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# Oakeshott and Mises on Understanding Human Action

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**M**ichael Oakeshott and Ludwig von Mises were arguably two of the twentieth century's most profound theorists of human action. Unarguably, both of them regarded the nature of the social sciences in a way that differed significantly from the positivist views prevalent during their lives. One result of their outsider status is the scores of scholars, popular political commentators, and politicians who consider one or the other of the two thinkers as a—or even *the*—major influence on their intellectual development. Another outcome has been the academic mainstream's neglect of their distinctive—or, as their critics might say, idiosyncratic—views. If one attempted to gauge either Mises's or Oakeshott's influence by tallying citations to his work in academic journals, one would conclude that it has been slight. However, most scholars cited more frequently have not had think tanks or scholarly associations established to focus on their thought, well-attended conferences devoted to discussing their ideas, and dozens of books commenting on some aspect of their work.

I am not aware of any comparative studies of Mises and Oakeshott, despite the compatibility of many of their views. The small overlap between those who are students of Mises's thought—typically economists and libertarians—and those who are versed in Oakeshott's ideas—most often political theorists, philosophers of history,

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and political conservatives—is probably the most straightforward explanation for the lack of comparative studies.

I maintain, however, that the social theorizing of each of these thinkers provides an illuminating perspective in which to regard the other's ideas. We find, for example, that each arrived quite independently at very similar answers to fundamental questions about the nature of the social sciences, such as: the a priori nature of the postulates of human action; the characteristics that differentiate genuinely historical thought from other ways of regarding the past; the inherent methodological difference between theorizing about unintelligent processes and theorizing about intelligent activity; the notion that statistical studies of social phenomena can produce only partial explanations, which must be completed by the application of historical understanding to their findings; and the central importance of the meaning an agent assigns to his own circumstances and actions for the study of human conduct. Even when Oakeshott's and Mises's intellectual explorations brought them to the same terminus, however, they usually traveled there by different routes. Comparing their presuppositions may help us to uncover a common ground for theorizing about human action, which can be arrived at from distinct philosophical points of departure. Moreover, scholars studying Oakeshott's works will see some of his ideas from a new vantage point if they contrast them with Mises's works, and vice-versa.

Furthermore, despite their broad areas of agreement, on some topics Mises and Oakeshott reached quite different conclusions. They disagreed about whether human experience is composed of fundamentally distinct modes of theorizing; about the relationship between rationality and practice—Mises regarded reason as the basis of all human activity, whereas Oakeshott saw it as abstracted from existing practices; and about the philosophical justification for holding that universal truths about human conduct can be discovered deductively. That Mises and Oakeshott arrived at similar views on the nature of the social sciences, despite having launched their inquiries from different philosophical perspectives, suggests that their common conclusions do not depend on any particular metaphysical or epistemological stance. Nonetheless, contemplating their philosophical differences may spur both “Misesians” and “Oakeshottians” to explore more deeply the ontologies underlying each of their approaches.

Because adequate consideration of all the points just mentioned probably requires a book-length treatment, I consider in this article only Mises's and Oakeshott's views on the fundamental nature of human action; on how, as a result of that nature, theorizing about human conduct differs from theorizing about mechanical processes; and on what that difference implies about the essential character of the social sciences.

## The Postulates of Human Action

Perhaps the central thread woven through Mises's work, most fully explicated in his magnum opus, *Human Action*, is his contention that we can derive a number of universal principles of action from the mere recognition of its purposeful nature. The the-

orist of conduct proceeds by exploiting the essential form of action itself in order “to render manifest and obvious what was hidden and unknown before.” His efforts yield new knowledge even though his discoveries “are logically derived from the premises [of human action] and were already contained in them” (Mises [1949] 1998, 38). Exploring the premises of human action to draw out their implications is the primary research method for theorizing about it, composing the discipline that Mises called *praxeology*.<sup>1</sup> For Mises, economics is only one of the subdisciplines of praxeology, albeit the one most fully developed.

I have not been able to find any evidence that Oakeshott was familiar with Mises’s work. No references to *Human Action* appear in *On Human Conduct*, the work that contains most of Oakeshott’s published reflections on praxeology. (He does not follow Mises in calling the study of human action *praxeology*, and he uses *conduct* where Mises would use *action*, but those differences pertain only to terminology and have no theoretical significance.) Yet Oakeshott’s approach to theorizing about human action is remarkably similar to Mises’s, as are many of the postulates he proposes as underlying the world of conduct. To illustrate just how close their ideas are in this area, I juxtapose passages from Oakeshott’s *On Human Conduct* and *On History* with similar passages from Mises’s *Human Action*.

