HAYEK AND THE DEPARTURE FROM PRAXEOLOGY

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TIMES OF UNCRITICALLY ACCEPTING the application of methods of natural science to human science are seemingly gone. In the present age, we usually deal with so-called "crypto-positivism," which revised certain assumptions, but is still stuck in the ideal of science professed *more geometrico*. Hans-Hermann Hoppe is a philosopher whose theoretical effort proves that the errors of naturalism and empiricism can be overcome only by praxeology based on *a priori* argumentation.

Historians of philosophy very often note the influence that Epicurus had on Karl Marx. The title of his doctoral thesis was *The Difference Between the Democritean and Epicurean Philosophy of Nature*. The father of communism was especially interested in the theory of *clinamen*, i.e. a minimal indeterminacy in the motion of atoms. For Epicurus, this theory was supposed to form a basis for helping him avoid absolute determinism, whereas for Marx it served as an explanation for the exceptional role played by the leaders of the proletariat. *Clinamen* was an important part of the overall structure of the world and society. But even more relevant were atoms: discrete, undifferentiated elements forming individuals known to us from sensory experience.

One may ask here: why do we mention Epicurus in a text that is supposed to deal with Hayek? It is because Epicurus played an important role in shaping his theory as well—indirectly and directly. Hayek's epistemology and ontology are based directly on philosophical assumptions developed by the founder of the Garden. The most evident ones are: ethics based on

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feelings and emotions¹, a critique of teleology, the negation of natural law, materialistic atomism, and biological and social evolutionism (or epistemological theory of representation). Not everything, of course, is identical in Epicurus and Hayek, but the cores of their respective theories are not excessively different.

Along with Marx, the most important contemporary revivalists of Epicurus were David Hume and Karl Popper²—the key thinkers for understanding Hayek. They both focused on knowledge theory and examined how it is possible that unidentical material impulses, caused by atoms coming through to us, produce certain fixed ideas. Hume's answer was that we classify various impulses through *habit.*³ The sequences of atomic structures following one after another have nothing to do with each other, and we only treat them as related to each other because of convention. A similar view was held by Friedrich von Hayek:

Probably in no single instance has experimental research yet succeeded in precisely determining the range of different phenomena which we unhesitatingly treat as meaning the same thing to us as well as to other people; yet we constantly and successfully act on the assumption that we do classify these things in the same manner as other people do.⁴

Although Hayek himself clearly renounced allegations of materialism, how else shall we treat his numerous excursions into the Epicurean theory of representation? If he thought that humans are essentially different from the natural world, why did he say that "our morals are not conclusions of reason," but merely impulses similar to those of animals?⁵

David Gordon indicates that, having been influenced by Karl Popper, Hayek chose falsificationism as his method instead of anti-naturalist praxeology.⁶ Falsificationism, as a theory of explaining the mechanism of

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¹The Epicurean ethics was revived by David Hume who formed a basis for modern rejection of rational ethics, see M. Rothbard, *The Ethics of Liberty* (New York: New York University Press, 1982), p. 14–15.

²Popper presents his theory of falsificationism and evolutionary knowledge mainly in: *Objective Knowledge: An Evolutionary Approach* (London: Clarendon Press, 1972).

³D. Hume, *An Enquiry Concerning Human Understanding* (Oxford: Oxford University Press, 2000).

⁴F.A. von Hayek, *The Counterrevolution of Science* (London: The Free Press of Glencoe, 1955), p. 47.

⁵This is a motto for Hayek's The Road to Serfdom (New York: Routledge, 2005).

⁶D. Gordon, *The Philosophical Origins of Austrian Economics* (Auburn, Al: Ludwig von Mises Institute, 1996), p. 10.

human knowledge, is very naïve, and it is easy to challenge its theses.⁷ However, its underlying assumptions are much more interesting. The alreadymentioned Epicurean scheme of mini-particles "attacking" our cognitive mechanism, leads followers of the scheme to believe that the experience we have gathered so far cannot guarantee us that we will always encounter the same phenomena. Thus, Popper and Hayek's underlying view is that our knowledge is not based on rational prerequisites, but only on a conventionally accepted rule of classification of material impulses. Murray Rothbard was strongly opposed to any such theories:

Now the crucial question arises: how have we obtained the truth of this axiom [action axiom–JW]? Is our knowledge a priori or empirical, "synthetic" or "analytic"? In a sense, such questions are a waste of time, because the all-important fact is that the axiom is self-evidently true, self-evident to a far greater and broader extent than the other postulates. For this Axiom is true for all human beings, everywhere, at any time, and could not even be conceivably violated.⁸

