first. But we have to remember that praxeology is not a science attempting to make classifications of physical nature, but rather a science attempting to understand the logic of human purpose and intention. This ultimately suggests the idea that if making physical distinctions is not part of our task, then all things physical become identical as a single category in the theory of action (no distinctions being made between physical objects). Anything

sensed or perceived is considered an object, and *object* becomes one of the categories of action.

Means and Ends

The theory of striving is a theory of means.

A means is what serves to the attainment of any end, goal, or aim. Means are not in the given universe; in this universe there exist only things. A thing becomes a means when human reason plans to employ it for the attainment of some end and human action really employs it for this purpose.(HA-92)

It is of primary importance to realize that parts of the external world become means only through the operation of the human mind and its offshoot, human action. External objects are as such only phenomena of the physical universe and the subject matter of the natural sciences. It is human meaning and action which transform them into means. Praxeology does not deal with the external world, but with man's conduct with regard to it. Praxeological reality is not the physical universe, but man's conscious reaction to the given state of this universe. Economics is not about things and tangible objects; it is about men, their meanings and actions. Goods, commodities, and wealth and all the other notions of conduct are not elements of nature; they are elements of human meaning and conduct. He who wants to deal with them must not look at the external world; he must search for them in the meaning of acting men.(HA-92)

So a means is what serves to the attainment of any end or goal. And if we look out into the universe, we won't find anything that can be designated as a "means." What is a means depends on how a thing is treated by the acting individual. It is not that some objects of the universe are means and others not. Rather, it is that *means* are a *category* of action or striving.

It would seem natural to assume then that there is or should be also a category of *ends*, since action is striving to attain ends. But there is something peculiar about ends according to Mises:

As soon as people venture to question and to examine an end, they no longer look upon it as an end but deal with it as a means to attain a still higher end. The ultimate end is beyond any rational examination. All other ends are but provisional. They turn into means as soon as they are weighed against other ends or means.(TH-14)

As soon as we start to refute by arguments an ultimate judgment of value, we look upon it as a means to attain definite ends. But then we merely shift the discussion to another plane. We no longer view the principle concerned as an ultimate value but as a means to attain an ultimate value, and we are again faced with the same problem.(TH-22)

And:

In fact, he who passes judgment of an alleged end, reduces it from the rank of an end to that of a means. He values it from the viewpoint of an (higher) end and asks whether it is a suitable means to attain this (higher) end.(MM-22-23)

Thus, ends are peculiar in that once we begin to examine them, they become (perhaps imperceptibly or unintentionally) means towards achieving still other ends. What is an end is somehow elusive in that to treat it is to treat it as a means.

If there is a category of ends, it may stand in a unique relationship to the category of means. Because at least according to Mises, we can't treat, discuss, or pass judgment on an end without having it turn into a means.

Attainment

In previous writings we have spoken of action in terms of *aiming at ends* and in terms of *striving* and *attainment*. In action there is that which is currently attained, and there is that which is striven for.

When we conceive the idea of *attainment*, we mean anything that exists as “present” for the individual actor.

What is attained for me is any perceptual impression I am now experiencing.

Since the concept of *perceptual impression* and what is *physical* in human action are one and the same in the present theory, then *attainment*, *perceptual impression*, and the *physical* are all referring to the same thing in this view. What is now “attained” for me is any perceptual impression I am now experiencing, and this is one and the same with what is physical for me.

The concept “physical presentment” could possibly be a synonym for *perceptual impression*. What physically presents, or what makes a perceptual impression, is “attained” by virtue of presenting or impressing.

The Relationship between Means and Ends⁵

Action is striving and attainment.

In action there are ends and means. However, there is some sense in which ends are irrational and/or elusive, since to treat them is to treat them as means.

⁵ Thank you to R.A. Dalton for his clarifying thoughts on the logical relationship of means to ends.

Means apparently are not elusive or irrational, but rather the things acting man uses in striving to attain ends.

Taking these features of action into consideration suggests the idea that what are *means* are the *objects* of action. This is the simple suggestion that any perceptual impression presenting to the acting individual is to be considered a *means*.

In other words, a means as conceived here is not something a person decides (or not) to utilize towards some end. Rather, all objects that are present for the acting individual are, by virtue of their presence, therefore means of his action.

This may follow logically from our previous assumptions. If *any* objects are means (objects as we have defined them), it follows that *all* objects are means, because our theory does not distinguish between *types* of objects (this type of object versus that type of object, objects that are means versus objects that are not means, etc.). Thus we propose a conception whereby all things physically present for the acting individual are means.

We have to keep in mind that this is a theory of striving and action and not a theory of natural science. Our goal is an understanding of the logic of action, not a greater understanding of spatiotemporal nature. So to some degree it must be expected that when we reclassify the various phenomena of experience according to their relation to striving, what results is fundamentally different from a classification of phenomena according to their physical attributes.

What we are touching on here is the difference between what Husserl called the “natural attitude” (viewing all things according to their various physical characteristics), and an approach or attitude different from the natural one. We are proposing to some degree a fundamentally different way of understanding the objects of experience.

With respect to means, the following example might help in understanding the different approach being suggested. If we consider

a tree outside our window in what Husserl calls the “natural attitude,” we understand the tree to be a really existing thing, existing in a certain place at a certain time. If we were asked about the tree, we might provide what one may call “physical distinctions” regarding the tree: It is about fifty feet from my window, it is about sixty feet tall, it is solid, it is brown and green, it is gently swaying, etc.

Now we will try to glimpse another way of considering the tree. It has been reported that people who have been blind from birth, but who later gain sight, must be “taught to see.” When someone is “taught to see” this doesn’t mean that he is taught how to effect the various physical processes that occur resulting in visual impressions. Rather, he has to learn the meaning of the various objects in his visual field. We might imagine that a person first gaining sight sees primarily what appear to be patches of contrasting shades and/or colors. Part of learning to see, we might imagine, is learning the meaning of visual objects such as trees *in order to* avoid walking into them. There is a component to understanding visual objects, and this component is a “so that” (*so that* you won’t harm yourself, or *so that* you will know how to get to it, etc.). The phrases “in order to” and “so that” are here considered equivalent, as in: Here is how to understand the objects in your visual field *in order to* avoid..., or *so that* you may avoid..., etc.

Any “so that” or “in order to” is indicative of a means; a means of avoiding, a means of arriving at, etc. And our point is that in learning to interpret or understand the objects in one’s visual field, one is learning to understand these objects as *means to ends*.

Normally though, when we look at the tree outside our window, we don’t consider it as “means” to anything. Rather, we consider the tree as a physical object largely independent of any means for which we might utilize this object. And something like this may be what Husserl has in mind in speaking of the *natural attitude*. The natural attitude is when we consider the objects of experience as independent of, or as not related to, human action. (As Heisenberg writes: “...that idealization in which we...speak about parts of the world without any

reference to ourselves.”)(PP-55) The natural attitude is the approach of treating things according to their physical attributes.

If we contemplate this circumstance closely, we come to the realization that the tree still exists for us as a *means* in the way described above. The object in our visual field is still a means to avoid walking into something, or a means to arrive at something, etc. That aspect of the tree hasn't gone away; rather, we simply no longer pay particular attention to the *means* aspect of this particular object.

Further, the tree is a means merely by virtue of its presence. I don't have to purposely or deliberately “choose” it to be a means.

The tree doesn't simply “exist.” It exists in a certain way for me; it exists as a *means*. And the same logic applies to *any* perceptual impression. That is the far-reaching suggestion.

In the theory of action or striving, all perceptual impressions present for the actor are, by virtue of this presence, *means* for the actor.

The Relationship between Means and Ends (continued)

If everything which presents to an actor is a means, this suggests that an end is something that is not present for the actor. And this will be our concept of ends.

Notice that if we take the concept of end as denoting that which is not present, this concept will match the spirit, if not the exact meaning, of Mises's concept of ends, because in the Misesian conception, as we have noted, the end is something beyond rational treatment, and to treat an end is to transform it into a means.

In making our concept of end the logical opposite of our concept of means, as that which is not present, we conceive therefore something that is beyond rational treatment in the sense that it is not present for the actor concerned. To treat an end transforms it into a means by

virtue of the fact that if something is “treated,” it is “present” in this sense, and thus a means. To conceive that the end is always beyond rational treatment is to conceive that any possible approach to dealing with an end must utilize “means” (that which is present), thus “pushing” or “shifting” (to speak loosely) the end once again out of reach. The end is never present, and what is present is always means.

To understand the logical circumstance involved, consider any “end.” This can be done only by means of the presence of some physical presentation, whether a physical object, a visual or imagined image, a sound, a symbol, etc. All of these things are *objects* which will be *present*. By virtue of this, they will be *means*. The *end*, technically speaking, is never present.

Happiness and Unhappiness

In human experience there is striving and there is attainment. There is that which is attained, and there is that which is striven for and therefore not attained.

We will posit that all attainments are perceptual impressions, which we understand to be any physical presentment whatever, present to the acting being. Further, attainments are those perceptual impressions that exist *currently* for the individual. What is attained is that which is *now present*.

Previously we have identified happiness with attainment, and we have identified unhappiness with non-attainment.(POC, POC2) In some sense, unhappiness is the absence of an attainment.

This suggests the possibility that if *happiness* is identified with *attainment*, then perhaps *unhappiness* is related to *striving*.

Let’s take a moment and sketch how a theory that identifies happiness with attainment and unhappiness with striving may work.

As we proceed, we keep in mind that our theory is not making object distinctions. We will not be classifying things according to their physical characteristics. Any and all physical presentments are to be considered the same qua physical presentments.

The identification of happiness with attainment seems to be reasonable, because in ordinary life and experience it is common to associate happiness with the attainment of some goal or end. People are typically happy upon completing a task or chore, or upon obtaining various sought-after things, such as when receiving an ordered item.

It seems more difficult to identify unhappiness with striving, since there are simple and common ways we “strive” for things, and we don’t typically associate such striving with unhappiness. For example, if my goal is to go to another room, I may not normally identify the “attempt” to get there as something that causes me unhappiness. (Then again, upon entering the room, I may not normally identify the attainment of this as something causing me happiness.)