At the beginning of their consideration of human conduct, both Mises and Oakeshott assert that an agent always decides the action he will initiate in the light of his own interpretation of the circumstances he confronts. (The question of the extent to which reality itself is formed by human interpretation is an entirely different matter; what is relevant for theorizing about action is whether or not an agent’s reading of his situation accurately reflects “objective reality”—whatever that might be taken to mean, his own reading is all that is available to him when making a choice.) As Oakeshott puts it, “The starting place of doing is . . . the agent’s own understanding of his situation, what it means to him” (1975, 37). Similarly, Mises writes, “We cannot approach our subject if we disregard the meaning which acting man attaches to the situation” ([1949] 1998, 26).

Before a potential agent undertakes any action, he must feel that some aspect of his life invites improvement. Oakeshott expresses that condition when he says, “An agent’s understanding of his situation is a diagnosis: that is, a verdict in which it is recognized to be in some respect unsatisfactory, wanting, amiss, or objectionable, and therefore to suggest alteration” (1975, 38). And in Mises we find: “Acting man is eager to substitute a more satisfactory state of affairs for a less satisfactory” ([1949] 1998, 13). Therefore, the initiation of any action is always motivated by the hope of

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1. I am employing the term *science* to designate broadly any coherent and rigorous exploration of some aspect of reality, instead of to mean only quantitative disciplines based upon physical measurements, as it is used, for example, in Oakeshott [1933] 1985, 171–72. Collingwood offers a succinct defense of the more general use of the word: “There is a slang usage, like that for which ‘hall’ means a music hall or ‘pictures’ moving pictures, according to which ‘science’ means natural science. [But] in the tradition of European speech . . . continuing unbroken down to the present day, the word ‘science’ means any organized body of knowledge” (1946, 249).

achieving some envisioned satisfaction. For Oakeshott, “In acting, an agent imagines, wishes for, and seeks to achieve a satisfaction” (1975, 39). Or, as Mises says, “[An agent’s] mind imagines conditions which suit him better, and his action aims at bringing about this desired state” ([1949] 1998, 13).

Therefore, human action is always concerned with a future state of affairs; the present is taken into account in that it is read as a field of potentiality for possible futures. Mises writes, “Action is always directed toward the future; it is essentially and necessarily always a planning and acting for a better future. Its aim is always to render future conditions more satisfactory than they would be without the interference of action” ([1949] 1998, 100). And according to Oakeshott, “With every want we evoke a future, and in every action we seek a future condition of things, uncertain of achievement and sure only of its transience” (1983, 13).

However, dissatisfaction with the current state of affairs and the picturing of a preferred alternative do not suffice as grounds for acting. An agent must also be able to conceive some means by which he might *successfully alter* what he finds unsatisfactory about his situation. Oakeshott says, “But, since it is *his* situation, this unsatisfactoriness is recognized not merely as a defect but as a defect unacceptable to himself; and since he is an agent, he recognizes it as inviting a response of which he is to be the author” (1975, 38). And Mises writes: “But to make a man act, uneasiness and the image of a more satisfactory state alone are not sufficient. A third condition is required: the expectation that purposeful behavior has the power to remove or at least to alleviate the felt uneasiness. In the absence of this condition no action is feasible” ([1949] 1998, 14).

As the preceding quotes indicate, both Mises and Oakeshott contend that the agent’s own interpretation of his situation is of central importance for theorizing about human action. That view has been criticized as unscientific and inherently subjective because interpretations clearly cannot be subject to objective measurement. One suggested alternative is to search for explanations of people’s choices in their biological makeup. Mises and Oakeshott, however, offer similar critiques of attempts to posit organic “causes” for the concrete choices of specific actors. Oakeshott writes, “There may be organic conditions which may make certain understandings less likely than others. A man congenitally deaf is not the most likely promoter of noise abatement because he is not apt to recognize his own situation in terms of ‘noise.’ . . . And if an agent’s recognition of his situation is, as it may be, the recognition of an organic condition (‘I am an albino’), what constitutes it [as] an understood situation capable of being responded to in conduct cannot be its character as an organic condition, because no such condition is capable of self-understanding or of responding to itself” (1975, 37–38). Similarly, Mises says, “The unconscious behavior of the bodily organs is for the acting *ego* no less a datum than any other fact of the external world. Acting man must take into account all that goes on within his own body as well as other data, e.g., the weather or the attitudes of his neighbors” ([1949] 1998, 11).

A final similarity—among others I do not consider in this article—is that neither Mises nor Oakeshott regards an agent’s values as a “given” framework within

which he “optimizes” his level of satisfaction. An agent’s values emerge only in the act of choosing. As Oakeshott says, “The wished for satisfaction is what the agent ‘intends,’ in the proper sense of ‘means.’ Not before he decides what he shall do, but *in* deciding it” (1975, 39, emphasis added). Or, for Mises, “One must not forget that the scale of values or wants manifests itself only in the reality of action. These scales have no independent existence apart from the actual behavior of individuals” ([1949] 1998, 95). (Mises inherited this notion from Henri Bergson, and it is quite possible, though not demonstrable given Oakeshott’s notorious lack of citations, that Oakeshott may have done so as well.)