Regrettably, the action axiom in Hayek's theory, which is crucial for praxeology, *cannot have* any distinguished status because for him, our knowledge is but a constant, self-confirming happy coincidence. "Who knows," Hayek seems to think, "maybe one day material particles will start to affect us in a totally different way, and leave our whole knowledge lying in ruins?" Or maybe one day some aliens will come and force us to re-define our habits of thought?⁹ According to such a theory, nothing is certain.¹⁰

⁷See a comprehensive refutation of falsificationsim in: H-H. Hoppe, *The Ethics and Economics of Private Property* (Auburn, Al, Ludwig von Mises Institute, 2006).

⁸Rothbard, In Defense of Extreme Rationalism in: The Logic of Action One (Cheltenham: Edward Elgar Pub. 1997), s. 105–106.

⁹See an examination of that possibility in: F.A. von Hayek, *The Counterrevolution ..., op. cit.*, s. 79.

¹⁰Hans-Hermann Hoppe describes the result of Hayekian ultra-subjectivism in the following way:

In distinct contrast, Hayek—and misled by him to different degrees also Israel Kirzner and Ludwig Lachmann—views economics as some sort of science of human knowledge. Accordingly, Hayek's categories and theories refer to purely subjective phenomena and are invariably elusive or even illusory. He is not concerned about acting with things but about knowledge and ignorance, the division, dispersion, and diffusion of knowledge, alertness, discovery, learning, and the coordination and divergence of plans and expectations. The external (physical) world and real (material) events have almost completely disappeared from his view. Hayek's categories refer to mental states of affairs and relationships, completely detached from and compatible with any real physical state of affairs and events.

Hayek distances himself from eighteenth and nineteenth century positivists clustered around Ecole Polytechnique, and acknowledges some of the basic errors of the "naturalization" of human sciences. It is, however, legitimate to ask whether Hayek himself managed to escape it. Hayek presents himself as a theorist who accuses others of committing the naturalist fallacy. But a deeper examination of his theory's underlying assumptions clearly shows that he never really escaped it. Among the proofs for such a view are:

- The critique of mind-body dualism in the spirit of Ernst Mach.¹¹
- The Epicurean theory of irrational ethics based on emotions caused by material impulses.
- The falsificationist theory of knowledge based on the Epicurean theory of representation.

For Hayek, two radical positions were the greatest threats to science: on the one hand, the abuse of reason; on the other, professing physics alone as human science. The most important task for his theory was thus pointing out errors committed by the two ideologies. Rationalists, according to him, want to describe everything with pleasant sounding theories that anthropomorphize the whole world, and positivists—typical of the humanities—completely ignore the process of interpretation. The golden middle was taken by Hayek himself, of course, who reproached everyone for naïve errors.

Regrettably, such a perspective is totally mistaken. For example, the rationalist ethics developed by Murray Rothbard and Hans-Hermann Hoppe are not an abuse of reason, but only an explication of the way of our thinking and reality itself. In other words, argumentation ethics is not an abuse of reason; it only shows that we are bound to think in the way it suggests. Considering that, there arises a question: where should we classify argumentation ethics according to Hayek?

Hayek's error also consists in identifying the naturalist error in philosophy with its most evident examples (Saint-Simon, d'Holbach). He failed to notice that his theory rests on assumptions similar to those he so often criticized. He adopted a theory consisting of a weaker form of naturalism that by its Epicurean ontological-epistemological scheme helped him camouflage its real face. But how can a camouflaging help if the very core of his philosophy was a materialistic monism of the universe? It is no

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H-H. Hoppe, The Ethics ..., op. cit. p. 260.

¹¹F.A. von Hayek, The Essence of Hayek (Stanford, Ca: Hoover Inst., 1984), p. 236.

wonder then that Friedrich von Hayek, just as Karl Marx, migrated to socialdemocrat positions.¹²

At the end let us come back again to praxeology. While being a disciple of Mises and, later on, his collaborator, Hayek couldn't know the full shape of Mises's theory, praxeology. Mises wrote *Human Action* at the time that Hayek moved to his own position. But praxeology was *implicitly* inherent in the theory of the founding fathers of Austrian economics; the continuation of Austrian-school teachings on the basis of positivism was really a failed attempt.

¹²An interview with Hans-Hermann Hoppe by Mateusz Machaj provides an abundant explanation for that description of Hayek: <u>www.hanshoppe.com/wp-content/uploads/publications/hoppe_polish-interview.pdf</u>.