The key to understanding how to conceive unhappiness may be insights such as the following:

We begin with the insight that unhappiness always involves a situation where I want something to be the case that is not the case (for me). If we take any number of cases of unhappiness, we should be able to see that an essential feature of all cases is that I want something to be different from the way it is. (And we always mean different from the way it is *as I see it*.)

If I’m unhappy with a physical sensation or feeling I have, as when I’m uncomfortable, then I want there to be a different feeling or sensation from the one that I now feel. If I’m unhappy that my car has broken down, I want my car to be different from the way it now is. And we posit that all cases of unhappiness will be expressible as something which is not present for the actor, but which the actor wants to be present.

Next, we note that a felt sensation, or the image, sound, or smell of a car, are things we have defined as perceptual impressions (differentiable objects of my action). As such, they are to be considered as all one and the same theoretically.

This is important. In the present theory, there is no difference between a visual image, an imagined image, or a tactile sensation. Since we are not making object distinctions, or classifying things by their physical attributes, at this point we would not even distinguish between, for example, a mild tactile sensation and an intense tactile sensation, because this would be making distinctions between physical objects. (E.g., *this* kind of sensation versus *that* kind of sensation, or, *this quantity* of sensation versus *that quantity* of sensation, etc.)

Remember that we are proposing to treat the physical “categorically.” Anything physical qua its physicality is treated as undifferentiated, not because there are no physical distinctions, but rather because our theoretical proposal is not to make such distinctions. Our theory is a theory of human striving or action. So any physical phenomenon is classified as such, and treated theoretically as an undifferentiated member of the same class of phenomena: the physical, or simply as—an object.

When we classify all which is physical as categorically singular, then what we are left with is the following:

There is that which is attained (any and all things attained or now present as perceptual impressions), and there is that which is striven for, which by logic is not attained.

Then, if happiness is identified with attainment, by symmetry we would seek to identify unhappiness with striving.

Happiness and Unhappiness (continued)

So we will proceed with the following conception of happiness and unhappiness. In human action or human striving, there is striving and there is attainment. There is that which is *now present* (now experienced, etc.) and is in this sense *attained*, and there is that which is *striven for*. That which is striven for is not to be considered as a subclass of that which is attained, but rather as a *logical counterpart to* that which is attained. That which is striven for is by logic that which is not attained. Thus, the striven for is the not present, that which is not experienced currently. When something is experienced, when a perceptual impression “presents,” then this thing, qua presenting thing, is *attained*. And this idea or principle applies to *any and every presenting thing*, so that in and by its appearing to experience (by presenting to the acting or striving reality of a striving being), it becomes thereby attained (present). By logic then, this thing is not striven for, since it is attained.

Next, we will identify attainment with happiness and striving with unhappiness. The implications of this way of conceiving things seem to be the following:

Let’s consider a simple case of unhappiness such as a severe physical pain someone experiences. If we conceive happiness and unhappiness as suggested above, then what we are saying is that the physical sensation qua physical sensation is not to be identified with unhappiness, even though this may seem the natural and most obvious approach.

Instead, we are saying that the physical sensation taken by itself (considered or conceived in isolation) is to be associated with *happiness*, since a physical sensation that presents (what we have been calling a *perceptual impression*) is therefore *attained*, and we are identifying attainments with happiness.

This implies that we are identifying the concept of unhappiness not with the sensation itself, but rather with the *striving* for something other than what is present.

This idea seems to be so important as to bear repeating. In the current conception, unhappiness is not identified with any physical sensation or perceptual impression (is not identified with any physical presentment whatever). Rather, we conceive that when something presents—as a presenting and thus attained thing—this is to be identified with *happiness*. Unhappiness is to be conceived as the *striving* for that which is *not present*.

In other words, the suggestion is that we should conceive unhappiness not as the *presence* of something painful, unpleasant, dissatisfactory, etc., but rather as the *wanting* something that is not present.

Another way of stating the same idea loosely might be that what is “painful” about a painful experience is the *wanting* of a not-present experience. That is, it is the *wanting* (striving for) a not-present experience, “attached” (so to speak) to the primary physical experience, that is the “painful” or “unhappy” part, not the experience itself.

Another way of understanding this idea may be the following. In considering an experience of the individual actor that is *painful*, *unpleasant*, *dissatisfactory*, etc., we may understand or conceive that these three concepts *already imply a desire that things were other than they are*. Thus, we suggest that the desire that things be other than they are (striving) is what constitutes the essence of unhappiness.

In this conception, it is not accurate to conceive that the presence of an unpleasant experience characterizes unhappiness. Nor is it accurate to conceive that an actor strives to replace an unpleasant experience with a pleasant experience (because this conceives the existence of two *kinds* of experiences—two types of perceptual

impressions—and thereby begins classifying physical presentments, i.e., making object distinctions).

The characterization of an event as *painful*, *unpleasant*, or *dissatisfactory* already implies the wanting of something that is not present. And the striving for something not present (or simply, striving) is what we are suggesting is unhappiness.

Our suggestion is that all attainments (those perceptual impressions that are now present) are to be identified with happiness (happiness being the formal concept for all types of satisfaction, contentment, pleasure, etc.), and the striving for something not present (or simply, striving) is to be conceived as unhappiness (the formal concept for all types of dissatisfaction, unease, pain, etc.).

Happiness and Unhappiness – Example

The following example is provided as an application of the logical conception of happiness and unhappiness.

A person sits on a bench on a mountaintop. We imagine this person as being in a state of relative contentment as he looks out over the vast lands below and across to other faraway mountaintops. This person perhaps can hear birds chirping or perhaps hear the wind rustling through the tall grass nearby. He perhaps can feel the sun on his head and back, and may be able to smell some of the nearby foliage being baked by the sun. In a situation such as this, we identify all these attainments with the happiness (satisfaction, contentment, etc.) of this person.

Now, as this same person sits on this same bench, from time to time he may change the position of his body to a more comfortable position. He may wipe the sweat off his brow, or may brush away a small insect from his skin. He may squint from the glare of the sunshine, or he may feel hungry and begin to eat a piece of fruit.

In all these situations we can conceive that something is present in the form of a perceptual impression and, that in striving, the person *attempts to make present a different perceptual impression than exists for him currently*. He feels a sensation in his body or muscles, he feels something on his brow or his skin, he sees the glare of the sun or feels a sensation of hunger. In striving, he seeks to “substitute” (to use Mises’s term) a different perceptual impression for the one existing currently.

Here, we are identifying striving (the logical counterpart to attainment) with unhappiness. We are not concerned with the *degree* of unhappiness; whether the dissatisfaction of the individual is mild or acute. It is only the fact *of* unhappiness (striving) that is important at this point.

What we are trying to get at or conceive is that it is not the presence of something, strictly speaking, that characterizes unhappiness or dissatisfaction. Rather, it is the striving for something.

Perhaps as a logical axiom or logical truism, we might say that striving is the *not having* of a *wanted* thing. Striving is not having the wanted, and this is what unhappiness is.

Two passages, one from Menger and one from Mises, may aid in a better understanding of this formal understanding or conception of happiness/unhappiness:

Exact science, accordingly, does not examine the regularities in the succession, etc., of *real* phenomena either. It examines, rather, how more complicated phenomena develop from the simplest, in part even unempirical elements of the real world in their (likewise unempirical) isolation from all other influences, with constant consideration of exact (likewise ideal!) measure. It does this without taking into account whether those simplest elements, or complications thereof, are actually to be observed in reality uninfluenced by human art;

indeed, without considering whether these elements could be found at all in their complete purity.(I-61)(emphasis added)

With regard to this passage from Menger as it relates to our formal conception of happiness/unhappiness, the following may be an appropriate analogy. An attempt to isolate happiness or unhappiness as real empirical objects would be the same as trying to isolate “one-ness” or “one” as a real empirical object. Happiness/unhappiness are formal concepts in the same sense as mathematical concepts.

Mises too understands the formal nature of the concepts of pleasure/pain, happiness/unhappiness, satisfaction/dissatisfaction as shown in this important passage:

Boehm-Bawerk did not see that in saying this he was adopting the same purely formal view of the character of the basic eudaemonistic concepts of pleasure and pain—treating them as indifferent to content—that all advanced utilitarians have held. One need only compare this with the words quoted from Boehm-Bawerk the following dictum of Jacobi:

We originally want or desire an object not because it is agreeable or good, but we call it agreeable or good because we want or desire it; and we do this because our sensuous or supersensuous nature so requires. There is, thus, no basis for recognizing what is good and worth wishing for outside the faculty of desiring—i.e., the original desire and the wish themselves.

We need not go further into the fact that every ethic, no matter how strict an opponent of eudemonism it may at first appear be, must somehow clandestinely smuggle the idea of happiness into its system...That the concepts of pleasure and pain contain no reference to the content of what is aimed at, ought, indeed, scarcely to be still open to misunderstanding.

Once this fact is established, the ground is removed from all the objections advanced by “ethical” economics and related schools. There may be men who aim at different ends from

those of the men we know, but as long as there are men...they will necessarily always be subject to the logic of action, the investigation of which is the task of our science.(EP-151,152)

Regarding the logic of action and paraphrasing the quote from Jacobi, we might arrive at a similar dictum concerning unhappiness such as:

We originally try to avoid, relinquish, or abandon a situation not because it is painful or dissatisfactory, but we call it painful or dissatisfactory because we seek to avoid, relinquish, or abandon it; and we do this because our sensuous or supersensuous nature so requires.

In the proper understanding and conception of this idea, we suggest, lies the key to a formal and logical, as opposed to a realistic and empirical, understanding of human nature.