### Human Action and Marginalism

In the eighteenth and early nineteenth centuries, the British classical economists, unable to resolve the “diamond-water paradox,” abandoned the attempt to connect the price of a consumption good to its value to consumers. After all, water is clearly more valuable to humans than are diamonds, yet some weight of diamonds fetches a far higher price than does the same weight of water.

Around 1870, however, a great step forward in economic thought, *marginalism*, cut that Gordian knot. The marginalists realized that an agent acts in the context of his particular, concrete situation, not in the context of general, abstract categories of satisfaction. When deciding what he will sacrifice to achieve some desired end, an agent is not contemplating whether the Platonic form of water somehow embodies “the good” to a greater extent than does the form of diamonds. Nor is he worried about whether the entire supply of water in the world is in some way “more important” than the entire supply of diamonds. If he is choosing between water and diamonds, he is always deciding whether some specific quantity of water is more valuable to him than some specific quantity of diamonds, given his current provision of both goods. If he is dying of thirst in the middle of the Sahara, he is likely to surrender a pile of diamonds for a cup of water. But if he lives next to a stream that provides him with more water than he can use, he probably will not give up even a tiny diamond for a large amount of additional water.

Although Oakeshott commented very little on such specifically economic problems, he clearly understood that human agents act “on the margin” in that they choose among the concrete, alternative actions they see as possible solutions to improving their condition, not among abstract generalities. For example, he notes: “In [an agent’s] understanding, the situation is identified in substantive terms; it is never the recognition of it as, for example, merely pleasurable or painful, rightful or wrongful” (1975, 37). He later elaborates: “An action is a performance in which an agent aims at and intends an imagined outcome and whose purposed outcome is its meaning. Consequently, what falls to be deliberated are alternative concrete performances, actions or utterances each of which is distinguished by a ‘meaning,’ a purposed outcome, exclusively its own” (1975, 43). “Human excellence’ or ‘the human good’ is not a

substantive purpose to be achieved as the outcome of some performances; it is not a purpose which an agent might choose to pursue in preference to the satisfaction of some other want” (1975, 61). Or, as Mises says, “Man never chooses between virtue and vice, but only between two modes of action which we call from an adopted point of view virtuous or vicious” ([1949] 1998, 45).

Perhaps because his training was in economics, Mises applied the concept of marginalism far more deeply and extensively than Oakeshott did. Indeed, one of the most important things that Oakeshottians can learn from Mises is how much further Oakeshott could have taken his basic praxeological insights than he actually did.

## The Philosophical Basis of Theorizing about Human Action

Mises and Oakeshott agreed that the conclusions of praxeological reasoning, such as those mentioned in the two previous sections, are universally valid for all actors and all actions, however great may be the differences in any two actors’ cultures, native abilities, economic circumstances, religious beliefs, or any other characteristics relevant to their state of mind, and however much any actions may differ as to the end they are intended to achieve, the scope of events over which they attempt to exert influence, the amount of thought that went into their planning, the good or ill effects their execution will have on individuals other than the agent, and whatever other criteria may be thought to distinguish one action from another. Mises and Oakeshott differ significantly, however, with regard to the philosophical foundation of their common contention. That difference is of particular interest, given that many post-Enlightenment philosophers and scientists have been skeptical of all theories proposing universally valid and empirically irrefutable truths about the human condition. As Richard Langlois wrote, referring specifically to Mises, “the post-Humean mind rebels at the hubris” of such assertions (1982, 82 n.).

So how might one defend praxeology against the charge of “hubris”? Mises, taking a neo-Kantian approach, claims that the results arrived at by (correct) praxeological reasoning will always hold true for any beings with minds *like ours* because the principles of human action are a fundamental component of our mental structure. However, other intelligent creatures, or, indeed, even earlier humans, may have (or might have had) minds structured differently, and therefore they may act (or might have acted) according to different principles. He says:

Thinking and acting are the specific human features of man. They are peculiar to all human beings. They are, beyond membership in the zoological species *homo sapiens*, the characteristic mark of man as man. It is not the scope of praxeology to investigate the relation of thinking and acting. For praxeology it is enough to establish the fact that there is only one logic that is intelligible to the human mind, and that there is only one mode of action which is human and comprehensible to the human mind. Whether there

are or can be somewhere other beings—superhuman or subhuman—who think and act in a different way, is beyond the reach of the human mind. We must restrict our endeavors to the study of human action. ([1949] 1998, 24–25)

In admitting the possibility of beings with a nonpraxeological logic of action, Mises undermines praxeology's claim to arrive at universal truths, and even truths universal for all modern humans. He contends that if humans who employed a different logic than ours once existed, natural selection would have eliminated them because their logic was not "in conformity with reality" (1962, I.2, quoted in Long 2001, 19). As Roderick Long notes, however, "if deviant logics are a possibility at all, it seems rash to conclude that by now they must all have been weeded out by survival of the fittest. Perhaps they are not dead only because it is not yet the long run" (2001, 19).