Part II – Social Interaction

Economics, Ethics, and Causality

As Mises writes: “Economics is mainly concerned with the analysis of the determination of money prices of goods and services exchanged on the market.”(HA-234) Mises viewed the *economic* acts of man as a class or subset of all conceivable acts of man, and thus, according to this conception of things, he writes: “...the field of catallactics or of economics in the narrower sense is the analysis of market phenomena. This is tantamount to the statement: Catallactics is *the analysis of those actions which are conducted on the basis of monetary calculation.*”(HA-234)(emphasis added)

According to Mises’s conception, there are economic acts, and there are acts of the individual that are not economic, in the sense that they are not conducted on the basis of monetary calculation and/or do not concern goods and services exchanged on the market. In this sense, giving up one’s seat to another on a bus is not an *economic* act, but it is an *act*. It is a goal-directed activity.

Thus it is that we conceived a category of acts deemed “ethical acts,” which are acts directed toward another person. More precisely, ethical acts are those acts directed toward another acting being or actor—in other words, those acts directed toward another being deemed to be of the same acting nature as oneself.

And thus, if economics analyzes the effects or consequences of economic policies or acts, then ethics conceived in this way analyzes the effects or consequences of specifically ethical acts. This is a conception of an ethical science concerned with analyzing the relationship between ethical acts and their consequences. It is a conception of ethics as an investigation of the “causal relationships” inhering in ethical acts in exactly the same way that economics investigates the causal relationships inherent in economic acts (the relationship between currency creation and inflation, the relationship

between wage controls and unemployment, etc.). This is a conception of praxeology, as the logical science of human action, but with a view towards ethical acts as opposed to economic acts.

Praxeology and Ethics – A First Attempt

The reasoning employed in *A Praxeology of Coercion*, first edition, went roughly as follows.

First it was suggested that what prevents libertarian society from emerging are certain classes of ethical acts, primarily those of coercion and dishonesty. Coercion and dishonesty here are not to be understood as derisive or accusatory terms, but to be understood as neutral and descriptive terms denoting two types of recognizable ethical actions. In this view, coercion and dishonesty are universally recurring forms of human action or human behavior that all acting beings are familiar with, just as all acting beings are familiar with the idea of helping or harming someone. We are familiar with these ethical phenomena because they are possible forms of our own acting. We are familiar with coercion and dishonesty because these are ethical acts that we perform or can perform ourselves.

The idea being pursued in this first attempt was that if certain ethical acts are undertaken by specific actors in order to prevent libertarianism, then perhaps it is possible to demonstrate some type of necessary consequence which must necessarily accompany these ethical acts. If there are consequences demonstrable as being the necessary result of specific ethical acts in the same way that economics demonstrates necessary consequences to economic acts, this could be of primary importance. Because if the consequences could be demonstrated, and the causal-theoretical explanation gain acceptance, people may want to avoid those consequences (as they now want to avoid inflation and unemployment), and thus not undertake the ethical acts in question (as they now do not seek to raise minimum wages or create more currency). [Here we mean that they

do not seek to raise minimum wages or create more currency relative to the ostensible benefits which doing so further could provide. We do not mean that they don't do these things absolutely.]

Working backwards, the idea was that if a causal-theoretical explanation could be found in the ethical realm of action, analogous to those that have been found in the economic realm of action, then the ethical actor might—for his own benefit—abstain from ethical acts he otherwise may have undertaken. He might abstain from such acts because he now believed that some consequence of those acts was certain, and he wanted to avoid those certain consequences. If ethical actors began abstaining from coercion for their own benefit, then this would mean a lesser occurrence of the ethical acts used to prevent libertarianism, and thus an increase in opportunities for implementing libertarian ethics. Stated succinctly, if people in society were to abstain from the ethical acts of coercion and dishonesty because they believed there were consequences harmful to themselves, then this would remove some of the primary obstacles preventing libertarian society from emerging.

However, unlike economics, which has been an organized “causal-scientific” discipline since the time of Adam Smith, ethics has been pursued as a discipline of the “ought.” Almost all the focus of libertarian ethics has been on arriving at a scale of objective values that people *ought* to pursue, and relatively little work has been done to establish ethics as a causal-theoretical science. Thus, no sure consequences have been demonstrated to attach to specific ethical acts, as has been demonstrated in economics with respect to economic acts. And thus, even if people wanted to avoid harmful consequences to themselves by abstaining from specific ethical acts—as they are enabled to do with regard to their economic acts by the causal-theoretical explanations economics provides—the causal-scientific information is not available to them in the ethical realm as it is in the economic realm. No certain consequence *Y* has been established or demonstrated as necessarily attaching to any particular ethical act *X*. And so as this causal information is lacking, people cannot

intentionally abstain from *X* as a means to prevent *Y*, because they simply don't know that the cause of *Y* is *X*.

Happiness, Unhappiness, and the Want Scheme

In an attempt to demonstrate how there may be necessary consequences to ethical acts, a simple theory was developed conceiving happiness and unhappiness as relations of human action. In this conception, action is the “trying to” in human experience, which we refer to as striving. There are two fundamental categories of action: striving and attainment. In this first attempt, we defined happiness as a want changing from striven for to attained, and we defined unhappiness as a want changing from attained to striven for. At this stage, a want was defined as something “objective” in nature, which was described generally as something which is measurable and/or verifiable. The intention in using a term such as “objective” was to conceive a difference between the ordinary objects of perception (trees, bodily movements, sounds, etc.) and the thoughts of another person. Thus, in this conception, to person A, another person's bodily movements are “objective,” while another person's thoughts are “subjective.”

The next step involved an insight that in order to coerce person B, person A must believe that person B is an “acting being,” a being who strives to attain wants just as A does. Coercion is a recurring ethical phenomenon in which person A tries to change a want he believes person B has attained, to a want B is striving for. By definition, if A is successful, this will represent unhappiness for B. But for the theory, it is not important that B will be unhappy if A is successful, and it is not claimed that A strives for B's “unhappiness.” The main point is that as A is a striving being and familiar with the “machinery” of striving, he knows that if he can make B strive for something which B is currently not striving for, and which A can provide, that A can then offer this thing back to B in an exchange, and thereby attain that which he

currently wants from B. This is simply the universally recurring phenomenon of coercion.

Person A utilizes his understanding of how striving and attainment work in order to get what he wants from B. Person A tries to coerce B in order to (“in order to” indicating a *means*) attain what he wants. Separate from this, and of no consequence for the theory, if an attained want changes to a striven-for want for B, this is unhappiness for B by definition.

It is important to realize that it doesn’t matter in this theory whether A is “successful” or not in coercing B. That is, what B’s experiences actually are, are not specified and are inconsequential for the theory. All that matters is that A tries to coerce B.

The insight which the theory tried to convey was that if happiness for A is the attainment of an objective want, and if A tries to “attain” a want-change in or for B as coercion, then this want-change for B may be something “subjective” in nature and, in principle, incapable of being attained by A. If so, then every act of A which is coercion (trying to attain a want-change for B) is incapable of resulting in attainment, since “want-change for B” is not something objective for A. By definition, if something striven for is not attained, then happiness is not the result, since happiness is defined as the attainment of a want. And this was a proposed link between an ethical act (coercion) and a logically necessary result (the inability to attain a want as happiness).

In the brief discussion taking place after the first presentation of this theory, a few important points were discussed which highlight the logical nature of the problem which the theory addresses.

First, as the theory is structured, it doesn’t matter whether or not the coerced person B hands over the goods or services which A tries to get. For example, if A coerces B in a robbery, it doesn’t matter whether A obtains the money, thus attaining a want as happiness. The reason is that the theory is not addressing A’s attempt to attain money,

but is specifically addressing A's attempt to change a want for B from attained to striven for.

If we were to conceive that A strives to attain money, then attains it as happiness, this simply represents the plain definition of happiness as the attainment of a striven-for want.

But this would ignore the question of what A strove for in the event *before* the money was handed over. And our point was that it is impossible for A to try to coerce B without trying to change a want for B from attained to striven for.

If A simply tries to obtain money, or tries to effect some bodily movement of B, these things in themselves will not constitute coercion as will be realized upon reflection. To coerce, A must attempt to address B's *acting nature*. This idea parallels Mises's thinking when he writes:

No sensible proposition concerning human action can be asserted without reference to what the acting individuals are aiming at and what they consider as success or failure, as profit or loss.(UF-82)

When A attempts to coerce B, it is with reference to what B is aiming at, and it is with reference to what B "will consider as success or failure, as profit or loss." Simply aiming for the change in location of a physical object is not coercion. Coercion is trying to change the wants of another acting being.

The logical challenge which the theory poses to those who disagree with it is the following:

1. Demonstrate how A can attempt to coerce B without reference to changing a want for B from attained to striven for.
2. Demonstrate how A can *attain* the want which is a want-change for B.

This led to the second point which was brought up in discussing the theory. It was suggested that if A robs B by coercion, then A *knows* he has attained the want change “attained to striven for” for B, by the fact that B hands over the money.

The concept of “knowledge” or of what a person “knows” is not a concept of this theory, however. In the context in which this concept was used, it appears to denote something which person A *reasonably assumes* to be the case, based on what is actually observed. A more accurate term for this kind of knowledge would be “assumption” or “belief.” But what the theory was trying to get at was precisely the fact that there is a difference between an observation and the assumption about the *meaning* of that observation. And the idea intended was that an observation (let’s say, some money changing hands) can be “attained” for the coercer A, because it is “objective,” whereas the motives for B handing over the money cannot be “attained” for the coercer A because those are “subjective.”

Is it true that in a robbery, A’s obtaining the money he sought signifies that he has attained a want-change “attained to striven for” for person B in the manner A intended? In the prototypical coercive encounter, robbery with a gun, A attempts to change B’s want, “my health” or “my well-being,” etc., from “attained” for B to “striven for.” That is, A tries to make something he believes is attained for B (that B won’t be shot) to something that B now strives to attain. Then, is it true that if B hands over the money this *must* mean B did so in order to avoid being shot? Must this be the case?

The answer is obviously no, since B’s motives in handing over money to A can be other than B’s attempting to avoid being shot. Perhaps person B is a priest who is not afraid of A’s threats, but who takes pity on A and, realizing that A needs money, hands A some money out of pity or benevolence. Then, B’s handing money to A does not signify A’s having attained the want-change he strove for.

Thus, notwithstanding the possible inconsistencies and inaccuracies that any social theory may contain, the primary insight

still seems to be valid. In seeking a causal-theoretical explanation in the ethical realm of human action, we should consider how action is the striving to attain wants as happiness, and how ethical action impacts the happiness of the ethical actor, since the thoughts, opinions, values, motives, and intentions of another acting being are things “subjective” in nature and, in some sense, unattainable.

Praxeology and Ethics – Second Edition

A Praxeology of Coercion, second edition, is an explanation and expansion of the ideas outlined in the first edition. The focus remains on ethics as a causal-theoretical science attempting to conceive how social laws are operant in the ethical realm of human action, just as they are in the economic realm of human action.

When in common speech we refer to the well-known circumstance that another person’s thoughts are unknowable (and this includes all “thought entities” such as values, opinions, motives, intentions, and the like), this is intended as meaning that another person’s thoughts “really exist,” but, for practical reasons, we simply can’t know what they are. Our common conception is that another person’s “mind-life” exists along with that person as a spatiotemporal entity. We see another person’s movements and gestures, and we hear the sounds emanating from him. The thoughts of this person are of the same essential nature as his movements and sounds, except that, being buried deep within his skull, they are hidden from direct observation.

This conception of things is what guides a theoretical pursuit such as John Searle’s theory of Biological Naturalism. And in reading Searle’s theory, we can see that indeed it is animated by the goal of being able to observe the thoughts of another (observe his conscious experiences) in the same way we observe his body and speech.(BN-1-14)

In the second edition, the proposal was that something locatable spatiotemporally may have to be spatiotemporal in nature, and that the

thought realm—or some essential aspect of it—may not be of such a nature.

The reasoning was along the following lines. We conceive that happiness and unhappiness are the result of A's experience of spatiotemporal nature. Person A, experiencing happiness and unhappiness as the experience of spatiotemporal nature, tries to locate something identical to this experience in spatiotemporal nature. He does this not realizing that anything located in spatiotemporal nature will simply constitute another experience for himself, actor A.

That is, something spatiotemporally located is identical to that thing being a spatiotemporal thing. For A, a spatiotemporal thing is the *object* of A's striving reality. If A treats as "located" the *relations* of the objects of his striving, A may *unintentionally* change his idea or relation of the objects of his striving reality into an object of his striving reality. That is, the "locating" of his "idea" may be copresent with it's not being an idea, but *unknownst* to A. The hidden, unintended necessary consequence to A's idea being located may be that the idea is fundamentally changed. But A may not know this.(POC2-64-65)

There is something fundamentally problematic in *trying to* "locate" the thought phenomena of another person.

This circumstance indicates a necessary copresence attendant to the social means coercion. The ideas and thoughts (relations) of B must be fundamentally elusive; fundamentally unknowable. Because when A tries to "locate" something like his own ideas "in" B, only objects present. Yet, if coercion presents for A, A must believe those ideas (relations) of B to exist.(POC2-67)

This could impact the happiness of actor A, since happiness was conceived at this point as the change from trying to (striving), to attainment. If there is something that is fundamentally impossible for

an actor to attain, but he does try to attain it, it follows that happiness cannot be the result when this particular thing is striven for.

To coerce, actor A has to try to treat the striving nature (the happiness and unhappiness) of B as a spatiotemporally located thing. In some sense this cannot be done.

The defining characteristic of coercion (as one form of social interaction) is somehow a function of A's "striving" in relation to the consciousness of B. And this must necessarily impact the happiness of A negatively.

Striving and Attainment – A Theory of Social Interaction

The sequence of thought leading up to the present theory had been the following. On the assumption that the ethical acts of coercion and dishonesty are important acts preventing the emergence of political libertarianism, is it possible to demonstrate any necessary consequences to the ethical actor utilizing these ethical means? Of course there are many *possible* negative consequences which may befall one who coerces or lies to another. But are there any apodictically certain consequences?

If there are necessary consequences to the utilization of the means of coercion and dishonesty, it is possible that people either don't know about those consequences, or know about them (clearly or vaguely), but believe that they are only *possible* consequences, and not necessary. The knowledge that there are necessary negative consequences to these means would represent new knowledge that must be taken into account when deciding whether to utilize these particular means. And if people were to abstain from the use of these means in order to avoid the (now believed to be) necessary consequence to themselves, this would be a lessening of the incidence of the use of coercion and dishonesty, and thus an increase in the opportunities for libertarian ethics to emerge. In other words, as people began to be less and less coercive in their approach to things,

they would be less apt to attempt to prevent libertarian societies and libertarian ethical relationships by coercive means.

The reasoning employed had led to the insight that the negative or harmful consequence attaching to the ethical means of coercion had to do with the relationship between the happiness and unhappiness of an ethical actor, and the fact that the thought phenomena of another acting being are in some sense unattainable. In some way, the inability to “attain” a thought phenomenon of another person impacts the happiness of actor A negatively and, to coerce, A must strive in regard to B’s happiness and unhappiness, not merely his bodily movements.

A Praxeology of Coercion, second edition, left the theory with two primary challenges. First, the conception of happiness/unhappiness was still not fully “formalized,” in that it still contained an empirical/temporal element. At that time, the definition of happiness was something like “when a striven-for want changes to an attained want.” This was still an intermixing of the formal concept of happiness with a material description of happiness, because in saying “changes,” we imply a process happening through time. It is as if one were to say “the number two is when we take one thing *and then later* we add another thing.” What was sought was a concept of happiness and unhappiness simply comprised of two formal categories as in the numerical and/or logical categories of “0” and “1.” But what existed was perhaps that, but still with a material/descriptive element intermixed. The system had still not been completely formalized.

The second challenge derived from the implications of the theory as applied to the ethical act of coercion. If it is true that what is dissatisfactory about coercion is that the thought phenomena of another person are unattainable, then in principle this should be true of all instances where the thought phenomena of another person are striven for. The implication is that this circumstance exists in *all* instances of social interaction, not just coercion. This was definitely an unexpected result which the logic of the reasoning indicated, and which was counterintuitive to the way we would normally think about things.

In the beginning, the idea was that since those whom we consider “ethical” people (people who conduct themselves “ethically”) generally try to avoid coercing or lying to others, this seems to indicate that something negative or painful attaches specifically to these types of acts, and perhaps not to other ethical acts such as helping others. So the starting point for the analysis of ethical acts such as coercion and dishonesty was the idea that there may be necessary and negative consequences attaching to these acts, and perhaps positive consequences attaching to helpful ethical acts.

But the implications of the logical approach taken were that, if the negative aspect of utilizing the means of coercion has to do with the attempt to “attain” the thought phenomena of another person, then this should be true of all instances of such attempts, not just attempts during coercive acts. An example of this is not knowing whether a person liked or did not like a gift that one gave to him, or not knowing how another person “really” feels about one. Here are instances where one is addressing the thoughts of another person, but which are not instances of coercion or dishonesty. So the second challenge of the theory was to arrive at a general theory of social interaction that could account not only for the phenomenon of coercion, but all instances of social interaction.

Happiness and Unhappiness

The current conception of happiness and unhappiness is still based on striving and attainment, but the concept of change has been removed so, that in action, something is either attained or striven for. Attainment, or what is attained in action, is any physical, material, or sensual impression or perception that presents to a consciousness. This includes imagined impressions, such as imagined images or sounds, as there is no internal/external distinction made in this theory.

Striving, or what is striven for in action, is the logical counterpart to attainment. Striving implies non-presence. If something is striven for, by logic, it is not attained.

As previously written, striving is the “trying to” in human experience, which is the root phenomenon of the various forms of trying to, such as: attempt, aim, endeavor, etc. The difficulty in conceiving formal concepts such as striving may be a difficulty inherent in the nature of such concepts. The referent of a formal concept seems always to be some contentual and sensuous experience of the concept. The referent of striving—what we can refer to in thinking about striving—is a particular instance of trying to obtain something over time. But the formal concept is meant to represent something that is not identical to this content-filled and temporally durable process. Grappling with this intractable theoretical situation constitutes a large part of the epistemological challenge of formal social science.

Mises writes:

Praxeology is not concerned with the changing content of acting, but with its pure form and its categorial structure.(HA-47)

It applies the term happiness in a purely formal sense. In the praxeological terminology the proposition: man’s unique aim is to attain happiness, is tautological. It does not imply any statement about the state of affairs from which man expects happiness.(HA-15)

...many...failed to recognize the purely formal character of the notions *pain* and *pleasure* and gave them a material and carnal meaning.(HA-15)

That the concepts of pleasure and pain contain no reference to the content of what is aimed at, ought, indeed, scarcely to be still open to misunderstanding.(EP-152)

There are a number of factors responsible for the situation that the purely formal character of these concepts are indeed still open to misunderstanding. First, there is the question of whether one *wants* to pursue social phenomena by means of developing formal concepts

absent content. As a famous student of Mises once wrote: “This procedure is perfectly proper for the formal science of praxeology, or economic theory, but not necessarily elsewhere.”(EOL-12) Developing, clarifying, and teaching such concepts depends on the willingness of social science scholars to do so. The concepts do not present themselves in clear form, but require clear formulation and clear expression by interested scholars. What Mises considers something that any educated economist or social scientist should understand can well become forgotten knowledge to the next generation.

Second, as mentioned, the referent of these formal concepts of action are always, as Menger would phrase it, things that “...present themselves to us in their “full empirical reality.”(I-56) We only know about and only experience the phenomena of action to which these concepts refer as “complex phenomena.” The phenomena never appear in their “purity.” Thus, in an important sense, our mind’s “default” setting for thinking about the phenomena of action is as they appear empirically and materially. By contrast, the formal concepts are contemplated, constructed, clarified, and maintained, only by sustained effort.

This may be what gave rise to the idea stated by philosophers of old, that it was only after long training that a philosopher could enter the realm of pure reason, or of pure forms, etc., because there is a habit of mind or a training of the mind required to systematically treat formal concepts while functioning daily in material reality.