Long grounds in firmer soil than does Mises the claim that praxeology can arrive at universal truths of action. Utilizing an insight of Wittgenstein's, Long contends that if we encountered beings who were clearly intelligent but whose behavior did not conform to the laws of praxeology, we would not conclude that praxeological reasoning did not apply to their economic activities. Instead, we would regard their behavior as *not even being* economic activity. In other words, the laws of praxeology *delimit* the realm of phenomena to which we will apply the terms *action* and *economic*. They are the presuppositions necessary for the existence of a realm of events we might call *economic*.

To make Wittgenstein and Long's point more concrete, let us consider the game of basketball. Certain elements must necessarily be present before we will regard some going-on as *being* a game of basketball. Without spending a great deal of time analyzing the "apodictic" aspects of the sport, we might, as a first cut, say that they include a court, at least one basket, two teams of players, and a ball. If any of those things is absent, we do not have a different *kind* of basketball game; rather, we don't have a basketball game at all. Other elements compose the institutional setting of a particular game: there may or may not be a three-point shot; the court may be eighty or ninety feet in length; the "key" may be rectangular, as in American basketball, or its shape may widen from the foul line to the basket, as in international competition. If, however, someone brought us to a large, wooden-floored room where a number of athletic men were running about in sneakers, shorts, and T-shirts, but without any ball or basket present, we would not accept the scene as an instance of an odd sort of basketball. We would contend that whatever was going on—perhaps some type of aerobics—it certainly was *not* basketball.

Oakeshott's meditation on the conditions presupposed by human conduct both bolsters and enriches Long's argument. For Oakeshott, the conclusions of praxeological reasoning are the "postulates" that *constitute* the practical world of human action, which is a "platform of conditional understanding." (For Oakeshott, other such platforms include art, science, history, and philosophy—this is the "modality" of understanding I

mentioned previously as a difference between his thought and Mises's.) Neither engaging in practical activity nor seeking to comprehend it requires a theory about the source of praxeological truths to proceed, for "to occupy and to explore such a platform is to engage in interrogative adventures among identities which do not question these conditions but are contained by them. . . . To understand a 'going-on' such as 'my friend Tom considering which of two hats he shall buy' postulates and therefore does not interrogate the ideas 'deliberation' and 'choice'" (Oakeshott 1975, 9). If we are engaged in theorizing about human conduct, then we need not worry about the ontological status of praxeological principles. It is sufficient to recognize that those principles constitute the "platform of understanding" that *is* the practical world. Accordingly, their status in the realm of human action is, as Mises puts it, apodictic. Phenomena not governed by praxeological law are simply not human conduct.

Mises contends that there is no sort of behavior intermediate between action and nonaction ([1949] 1998, 11). Following Oakeshott, we can see that the sharp divide exists because the postulates constituting the practical world are either present or not. Once we assume that we are dealing with purposeful action, the rest of praxeology is already implied. The laws of praxeology are a priori truths about human action because they are the assumptions that must be made in order for there to *be* a world of practical experience. Every concrete instance of human action presupposes them. Just as there is no game of basketball without players, a ball, and a basket, so there is no subject for praxeology to study without the existence of actors trying to replace what is with what they seek to bring into being, while choosing the least costly combination of the various, scarce resources needed to achieve that goal.

The preceding discussion raises the question, "Are there aspects of human experience that do not assume the postulates of praxeology?" I believe that there are: our experience of dreams is just one example. Dreams are obviously human experiences, but when dreaming, we do not seek to replace what is with what we seek to bring into being, we do not employ scarce means in the most economical fashion of which we can conceive, in order to achieve desired ends at the lowest cost, and so on. Another such instance, perhaps more controversial, is the efforts of the artist or other creative genius. Mises says that "the work of the genius is outside the orbit of ordinary human action and is like a free gift of destiny which comes to mankind overnight" ([1949] 1998, 134). Oakeshott expresses a similar (but far from identical) idea when he contends that poetry (by which he seems to mean aesthetic activity in general) is a separate "voice in the conversation of mankind" from that of practical activity (1991, 488–541). And, as noted earlier, he also regarded science and history as modes of understanding distinct from the world of practice.

## The Fundamental Dichotomy in All Theorizing

Mises consistently asserted the unavoidability of *methodological dualism*. In his view, theorizing about intelligent action is fundamentally different from theorizing about



not-intelligent goings-on. The methods that have been successful in one mode cannot be assumed to be applicable to the other as a logical consequence of the different postulates from which they launch their investigations (see Mises [1933] 1960, [1949] 1998, 1962). Although at the time Oakeshott wrote *Experience and Its Modes* ([1933] 1965), he was what we might call a methodological pluralist—and it can be argued that he never completely abandoned such a view—several decades later, in *On Human Conduct*, he emphasized the same fundamental bifurcation in theorizing as had Mises.