The material concepts are reinforced naturally and without specific training or sustained effort, it seems, because material things (sights, sounds, tactile sensations, etc.) literally “appear” for us, while formal concepts never appear in the same way.

Third, and importantly, both mathematics and formal logic deal in symbols which are protected to some degree from double meaning. But praxeology is expressed not in symbols, but in written words, where the words used to designate key concepts are already in use in

the general language but with a different meaning. The concepts of pleasure and pain are examples. Thus, even if a social theorist *wants to* pursue formal social science, in the absence of a symbolic system (if one were possible), there is a real and important obstacle to expressing the concepts so the intended formality is communicated.

Happiness and Unhappiness (continued)

From *A Praxeology of Coercion*, second edition, to the present work, the concepts of happiness and unhappiness were revised with the goal of removing the idea of movement or change from them. Instead of happiness as a striven-for want *changing* to an attained want, the concept is now happiness as an attained want, or simply as: attainment. Instead of unhappiness as an attained want *changing* to a striven-for want, the concept is now unhappiness as striving for a want, or simply as: striving.

Thus, two distinct formal categories are envisioned, happiness and unhappiness, and each corresponds to a recognizable feature of action. In action, there is obviously “presence.” There are obviously physical things which are present to action. In action, there is obviously “striving.” There is obviously the attempt to bring something not present to presence.

To conceive happiness as attainment seems to come somewhat naturally, since we often identify the experience of happiness as accompanying the culmination or fulfillment of some goal or aim. When the thing we tried to obtain or acquire is finally here, we are “happy,” and thus it seems natural to identify the concept happiness with such an “attainment.”

The concept of unhappiness seems harder to conceive, and there is probably a sensible reason for this. For a person whose daily life appears to him to be one of relative contentment, unhappiness could possibly mean a negative experience rising to a certain level of intensity. When compared to the duration of contentment, the

relatively short duration of specifically unhappy experiences makes them seem the exception, and contentment seems to be the normal state of things. Thus a person may consider that he has been relatively happy for the last few days, except perhaps for a few hours when some specific event took place.

In an unremarkable span of life, there is attainment (arriving at another room, arriving at the store, etc.) and there is striving (the attempt to go to another room, the attempt to go to the store, etc.). But unhappiness that rises to a certain level of intensity seems to be something categorically separate from the normal striving and attainment going on in an unremarkable span of daily life and activities. It might seem odd to refer to this intensely unhappy experience that happens relatively infrequently as an event essentially no different from the attempt to go to another room of the house.

Our explanation for this seeming inaccuracy in the concept of unhappiness is twofold.

First, at this stage of the theory, there is no concept of intensity or relative intensity. Whereas the Misesian and Austrian conceptions of action contain concepts such as “more urgent” and “less urgent,” the present theory does not contain such concepts at this point. There is striving and there is attainment. But there is not “this intensity of striving” or “this intensity of attainment.”

Perhaps the idea of relative degrees of intensity cannot be definitively ruled out as inconsistent with the theory of striving and attainment as has been outlined above. And perhaps with future advances in the formal methods of expression in praxeology, a way can be found to represent formally the idea of degrees of urgency or degrees of intensity. The present theory does not or cannot incorporate these ideas, it seems, to the extent they would denote something that in principle could be measured by the methods of physical science (ideas such as “this much intensity” versus “that much intensity,” or “this much urgency” versus “that much urgency”). To reiterate, it is not that such concepts are here ruled out definitively. But they are temporarily

ruled out until such a time as they can be incorporated formally, or ruled out definitively.

Thus, the present theory does not make a distinction between “this much unhappiness” and “that much unhappiness.” Relative degrees of unhappiness are not part of this theory. There is happiness and there is unhappiness, there is striving and there is attainment. But there are not relative degrees of those things as conceived here.

Second, the present theory of action is not a theory of materialism or objective realism. Here, happiness and unhappiness are treated from the point of view of the acting individual. An example of a common experience may help demonstrate the difference.

Everyone is familiar with the experience of suddenly feeling unhappy upon remembering some unpleasant situation. Person A may be relatively content and doing his daily activities, when suddenly he remembers some circumstance, bringing with it a noticeable feeling of unhappiness. The present theory treats all cases of unhappiness, even cases that result from “only thinking” about something.

Let’s assume that person A now realizes that the situation he remembers had actually been previously resolved, so that as he now sees things, there was no reason to feel unhappy. The situation he thought about, and which caused him to be unhappy, did not “really” exist.

However, the present theory treats happiness and unhappiness as they are realized for the individual consciousness of A, not only happiness and unhappiness that “should” have happened were A to have thought about things “correctly.” To echo the thoughts of Mises: not why a man is unhappy, but that he is unhappy counts for praxeology.(MM-21)

Thus one can begin to see that once we remove the idea of degrees of intensity from our concept, and once we realize that we are treating every instance of the given phenomenon (not only those instances considered real or valid in a realist-materialist account), then we are

talking about something that is present whenever striving is present. We are not talking about something that exists only when a certain level of intensity is reached, or something that exists only when it meets “realistic” criteria. We are describing the ongoing conscious experience of the individual actor.

The Mind-Body Problem

It is typical to conceive the mind-body problem as an attempt to understand the relationship between an individual’s thoughts and his bodily movements. One might ask: what is the “process” by which thoughts are transformed into the acts (in the sense of movement directed by these thoughts) of the individual? How do thoughts “cause” physical action?

Perhaps overshadowed by this way of conceiving things is a problem of equal importance, and a problem which helps to clarify the mind-body problem. We’ll call this the “mind-mind” problem.

The mind-mind problem is the following idea. I am an inquirer or observer A, inquiring into the relationship between consciousness and physical processes, which is the standard way of approaching the mind-body problem. As an inquirer, I have basically four entities of inquiry: my consciousness, my bodily movements and physical processes, the bodily movements and physical processes of person B, and person B’s consciousness.

The goal of the inquiry is twofold: first, I want to provide a theoretical description of the relationship between consciousness and physical processes. Second, I want the description to be an “objective” one.

An objective description will be one that can be confirmed by means of observing a physical process in a public setting. That is, an objective description is one which may be confirmed by the method of several people observing the same physical process.

This then rules out a theoretical description wherein I record my private conscious experiences and relate those to my own bodily movements, because my private conscious experiences can't be observed publicly (though my reporting of such experiences can be observed publicly).

The requirement of objectivity also rules out a description wherein person B reports his private conscious experiences and I relate those to his physical movements or to physical processes occurring in his body. Because though B's reportage of his conscious experiences can be observed publicly, the private experiences he reports cannot be so observed.

What this seems to indicate is that it is the conscious experiences themselves which need to be observed publicly (not my or B's reportage of them) and then related theoretically to the physical processes or bodily movements of B or myself.

Thus, what we will be seeking is a description of the relationship between two entities—a consciousness and a physical process—where both entities are publicly observable. Either others will have to observe my consciousness or I will have to observe the consciousness of person B.

If we assume that nature is uniform and symmetrical, then it should be the same whether I observe B's consciousness or B observes mine. It shouldn't matter whether several observers observe my consciousness, or alternatively, I and several people observe the consciousness of person B. Thus, for the sake of simplicity, we'll assume that I and others will observe the consciousness of B and attempt to relate those observations to other physical processes happening in person B.

The important point is that my consciousness will observe B's consciousness.

The mind-mind problem has to do with the following circumstance. If I locate a physical object or process deemed to be the

consciousness of another person, that object or process will, it seems, not be identical in nature to that which is consciousness to me, the conscious being. That is, if an object or group of objects appears for my consciousness, this fundamental arrangement (my consciousness and the objects appearing for it) can't be assumed to change upon my designating that group of objects by the name "the consciousness of B." Rather I assume that everything will remain the same as before. There will be my consciousness and there will be the objects and events that present to my consciousness.

In other words, my consciousness does not become "pluralized," or reach identity with itself, or reach something approaching identity with itself, by the fact of designating several objects of my consciousness as the consciousness of another. Instead, all that happens is that I choose to designate some objects of my perception by a word or name. The underlying relationship of *objects to my consciousness* remains exactly the same. The objects I observe remain simply objects presenting to my consciousness.

The notion that the fundamental logical relationship of an object presenting for my consciousness could change—upon my discovering new objects, or upon my reclassifying known objects, or upon my describing a process involving new or known objects—is a notion difficult to imagine. Though we won't go so far as to rule something like this out absolutely, this may be a notion similar to that of a square circle. As Patrick O'Neil writes:

A square circle can be neither constructed, nor described, nor conceived, for it consists of no more than the juxtaposition of two contradictory words which can be put together only in time but cannot otherwise be conjoined.(PON-89)

Similarly, we can write about the idea of observing another consciousness, and thereby imply that the observed consciousness and the observing consciousness are identical in nature. But what one consciousness is to another, it seems, cannot be sensibly described or experienced other than as a complex of objects and processes

presenting to a single consciousness. What the consciousness of person B is, when I observe it as a public object (an object or process that I and others observe), is not identical in nature to what I am currently experiencing as my own consciousness, but rather something distinctly different from that.

This notion again touches on what Menger and Mises refer to as *laws of thinking*, or as *a priori categories*:

If we qualify a concept or a proposition as a priori, we want to say: first, that the negation of what it asserts is unthinkable for the human mind and appears to it as nonsense; secondly, that this a priori concept or proposition is necessarily implied in our mental approach to all the problems concerned, i.e., in our thinking and acting concerning these problems.(UF-18)

This idea seems to accurately describe the situation that exists when I, the conscious being, attempt to observe the consciousness of person B. When I do so, I don't expect that something identical to my consciousness will be found. What I expect to find is not something *identical to* my consciousness, but rather something *presenting to* my consciousness. Paraphrasing Mises: "this...concept or proposition is...implied in my mental approach to all the problems concerned, i.e., in my thinking and acting concerning these problems."

The obvious suggestion is that if someone's consciousness is a physical process I can observe, then it is not consciousness in the commonly accepted meaning of the term. A physical object or process observed by a consciousness is just that and nothing more.

This mind-mind problem serves to illustrate what may be a fundamental paradox in the attempt to describe consciousness in physical terms, or to observe consciousness as something physical.

The Fundamental Elusiveness of a Second Consciousness

The idea that another human consciousness (and human actions when these are understood as *intentions*) is not observed is not new to libertarian and Austrian School social theorists. Hoppe, writing in *Economic Science and the Austrian Method*, and in discussing the concept of human action and the so-called action axiom, writes:

And the axiom is also not derived from observation—there are only bodily movements to be observed but no such things as actions...(22)

Hayek elaborates on this same idea:

If we consider for a moment the simplest kinds of actions where this problem arises, it becomes, of course, rapidly obvious that, in discussing what we regard as other people's conscious actions, we invariably interpret their action on the analogy of our own mind: that is, that we group their actions, and the objects of their actions, into classes or categories which we know solely from the knowledge of our own mind.(IEO-63)

We thus always supplement what we actually see of another person's action by projecting into that person a system of classification of objects which we know, not from observing other people, but because it is in terms of these classes that we think ourselves.(IEO-63)

There can be no doubt that we all constantly act on the assumption that we can in this way interpret other people's actions on the analogy of our own mind and that in the great majority of instances this procedure *works*. The trouble is that we can never be sure.(IEO-64)

As an example, Hayek writes:

What I mean by a “friendly face” does not depend on the physical properties of different concrete instances, which may

conceivably have nothing in common. Yet I learn to recognize them as members of the same class—and what makes them members of the same class is not any of their physical properties but an imputed meaning.(IEO-65)

Hayek arrives at the following insight:

What we mean when we speak of another mind is that we can connect what we observe because the things we observe fit into the way of our own thinking.(IEO-66)

So here are two instances of a recognition that what we observe when we observe other people is not their actions (actions meant here in the sense of *intentions*), nor is it their consciousness we observe. Rather, what we observe is physical movement and change which we interpret, as Hayek writes, on the analogy of our own mind.

But if this is true, then what about the consciousness of another person? Where—so to speak—is it? Or why is it that only another person's movements are observed, but not his actions, intentions, or consciousness?

In his 1984 book *Minds, Brains and Science*, John Searle's insights about human action seem to mirror the insights of Hoppe and Hayek above. Searle writes:

At first, it is tempting to think that types of actions or behavior can be identified with types of bodily movements. But that is obviously wrong. For example, one and the same set of human bodily movements might constitute a dance, or signaling, or exercising, or testing one's muscles, or none of the above. Furthermore, just as one and the same set of types of physical movements can constitute completely different kinds of actions, so one type of action can be performed by a vastly different number of types of physical movements.(MB-57)

Due to considerations such as these, Searle makes a key insight into the nature of action and its relationship to one's intention:

...because in acting, what I am doing depends in large part on what I think I am doing.(MB-58)

These insights of Searle have logical implications that extend further than Searle himself possibly realizes. Because as I observe another person, if his intentions—which are what define his actions—are consistent with any number of physical movements (including sounds) he may be making, then in principle there is no way of knowing what his actions are. Only his movements and not his actions can be known by me.

The principle involved is the following. A particular intention another person may have is consistent with any number of physical manifestations (combination of sounds, movements, smells, etc.) of that person. Person B may say “I want a cup of coffee.” But B may be acting, or lying, or seeing what I will do when he says that, etc.

I may believe that I actually *know* B's intention based on some previous knowledge I have of B. For example, B routinely goes to a certain coffee house and drinks coffee, and now we are in that coffee house and standing at the counter where coffee is ordered. So when B says “I want a cup of coffee,” I am *certain* that his intention or action is that he wants a cup of coffee.

But it is *possible* that B was only joking. Perhaps to mock himself, and his highly routine life, he said “I want a cup of coffee,” intending to convey boredom with his own routine. As the attendant begins to prepare a cup of coffee, B signals that he would like to change his order.

Now we may say that we are *certain* B was only joking before in asking for a cup of coffee. But if this is the case, what was the status of the “certain” knowledge we claimed to have had before? It was not “certain” knowledge, but rather a kind of belief or opinion about

things. And as it turns out, this opinion or belief is *in principle* revisable upon further information.

This phenomenon is similar to a previously used example of the statue in the park. When I walk into a park and see a person posing as a bronze statue, I may believe this person's intention to be making money, or getting attention or notoriety, or practicing for an acting class, or something else. But upon nearing this person and realizing that it is actually a statue that looks like a person posing as a statue, then what was the true nature of the intentions I previously held to have real existence? Apparently they were physical facts or physical appearances to which I imputed an intention, as Hayek writes.

The information upon which our opinion of a person's intentions may change is the same kind of information upon which our current opinion of his intentions was formed.

Thus, in principle, there is no way of "knowing" another person's actions or intentions. What are intentions and actions remain with the conscious observer, while all he can know and perceive is the other person's physical attributes.

There is no certain point at which another person's intentions might not change for me upon the next observation I make of him. What another person's intentions or actions are or were may always change upon my receiving further information. Thus, what another person's intentions or actions are or were is always a function of something that happens for me. This implies that, for me (for my consciousness), another person's consciousness (his actions, intentions, values, etc.) is not something that can be a "real" aspect of that person (cannot have a spatiotemporal existence).

In keeping with our previously stated approach, this is not to be interpreted as an assertion or implication that other consciousnesses do or do not exist. Rather it is to be interpreted as saying something about the relationship between a conscious observer A and another consciousness B, from the point of view of consciousness A.

The question of vital importance is, what form can another person's consciousness (his actions, intentions, etc.) have in my consciousness?

Could it be that analogous to the situation in quantum physics, we are facing a situation in which "there are unobservables whose unobservability is a matter of epistemological principle"??(HA-57)

This is indeed our contention.

When Hoppe writes that actions are never observed, when Hayek writes that we impute another person's actions on the analogy of our own mind, and when Searle notes that observed physical movements can be consistent with a vastly different number of actions, this is telling us about something *fundamental* in the nature of social interaction. From the point of view of the individual consciousness, another consciousness is unknowable in a *fundamental* way.

Libertarian Social Theory

Libertarian social theory is based on two insights: that the condition of mankind and the intensification of market processes are related, and that self-interested individual action causes market processes to intensify, thus unintentionally improving man's condition.

Consider Adam Smith's invisible-hand metaphor:

But the annual revenue of every society is always precisely equal to the exchangeable value of the whole annual produce of its industry, or rather is precisely the same thing with that exchangeable value. As every individual, therefore, endeavors as much as he can both to employ his capital in the support of domestick industry, and so to direct that industry that its produce may be of the greatest value; every individual necessarily labours to render the annual revenue of the society as great as he can. He generally, indeed, neither intends to

promote the publick interest, nor knows how much he is promoting it. By preferring the support of domestick to that of foreign industry, he intends only his own security; and by directing that industry in such a manner as its produce may be of the greatest value, he intends only his own gain, and he is in this, as in many other cases, led by an invisible hand to promote an end which was no part of his intention. Nor is it always the worse for the society that it was no part of it. By pursuing his own interest he frequently promotes that of the society more effectually than when he really intends to promote it. (AS-VI-455-456)

Here we can clearly see these characteristic features of libertarian social theory. The individual, pursuing only his own gain, unintentionally also increases the overall revenue of society. If we consider Carl Menger's explanation of the origin of money, the same features are apparent:

As *each* economizing individual becomes increasingly more aware of his economic interest, he is led by this *interest*, *without any agreement, without legislative compulsion, and even without regard to the public interest*, to give his commodities in exchange for other, more saleable, commodities, even if he does not need them for any immediate consumption purpose. With economic progress, therefore, we can everywhere observe the phenomenon of a certain number of goods, especially those that are most easily saleable at a given time and place, becoming, under the powerful influence of *custom*, acceptable to everyone in trade, and thus capable of being given in exchange for any other commodity. These goods were called "*Geld*" by our ancestors, a term derived from "*gelten*" which means to compensate or pay. Hence the term "*Geld*" in our language designates the means of payment as such.(POE-260)

Both of these passages conceive a relationship between isolated individual action and some economic or market-associated benefit to

society. In Smith's case, this benefit is the increase in the revenue or capital of society, and in Menger's case, the benefit resulting from self-interested individual action is the emergence and evolution of money. The two essential components of this kind of theory are, on the one hand, the concept of individual self-interest, and, on the other hand, a social effect which, while essential for the progress of society (the increase in overall capital, and the development of a medium of exchange), was not the intention of the individual actor in his daily pursuits.

Benefits and Progress

Here, we should realize that when we say that something is a "benefit" for society, or that something represents "progress" for society, this assumes that the effect or phenomenon in question impacts the well-being or happiness of individuals positively. This highlights another reason why these passages from Smith and Menger are characteristically libertarian. Both authors assume as true that the evolution over time of the phenomena they treat—the accumulation of capital, the emergence of money—represents something *positive* or *beneficial* for society. Eventually this must mean something positive or beneficial for individuals in society.

Of course, economic or catallactic theory, as the study of specifically market phenomena, constructs its concepts with an eye toward conceiving market phenomena. Economics is not a theory of human happiness, but a theory of market processes. As Mises writes:

Ever since people have been eager for a systematic study of economics or political economy, all have agreed that it is the task of this branch of knowledge to investigate the market phenomena, that is, the determination of the mutual exchange ratios of the goods and services negotiated on markets, their origin in human action and their effects upon later action.(HA-232)

Thus, economic theory as a rule tails off and becomes less instructive at that point where one attempts to connect—in a theoretically consistent manner—economic effects and economic phenomena to individual well-being. Economics is the study of a specific realm of human action. In studying the catallactic aspects of human action, other aspects are necessarily de-emphasized.

The theme of classical economics is that over time there is an overall improvement in societal conditions, and this improvement traces back to isolated individual action and the individual who tries to improve his own situation, often without any intention of improving society generally. It is characteristic of libertarian social theory to accept the thesis that economic progress by and large represents social progress. But what is missing from this account is a theory of human happiness which would demonstrate *precisely* in what way economic progress and human happiness are related.