The view that achieving adequate explanations of consciously directed phenomena necessitates a different approach from the one used to describe the behavior of atoms or billiard balls contradicts the contention of Karl Popper, Carl Hempel, and other such philosophers of science that every scientific explanation of any event whatsoever must employ the deductive-nomological model. In their view, for any discipline to be regarded as scientific, it must deal solely with objectively measurable variables and must seek empirically derived mathematical equations that capture the relationship between two or more such variables. Any truly scientific theory should yield numerical predictions, the accuracy of which serves to confirm or to refute the theory. (For an application of such strictures to economics, see Friedman 1953.) Those who adopt that stance, which has been termed *scientism*, regard introducing nonquantifiable elements into the social sciences as an abandonment of scientific objectivity, a hopeless meander into the realm of mere opinion. For example, Friedman, commenting on Mises, says that

his fundamental idea was that we knew things about “human action”... because we are human beings. As a result, he argued, we have absolutely certain knowledge of the motivations of human actions and he maintained that we can derive substantive conclusions from that basic knowledge. [Friedman here misrepresents Mises, who contended that we have a priori knowledge of the *postulates* logically implied by the existence of human action, not that we can deduce the “motivations” of particular actions from first principles.] Facts, statistical or other evidence cannot, he argued, be used to test those conclusions.... Suppose two people who share von Mises’s praxeological view come to contradictory conclusions about anything. [Again, Friedman appears to be mistaken about Mises’s views, since he is apparently saying that Mises thought praxeological reasoning could reach conclusions about *anything*, as though Mises believed that the atomic weight of uranium or the future path of a hurricane could be deduced from first principles.] How can they reconcile their difference? The only way they can do so is by a purely logical argument. One has to say to the other, “You made a mistake in reasoning.” And the other has to say, “No, you made a mistake in reasoning.” Suppose neither believes he has made a mistake in reasoning. There’s only one thing left to do: fight. (1991, 18)

Peter Klein offers an insightful critique of Friedman's remarks:

You have to admire Friedman's chutzpah. As is painfully obvious from reviewing the mainstream literature in almost any field of economics, there are assuredly more disagreements among Friedmanite positivists about the interpretation of empirical data than among praxeologists about the conclusions of deductive reasoning. One could even say the following: "Suppose two people who share Friedman's methodological views come to contradictory conclusions about anything. How can they reconcile their difference? The only way they can do so is by appealing to the econometric evidence. One has to say to the other, 'You made a mistake in your empirical analysis.' And the other has to say, 'No, you made a mistake in your empirical analysis.' Suppose neither believes he has made a mistake in his empirical analysis. There's only one thing left to do: fight." (2003)

Mathematicians and logicians cannot rely on empirical evidence to settle their disputes, and yet we rarely see them resort to fisticuffs to settle a disagreement. In fact, reasoned argument is *always* the ultimate arbiter of any scientific dispute, even in physics and chemistry, because the "facts [and] statistical or other evidence" do not present themselves to the scientist accompanied by a declaration of which theory they support.

Despite the logical difficulties plaguing all methodological views similar to Friedman's, they represent one of the three major perspectives on the ideal character of the social sciences, which Nardin, following Habermas, terms *positivism*,<sup>2</sup> *hermeneutics*, and *critical theory*. Nardin summarizes the three positions as follows:

- (a) Positivism... holds that human affairs can be explained in the same way that science explains the non-human world, that is, in relation to general laws based on induction from observable facts.
- (b) Hermeneutics... holds that human affairs cannot be understood scientifically<sup>3</sup> but only by interpreting the meaning of individual human acts, artifacts, practices, and cultures.
- (c) Critical theory... holds that our understanding of human affairs, whether scientific or hermeneutic, is inherently bound up with human values and interests. The social sciences are therefore inevitably and properly prescriptive or pragmatic. (2001)

2. *Naturalism* might be preferable to *positivism* here because positivism is generally discredited even as a philosophy of the physical sciences.

3. Nardin is using *scientifically* in the same narrow sense as Oakeshott in *Experience and Its Modes* ([1933] 1985), meaning an empirical discipline seeking to discover constant, quantitative relationships between the entities with which the theory deals.

Nardin locates Oakeshott's thought as falling within the hermeneutic camp.<sup>4</sup> Notwithstanding the effort by some of Mises's followers to distance themselves from hermeneutic social science (see, for example, Rothbard 1989), Mises's work must also be categorized as an instance of the hermeneutic approach, at least as Nardin defines that approach.<sup>5</sup> (Indeed, in Nardin's scheme, Rothbard himself is a hermeneutic social scientist.) The fact that the word *meaning* occurs approximately<sup>6</sup> 114 times in Mises's *Human Action* is alone a reasonable argument for that categorization. I present a few of the passages in which the word appears in order to demonstrate that many of Mises's uses of the term are not merely incidental. (All emphases in the following quotes are mine.)

Action is . . . the ego's *meaningful* response to stimuli and to the conditions of its environment. ([1949] 1998, 11)

The question we have to deal with is whether it is possible to grasp human action intellectually if one refuses to comprehend it as *meaningful* and purposeful behavior aiming at the attainment of definite ends. Behaviorism and positivism want to apply the methods of the empirical natural sciences to the reality of human action. They interpret it as a response to stimuli. But these stimuli themselves are not open to description by the methods of the natural sciences. Every attempt to describe them must refer to the *meaning* which acting men attach to them. ([1949] 1998, 26)

It is illusory to believe that it is possible to visualize collective wholes. They are never visible; their cognition is always the outcome of the understanding of the *meaning* which acting men attribute to their acts. ([1949] 1998, 43)

The task of the sciences of human action is the comprehension of the *meaning* and relevance of human action. ([1949] 1998, 51)

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. . . . Economics is not about things and

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4. Under schemes for slicing up approaches to the social sciences, the hermeneutic approach might also be categorized as subjectivist.

5. Some strains of hermeneutic thought would deny the possibility of finding anything resembling praxeological laws. Gordon, for example, says: "But [Gadamer's hermeneutics] contrasts meaning with scientific knowledge that endeavors to find universal rules. Hence his book's title; the truth of understanding opposes the method of the sciences. An 'Austrian' economics that relies on Gadamer cannot adequately show how we can discover economic laws. It thus falls in danger of transformation into its opposite, historicism" (2001). If a hermeneutic approach *necessarily* means denying the possibility of universal economic laws (which I contend it does not), then clearly Mises is not a hermeneutic social scientist.

6. The count of 114 is based on a Web search of the online version of *Human Action*, available at <http://www.mises.org/humanaction.asp>.

tangible material 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. ([1949] 1998, 92)

Not only do both Mises and Oakeshott regard meaning as of central importance in theorizing about human action, but each of them also parts ways with the mainstream of hermeneutic thought on the same crucial point. Unlike most hermeneuticians, they hold that the social sciences are descriptive rather than normative ventures and are able to arrive at objective truths despite having to grapple with the subjective (or, perhaps preferably, the *intersubjective*) interpretations of human agents. Though the social theorist is deeply interested in comprehending the subjective values and meanings of the agents whose actions he hopes to explain, his subjective opinions ideally will not influence his conclusions. Oakeshott and Mises both admitted that an objective understanding of agent's subjective meanings may be difficult to achieve *in practice*, but neither of them believed that practical difficulty altered the ideal character of the social sciences as ventures seeking objective truth. As Nardin observes, "[Oakeshott] denies the claim running through the entire hermeneutic tradition that the social sciences are inherently prescriptive. This is the claim of critical theory, and it is false. The social sciences, like the natural sciences, are explanatory, not prescriptive" (2001).

Similarly, Mises remarks on the discipline of history as follows:

It is obvious that the historian must not be biased by any prejudices and party tenets. Those writers who consider historical events as an arsenal of weapons for the conduct of their party feuds are not historians but propagandists and apologists. They are not eager to acquire knowledge but to justify the program of their parties. They are fighting for the dogmas of a metaphysical, religious, national, political or social doctrine. They usurp the name of history for their writings as a blind in order to deceive the credulous. A historian must first of all aim at cognition. He must free himself from any partiality. He must in this sense be neutral with regard to any value judgments. ([1949] 1998, 48).

## The Holistic Approach to the Social Sciences

Many social scientists contend that social phenomena should be studied from a "holistic" point of view. Real human beings are always born into and live in a society. Individuals enter an already-existing culture, and they are molded by its traditions, institutions, moral practices, and beliefs. Therefore, for holistic theorists, an individual's actions can be understood only through an analysis of the social "forces" that determine his behavior. Holists typically regard methodological individualism

as dependent on an unrealistic abstraction, the atomic individual, a chimerical being who is self-created and not influenced by the social currents that flow around him.

Both Oakeshott and Mises reject social holism because of similar considerations. However, neither of them contends that the human world consists of “atomic individuals.” Both acknowledge the pervasive influence of culture on individuals’ choices. For example, Mises says: “If praxeology speaks of the solitary individual, acting on his own behalf only and independent of fellow men, it does so for the sake of a better comprehension of the problems of social cooperation. We do not assert that such isolated autarkic human beings have ever lived. . . . Man appeared on the scene of earthly events as a social being. The isolated asocial man is a fictitious construction” ([1949] 1998, 164). And he adds:

Every individual is born into a definite social and natural milieu. An individual is not simply man in general, whom history can regard in the abstract. An individual is at any instant of his life the product of all the experiences to which his ancestors were exposed plus those to which he himself has so far been exposed. An actual man lives as a member of his family, his race, his people, and his age; as a citizen of his country; as a member of a definite social group; as a practitioner of a certain vocation. He is imbued with definite religious, philosophical, metaphysical, and political ideas, which he sometimes enlarges or modifies by his own thinking. ([1957] 1985, 159).