In saying this, we are not talking about “common-sense” explanations. It is true that with the advance of the institution of money, people can effect trades that they couldn’t in a barter economy. And with increasing capital, more hospitals can be built and more food can be grown than before. These explanations may be true, but they do not state anything which must be universally true about the relationship between a market economy and any particular individual’s well-being. In any *common-sense* explanation of the benefits of an expanding market economy, it will in principle be possible to show that for a given individual, what is called a beneficial development in terms of market progress is harmful or detrimental to that individual.

The demonstration of an exact relationship between market phenomena and individual happiness is what is missing from libertarian social theory.

Human Ethical Action

Action is goal-directed activity or, as previously written, the “trying to” in human experience. Within the broad category of action, we made a preliminary distinction between three types of action: economic, ethical, and psychological.

As Mises writes:

Not logical or epistemological rigor, but considerations of expediency and traditional convention make us declare that the field of catallactics or of economics in the narrower sense is the analysis of the market phenomena. This is tantamount to the statement: Catallactics is the analysis of those actions which are conducted on the basis of monetary calculation.(HA-234)

Thus, action, as Mises informs us, is the broad phenomenon of goal-directed activity, and the various classes of action cannot be fully separated from action in general. For purposes of expediency and traditional convention, we separate various aspects or classes of action, which in the final analysis are separated for our own purposes of study.

When we refer to a theory of ethical action, we have in mind action directed toward another “acting being.” And we contrast this to economic action on the one hand, and psychological action on the other. In this conception we view economic action as that action based on monetary calculation, as Mises writes. We may also understand economic or “catallactic” action as that action conceivable in terms of exchange ratios. Next, psychological action for our purposes is action that is not expressible in terms of monetary calculation or exchange ratios, and not directed towards another acting being. The example we used before was trying to suppress one’s hopes (“trying to” indicating *action*) in order to (“in order to” indicating *means*) avoid an experience of disappointment. This is an action which is neither *economic* action in the catallactic sense, nor action directed toward another acting being, which we call *ethical action*.

So the theory of ethical action is a theory that treats action directed toward another acting being (what would normally be called social interaction).

The Intuitive Basis of Libertarian Social Theory

Libertarianism is a political movement attempting to influence the course of human political relationships in a specific direction. Each libertarian has his own explicit theory of libertarianism. To the extent that libertarianism is a movement attempting to change current political relationships to something different from what they are now, libertarianism claims that something positive or beneficial is to be gained by doing so, and conversely that something harmful or negative will result if this is not done. Disregarding for the moment each libertarian's own particular theory of libertarianism, libertarianism is the belief shared by all libertarians that societal development in a certain direction will prove beneficial, and an absence of such a development harmful. But an important question is, from what source did all libertarians draw their initial insights into human nature, which eventually became the basis for their various explicit libertarian theories?

The obvious answer is that since we act, and since we experience action directly, we are therefore privy to the nature of action "prescientifically." We are already familiar with the patterns of action before we abstract those patterns into explicit theories of action, and/or into explicit political theories. This direct experience of action is ultimately the intuitive basis of libertarianism.

One question then becomes, with respect to these original patterns of action, are they graspable or conceivable in terms of theory? Are the prescientific recurring patterns of action, which form the basis of libertarian social theory, conceivable in terms of formal theory?

And this is what praxeology is all about.

The Relationship between Human Action and Human Well-Being

Regarding human action, praxeology, and their relationship to the evolution of human society, Mises writes:

Neither history nor ethnology nor any other branch of knowledge can provide a description of the evolution which has led from the packs and flocks of mankind's nonhuman ancestors to the primitive, yet already highly differentiated, societal groups about which information is provided in excavations, in the most ancient documents of history, and in the reports of explorers and travelers who have met savage tribes. The task with which science is faced in respect of the origins of society can only consist in the demonstration of those factors which can and must result in association and its progressive intensification. Praxeology solves the problem. If and as far as labor under the division of labor is more productive than isolated labor, and if and as far as man is able to realize this fact, human action itself tends toward cooperation and association; man becomes a social being not in sacrificing his own concerns for the sake of a mythical Moloch, society, but in aiming at an improvement in his own welfare. Experience teaches that this condition—higher productivity achieved under the division of labor—is present because its cause—the inborn inequality of men and the inequality in the geographical distribution of the natural factors of production—is real. Thus we are in a position to comprehend the course of social evolution.(HA-160-161)

Thus for Mises, human action itself tends toward cooperation and association, and it does so in that man either dimly or consciously realizes the advantages of cooperation under the division of labor. This is how Mises as economist conceives the subtle influence that man's direct knowledge of the patterns of human action has on the long evolutionary course of human society.

Toward a Reconception of Market Processes

To understand the present theory of human ethical action, it is necessary to conceive market processes or market phenomena in a different way. Previously, we discussed a phenomenon that seems to accompany our experience of evolving market processes. The notion that market society is progressing or intensifying can be understood in terms of the extent to which social interaction can happen for an individual without reference to another acting individual (without reference to another consciousness or mind).(POC-18-35)

If we think about the progress of society from face-to-face barter transactions to modern Internet and vending-machine transactions, we can view this change in society in terms of the degree to which, in order to interact socially, an individual must address the thoughts and intentions of another person.

First we consider a simple face-to-face barter transaction, perhaps with the presence of haggling. Next, we consider a simple street or town marketplace, where perhaps prices are listed, but where some haggling is also done. Next, we consider a simple proprietor-owned shop, where almost all goods have written prices. In this instance, many transactions may be completed by placing the item on the counter and paying, while giving only minimal attention to the clerk behind the counter. By the time we proceed to large chain stores, where relatively little haggling or negotiation takes place, one can complete a transaction with or without a few exchanged pleasantries with a clerk. Finally, with vending-machine transactions, self-check-out transactions, and Internet transactions, one may complete a transaction entirely without reference to another consciousness.

An interesting aspect of these anonymous transactions is that in one sense they are not social interaction, but in another sense they are. For the individual involved in such a transaction they are not social interaction in the sense that the individual is engaged with a machine or piece of technology. However, in the sense that at some point another person will be receiving the product or result of this

transaction, we conceive that this is a form of social interaction. It is a kind of social interaction in which the individual who transacts it is disconnected from any engagement with another individual consciousness.

Thus, we can see that it is possible to conceive market progress or market intensification as a function of this type of social interaction. In some types of social interaction, another person (and especially his mind) is conceived as being “present” in some sense, or so it seems. In this type of social interaction, one person addresses the consciousness (the mind, thoughts, intentions, values, etc.) of another person concurrent with and as an integral part of such interaction. Examples of this kind of social interaction are face-to-face negotiating, conversing, and arguing. A telephone conversation is also a form of this type of social interaction.

In another kind of social interaction, another person’s mind or consciousness is not considered “present” and not considered an integral part of it. Mentioned already were the examples of Internet transactions, self-check-out transactions, and vending-machine transactions. Another example is an activity such as bill-paying by mail. A person may pay a bill by mail (a form of social interaction) by and large without reference to the mind or consciousness of another person.

If we accept the general notion that some forms of social interaction may be conducted without reference to another consciousness, while other forms of social interaction are conducted in the “presence” of another consciousness, this raises the question of what is meant by the “presence” of another consciousness or mind.

We have already proposed that from the point of view of the individual mind or consciousness, another consciousness cannot be understood as having “real” existence.

Social Interaction

Regarding the universal versus the accidental features of human action, here is how Mises characterizes praxeology:

Praxeology is a theoretical and systematic, not a historical, science. Its scope is human action as such, irrespective of all environmental, accidental, and individual circumstances of the concrete acts. Its cognition is purely formal and general without reference to the material content and the particular features of the actual case. It aims at knowledge valid for all instances in which the conditions exactly correspond to those implied in its assumptions and inferences.(HA-32)

Praxeology is not concerned with the changing content of acting, but with its pure form and its categorial structure.(HA-47)

The cognition of praxeology is conceptual cognition. It refers to what is necessary in human action. It is cognition of universals and categories.(HA-51)

Here, we will propose a universal definition of social interaction not based on any particular material content. A definition which is universal apparently rules out any definition of social interaction in which person A singles out a material aspect(s) of things from among all the material things presenting to him. Thus, we could not define social interaction as something such as when another Homo sapiens stands before me and speaks or signals, etc. This definition would not be universal in that this could happen and social interaction not happen. A praxeological conception of social interaction cannot be based on any particular material content.

Our proposal is that *the essence of social interaction is person A's striving in relation to another consciousness*. Of course, this is a definition of social interaction *for A*. And obviously the intention is that social interaction exists for B when he strives in relation to another consciousness. But there is no reason why we can't label

person B as “A” when the time comes to consider action from his point of view. And thus our definition of social interaction is: A’s striving in relation to another consciousness.

Definition of Social Interaction Explained

This definition of social interaction may be somewhat imprecise and should be considered a preliminary definition. In the theory, there previously was no mention made of an idea such as “striving in relation to.” The concept has been relatively straightforward and rendered as “striving for,” which accords with general usage.

There is a reason for the imprecision and slight shift in terminology. Phrases such as “striving for a consciousness” or “striving for an intention” would seem to be the straightforward way to combine two of the primary concepts of the current theory. There is “striving,” and there is the consciousness and the thought phenomena (such as intentions) of another person. So then the idea of “striving for” the consciousness or intentions of another would seem to be a natural combination. Yet those phrases appear unnatural in some way.

This could be because the concepts are new and unfamiliar. But it could also be that the structural form of the theory and the phrases in question are not consistent. Here we will surmise that the latter explanation is the correct one. Our reason is that since we maintain that the consciousness and thought phenomena of another person are *fundamentally* elusive, this may be the reason why a phrase such as “striving for a consciousness” or “striving for an intention” feel unnatural. These phrases seem not to convey clear meaning because the entities posited as being striven for (those of the thought realm of another) do not exist, or are not conceivable as existing, in the form that the structure of the phrasing implies.