Similarly, Oakeshott writes: “Human conduct . . . is agents disclosing and enacting themselves in responding to their understood contingent situations . . . in terms of a multiplicity of arts and practices presided over by a practice of moral conduct and perhaps a religious faith. Totally unconditional or ‘artless’ conduct is impossible, as impossible as an utterance in no language in particular” (1975, 86). Nevertheless, although social norms, customs, traditions, institutions, and so on have an undeniable influence on human conduct, such factors can never offer a complete explanation for any concrete action undertaken by any particular individual. For one thing, the very existence of “social forces” consists in their presence as *ideas in the minds of individuals*. A custom vanishes when the last individual who guided his actions according to its dictates either dies or ceases to follow it. Customs, social collectives (such as tribes, nations, or members of a religious group), morals, and practices have no life independent of the individuals who take them into account in their conduct. As Mises puts it, “[T]he collective has no existence and reality but in the actions of individuals. It comes into existence by ideas that move individuals to behave as members of a definite group and goes out of existence when the persuasive power of these ideas subsides” (1962, V.5). In the same vein, he says:

It is the meaning which the acting individuals and all those who are touched by their action attribute to an action, that determines its character. It is the meaning that marks one action as the action of an individual and another

action as the action of the state or of the municipality. The hangman, not the state, executes a criminal. It is the meaning of those concerned that discerns in the hangman's action an action of the state. A group of armed men occupies a place. It is the meaning of those concerned which imputes this occupation not to the officers and soldiers on the spot, but to their nation. ([1949] 1998, 42).

Oakeshott notes that individuals are never entirely at the mercy of any practice, however rigidly it may demand compliance with its dictates, because "no practice can be so definitively contrived or so securely insulated from circumstance as to become immune to modifications incidentally imposed on it by the performances it qualifies" (1975, 56). It is nonsensical to suggest that "society" caused a particular individual to undertake some specific action because an individual's "social being must be recognized as one of the *engagements* of reflective consciousness, and not as itself 'the determinant of reflective consciousness'" (1975, 96–97, emphasis added). The "social being" is a creation of agency, not vice versa: "The contention that the substantive performance of an agent is to be theorized in terms of his 'social being' makes sense only when 'social being' is understood as his self-recognition in being related to others in some particular respect" (1975, 98). Like Mises, Oakeshott notes that individuals' actions are what create and sustain social practices: "Practices are themselves the outcomes of [individuals'] performances" (1975, 56). "[They] are footprints left behind left behind by agents responding to their emergent situations" (1975, 100).

Both Mises and Oakeshott note that collective explanations of an individual's actions, such as group membership or subscription to a custom or practice, though not without value, are inherently incomplete. For one thing, all individuals belong to more than one group and subscribe to more than one practice. Mises points out that "[t]hose who want to start the study of human action from the collective units encounter an insurmountable obstacle in the fact that an individual at the same time can belong and—with the exception of the most primitive tribesmen—really belongs to various collective entities. The problems raised by the multiplicity of coexisting social units and their mutual antagonisms can be solved only by methodological individualism" ([1949] 1998, 43). Or, as Nardin says in describing Oakeshott's view, "every action expresses an indefinite number of practices and can be described in an indefinite number of ways. There are many kinds of conventionality" (2001).

## On Mathematical Approaches to the Social Sciences

Both Mises and the Oakeshott maintain that mathematical approaches to the social sciences cannot replace theorizing that acknowledges the unpredictability and indeterminism intrinsic in intelligent activity. For one thing, as discussed earlier, the particular action an agent chooses always depends on the *meaning* he assigns to his situation. Yet quantitative judgments, measures, and estimates are only one partial aspect

of a person's interpretation of his circumstances, and therefore quantitative models of choice and action can never incorporate all the relevant considerations that enter into the agent's decisions.

Furthermore, if we acknowledge that people can learn from experience, then it follows that a person's interpretation of physically identical conditions can change over time, so that two situations that are the same in all of their measurable facets, except for when they arise, may still prompt different responses from the same person. As a result, we lack a stable yardstick on which to base quantitative comparisons of various actions. The physical sciences do not suffer from that difficulty because they postulate that the entities they study do not have ideas that affect their behavior and do not learn from the events that befall them. For example, we assume that protons will not one day decide that they are not really as attracted to electrons as they had previously believed they were, so that physicists would have to discover new equations to describe the relationship between the two types of particles.

Contemplating that methodological divide, Oakeshott says:

An action is a chosen response to an understood contingent situation and is related to an imagined and wished-for outcome; that is, the spring of conduct is a situation in respect of its being recognized to contain a specific unacceptability. From this...it follows...that there can be no independent scale which converts these specific misliked situations, or these specific sought-for satisfactions, into commensurable fractions of a single general condition (e.g. amounts of "pain" or "pleasure") and in terms of which all situations may be measured or at least compared, in respect of their unacceptability and all actions in respect of their sought-for or actual yield of satisfaction. (1975, 53).