In other words, if what can be attained in action is physical, then a phrase in the form “striving to attain X” has clear meaning when X is something physical (or something that can be meaningfully conceived

as being physical). But as the present theory maintains that from the point of view of actor A, the consciousness of person B cannot be understood to have real existence (cannot be understood to be something physical or spatiotemporal in nature), this is why a phrase structured in the form of “striving for [B’s thought realm]” does not ring consistent and seems not to convey clear meaning. The entity [B’s thought realm] or [aspect of B’s thought realm, such as B’s intentions, etc.] cannot be something physical for A, and thus a phrase asserting that A strives for this entity would be analogous to a phrase such as “A reaches for a thought.” The activity and the entity described are clear, but the form in which the two are joined puts them in an incommensurate relationship. This may be similar to the idea of a square circle.

The reason for this detailed explanation is to explain why it seems somehow inaccurate to define social interaction as “A’s striving for the consciousness of B.”

Definition of Social Interaction (continued)

The circumstance which we are trying to consistently conceive is the following. We assume that person A considers the thought realm of person B (let’s say, B’s opinions) as existing spatiotemporally with person B. Thus, when A undertakes an activity such as “trying to figure out what B’s opinion is,” this is under the assumption that B’s opinion has real existence, meaning that it can be understood to be of the same essential nature as the other objects of A’s experience.

Person A definitely does “try to.” People do try to understand what other people are thinking. Thus, they strive for something having to do with another person’s thought realm. However, we are maintaining that the thought realm of another person cannot be “attained,” as it cannot be understood as something physical. When A tries to understand the thoughts of B, what appears for A are physical things, such as B’s body, B’s bodily movements and sounds, and imagined

images of B, when B is not in the same location as A. Every “attainment” of A is some physical presentation, none of which is a thought, opinion, value, intention, etc., of B.

What is happening is that A is experiencing his own consciousness, and trying to navigate socially, by means of conceiving his own consciousness as also spatiotemporally located with other people and other beings. As was previously written, he is trying to “locate” his own consciousness (albeit as “belonging” to someone else) as existing amongst the objects of his consciousness (as existing “out there” with other people).

Our contention is that, in a fundamental sense, this cannot be meaningfully done. Person A can strive, and person A can attain, but there is something A strives for which cannot be attained, because its nature precludes attainment. This is the same phenomenon Husserl describes:

To attribute nature to phenomena, to investigate their real component parts, their causal connections—that is pure absurdity, no better than if one wanted to ask about the causal properties, connections, etc. of numbers. It is the absurdity of naturalizing something whose essence excludes the kind of being that nature has.(H-106-107)

In striving to attain the entities of B’s consciousness, person A in essence tries to “naturalize consciousness”—tries to act on the assumption that the consciousness of person B is something that can have real existence for A. In some sense, A “strives in relation to the consciousness of B.” A acts on the assumption that a particular thing can be attained, which thing’s nature precludes attainment.

Social Interaction and Unhappiness

If social interaction is A's striving in relation to B's consciousness, then social interaction must be unhappiness in some respect. In the present theory, striving is unhappiness.

Here it is important to remember that the formal definition of unhappiness is not the same as the material definition of it. By unhappiness, as has been discussed previously, we do not mean a traumatic material event rising to a specific level of intensity. Rather, unhappiness is the striving in human action, which is the logical counterpart to happiness, the physical presence in human action.

We might conceive that striving is a concept denoting the universal aspect of all unhappiness, without respect to the material quantity or intensity of any particular instance of such unhappiness. So in saying that social interaction is unhappiness, by no means need this imply that when A interacts socially, he will be able to isolate a discrete and noticeable increment of pain or displeasure, this any more so than the concept that the temperature has gone up or down implies that a person must have felt an incremental change in temperature.

On the other hand, our definition of social interaction is consistent with any particular intensity of materially experienced pain or dissatisfaction, such as when person A is extremely worried because he doesn't know what person B may be thinking, or what person B's intentions are, etc.

The Relationship between Human Happiness and Market Society

Thus, given our conception of what constitutes a progressing or intensifying market society, and given our theory of social interaction, it should be possible to understand a suggested relationship between human happiness and what libertarians refer to as the "free market." Our contention is that market society impacts human happiness positively because market transactions are a form of social interaction

that may be conducted without an attempted engagement with another consciousness. The essence of a market transaction as we conceive it is that an acting individual interacts with an object of market technology, whether it be a written price, an object displayed for sale, a vending machine, or a computer screen.

Market transactions are synonymous with individual happiness because the physical objects which define market transactions are categorically the same objects that are attained as happiness for the individual actor.

Conversely, we view the various forms of political control as necessarily impacting the happiness of individuals negatively to the extent they substitute political processes for market processes. Social theories proposing that the entire sphere of human activity—or some large segment of it—should be governed by political processes, essentially propose that people should obtain the things they want through a political process *as a general rule*. Ultimately this means the interposition of an appeal to another person's consciousness between the individual and that which he seeks to attain.

Social theories proposing various alternatives to market society are always theories requiring individuals to address the consciousness of other people.

The idea of libertarianism and of the free-market society is a proposed form of social organization where increasingly social interaction can be conducted non-politically, i.e., without an attempted engagement with another consciousness.

The Linked Phenomena of Social Law

In previous writings, libertarian social philosophers were challenged either to explain why social laws could not be arrived at in the ethical realm of human behavior, or to show in what respect their theories indicated or arrived at such laws.(PC-30-45) Both the founder

of Austrian economics and the most powerful proponent of Austrian economics in the twentieth century envisioned social science as a general science arriving at exact laws of human behavior. The clear vision of both thinkers is that the exact orientation of science, what Mises refers to as praxeology, extends beyond economics in the narrower sense, and encompasses all realms of human behavior. However, contemporary libertarian social thinkers generally agree that while it may be appropriate to search for economic laws of human social interaction, this search is misguided when it comes to man's ethical nature, and that in ethics, the appropriate quest is for man's proper *ends*, and not for exact laws of man's ethical action.

Our sustained argument has been relatively straightforward. A social law of the type praxeology envisions is generally a statement linking two phenomena A and B. For the law to be valid, at least two things must be true. Phenomenon A and phenomenon B must be nonidentical in some respect, and their relationship must be a necessary one, such that every time A appears then so too must B appear. We provided an epistemological blueprint which explained the general form in which such laws could be expected to exist. What makes the law necessary is that phenomenon A and phenomenon B are two aspects of the same event, with no temporal separation between them. What makes the law useful is that because action is experienced in the temporal order, these two phenomena can only be experienced by the individual actor as temporally separate events, thereby severing the necessary connection. The analytical theory demonstrates the necessity in what can only be experienced temporally and as two nonnecessarily related events.

In the present theory then, the law being proposed is a necessary relationship between social interaction and individual unhappiness. If this proposed relationship holds true, it constitutes new scientific knowledge in the ethical realm of human action, extending above and beyond current economic scientific knowledge.

The proposed law meets the general criteria of a social law.

When a person interacts socially, or attempts to interact socially, that person does not seek his own unhappiness. Rather, he believes he is involved in an activity that is of the same essential nature as all his other activities. In social interaction one generally believes that things can be attained in the same way and in the same sense as one attains the ordinary objects of experience. One generally believes that the entities of social interaction—the thoughts, intentions, and opinions of another person—have spatiotemporal existence in the same sense as the other objects of action. Speaking in terms of striving and attainment, we might say social interaction is the striving to attain the “objects” of another person’s consciousness. But this is not possible in an important sense.

One may not know that social interaction can only be striving (that the objects of another’s consciousness cannot be attained) and that, therefore, while unhappiness is a necessary feature of social interaction, happiness cannot result from it (though of course, happiness may result from any physical presentation, since happiness *is* physical presentation).

Person A generally believes that any unhappy experiences resulting from or due to social interaction are accidental or nonnecessary and could have been happy experiences had person B acted otherwise. People generally believe that unhappiness is a temporally separated experience that may or may not follow social interaction. And, as the separate events of action are experienced in the temporal order, severing the necessary connection between those events, people are correct as far as their experience of separate events is concerned. *For social actor A, as he experiences action temporally, social interaction and unhappiness are nonidentical.*

However, *social interaction and unhappiness are two aspects of the same event*, which event is striving in relation to another consciousness. And so each time that social interaction happens, so too must unhappiness happen for the acting individual.

Thus, two events which are experienced in temporal action as nonidentical, as temporally separated, and as nonnecessary in their connection are, we propose, actually two aspects of the same event which must necessarily accompany one another.

The linked phenomena of *social interaction* and *unhappiness* are nonidentical to the actor in his temporal action, but they are necessarily related as two aspects of the same event. *Thus, the exact law, or praxeological law, is that social interaction and unhappiness are equivalent.*

The Intuitive Basis of Libertarianism

Libertarianism as a political movement is the effort to expand individual liberty, that sphere of individual action not subject to political control.

Libertarian social theory is the attempt to provide a theoretical explanation of the relationship between libertarian ethics and human well-being. Since libertarian ethics and the ethics of a market society largely coincide, libertarian social theory also entails a theoretical explanation of how the expansion of market society impacts human well-being.

The intuitive basis of libertarianism is our lived experience of action. We experience striving and attainment directly as these occur in thinking, in interacting with nature, and in social interaction. The primary insight of libertarianism—that something is fundamentally wrong with the system of political control—ultimately derives from our recurring experiences of social interaction as compared to our recurring experiences of market transactions and ordinary objects.

The conscious experience of attainment and striving is the conscious experience of happiness and unhappiness, and these occur in thinking, in routine social life, and in political life. We experience these features of action before our explicit social and political theories

are devised. Thus, the intuitive basis of libertarianism derives from the nature of consciousness, or what is largely the same thing, the nature of human action.

The theory of market society ultimately refers to objects present to action. The theory of political control ultimately refers to striving in relation to another consciousness. Therein lies the connection between libertarian ethics and human happiness.