About the attempt to explain particular actions by invoking the ideal-type "human nature," Oakeshott writes: "Since 'human nature' here is a practice, its dispositional components are imperfectly specifiable and subscription to them is similarly indeterminate, allowing *incalculable* (but not necessarily unrecognizable) gradations of conformity and disconformity. In this respect they are to be distinguished from the propensities of the components of a process, which are expressed in the 'laws' (probable or determinate) of their functional relationships" (1975, 95, emphasis added). Because every action is a response to a unique situation, because every action attempts to improve on a unique unacceptability perceived in that situation, and because every action seeks to achieve a unique satisfaction, the outcome of different actions cannot be weighed on a single scale or be meaningfully assigned commensurable, cardinal values, such as certain amounts of "utility" gained or lost through their undertaking. Although often we can discern commonalities in some of the situations to which agents respond, the commonalities themselves are relevant to an individual performance in that the agent perceives the commonality as present; in other words, they

are “imperfectly specifiable.” A social scientist has no objective yardstick by whose application he can declare that a particular agent, in making some choice, was acting 57 percent as a middle-class male, 30 percent as a member of the Democratic Party, and 13 percent as a Lutheran. And even if we counterfactually imagined that the scientist could do so, we still would have no justification for assuming that such a weighting on the agent’s part will elicit the same response at different times. The sort of constant relationships at the core of the physical sciences are, in the social sciences, at most a temporary condition. As Mises writes, “In the realm of physical and chemical events there exist (or, at least, it is generally assumed that there exist) constant relations between magnitudes, and man is capable of discovering these constants with a reasonable degree of precision by means of laboratory experiments. No such constant relations exist in the field of human action outside of physical and chemical technology and therapeutics” ([1949] 1998, 55).

Given the absence of constant relations in human action, what is the significance of the statistical studies that fill many social science journals? Oakeshott says of them:

[In the formulation of a mechanical] “science of society” . . . a society is understood as a process, or structure, or an ecology; that is, it is an unintelligent “going-on,” like a genetic process, a chemical structure, or a mechanical system. The components of this system are not agents performing actions; they are birth-rates, age groups, income brackets, intelligence quotients, life-styles, evolving “states of societies,” environmental pressures, average mental ages, distributions in space and time, “numbers of graduates,” patterns of child-bearing or of expenditure, systems of education, statistics concerning disease, poverty, unemployment, etc. And the enterprise is to make these identities more intelligible in terms of theorems displaying their functional interdependencies or causal relationships. . . . It is not an impossible undertaking. But it has little to do with human conduct and nothing at all to do with the performances of assignable agents. Whatever an environmental pressure, a behaviour-style, or the distribution of gas-cookers may be said to be correlated with or to cause (a rise in the suicide rate? a fall in the use of detergents?) these are not terms in which the choice of an agent to do or say this rather than that in response to a contingent situation and in an adventure to procure an imagined and wished-for satisfaction may be understood. It is only in a categorial confusion that this enterprise could be made to appear to yield an understanding of the substantive actions and utterances of an agent. (1975, 97)

Nardin succinctly summarizes Oakeshott’s view of statistical social science: “Generalizations about how people usually behave are not scientific generalizations about a truly time-independent class of phenomena; they are more or less well-disguised



descriptions of customs specific to a particular historical situation” (2001). Compare that statement to Mises’s comment on the import of econometric studies:

If a statistician determines that a rise of 10 per cent in the supply of potatoes in Atlantis at a definite time was followed by a fall of 8 per cent in the price, he does not establish anything about what happened or may happen with a change in the supply of potatoes in another country or at another time. He has not “measured” the “elasticity of demand” of potatoes. He has established a unique and individual historical fact. No intelligent man can doubt that the behavior of men with regard to potatoes, and every other commodity is variable. Different individuals value the same things in a different way, and valuations change with the same individuals with changing conditions. ([1949] 1998, 55–56)

## Conclusion

Mises’s and Oakeshott’s theoretical conclusions exhibit deep similarities as well as important differences. While exploring some matters on which they agreed and some on which they did not, I have left other important points of contact between their ideas unexamined: for example, their similar, but not identical, views on the nature of the discipline of history and on whether or not human experience consists of fundamentally distinct modes, each of which demands different theoretical approaches.

Notwithstanding such omissions, I have demonstrated that Mises and Oakeshott arrived at remarkably similar views on the nature of the social sciences, despite their departures from different philosophical starting points. I hope that I have whetted Mises and Oakeshott scholars’ appetite for sampling the ideas of the theorist with whom they are less familiar. To date there has been little comparative study of Mises and Oakeshott, and this article represents a small step toward rectifying that situation.

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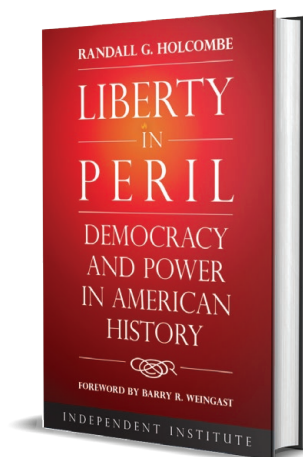
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