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My Discovery of *Human Action* and of Mises as a Philosopher

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I STARTED OUT IN MY INTELLECTUAL DEVELOPMENT as a left-winger. I have told the story repeatedly, in more or less detail. I entered the university in 1968, at the height of the anti-Vietnam-war protests and the wide-spread student rebellions all across the US and Europe. As a typical product of the *Zeitgeist*, then, I was one of those youngsters who were later-on, until today, called-out as a member of the 1968er generation, blamed for the successive left-ward turn of Germany (and the West, generally), by a “march through the institutions” recommended by the Italian Commie Antonio Gramsci, that is still continuing to this day—but with some hopeful signs appearing on the horizon that the end of the rope may be near. In any case, my leftism at the time was not so much motivated by egalitarian sentiments but the belief in the greater efficiency of some sort of central economic planning (rather than the “anarchy of markets”).

My main field of university study originally was Philosophy, and my main teacher at the time was Jürgen Habermas, 20 years older than myself, and at that time the young, rising star of the famous “Frankfurt School” of the so-called “Critical Theory.” The other, older big names of the school were Max Horkheimer and Theodor Adorno, both Jewish, who had emigrated to the US during the 1930s and returned to Germany after the war, while young Habermas was a homegrown Gentile. All of them were at the time assembled and teaching at the Goethe University of Frankfurt, then, next to the Free University Berlin, the center of left-wing thought in Germany.

Another big name of the School, of the older generation, and with considerable influence at the time, was Herbert Marcuse, who did not return to Germany after the war but remained in the US, yet gave frequent guest appearances in Germany.

I absorbed all or most their work, and Habermas, who from his early beginnings as an *enfant terrible* has in the meantime risen to the rank of one of the most famous and highly decorated philosophers not only in Germany, but world-wide, and the high-priest of political correctness, welfare-statism and US-led political centralization, became my Doktor-Vater.

That was in 1974, 50 years ago. By that time I was still a left-winger, but already considerably more moderate, and my dissertation had nothing whatsoever to do with political philosophy. It was a critique of empiricism, in particular that of David Hume, from a rationalist(ic) point of view. If you will, some variation on and of the long-lasting and still-ongoing debate (or monologue) between the largely Anglo-saxon empiricist philosophical tradition represented most famously by John Locke and then by Hume and the continental rationalistic tradition as prominently represented by Gottfried Wilhelm Leibniz and then by Immanuel Kant.

There is not much more to say about this now—except that this study created in me some fundamental intellectual predisposition that would later immediately attract me to Mises work, as an outstanding example of rationalist thought, in contrast to the logical empiricists gathered in and around the famous “Vienna Circle” in his early life.

I will return to this topic a bit more, later on.

Meanwhile, successively and systematically expanding my readings beyond mostly leftist literature, I moved increasingly more rightward, conservative, and pro-market.

I encountered Milton Friedman, frequently mentioned at the time in German newspapers and magazines as an intellectual big-shot in the US, and the most famous champion of American capitalism and became some vaguely-defined free-marketeer. But as a philosophical rationalist I also recognized early-on the various inconsistencies and logical gaps in Friedman's arguments.

From Friedman I found my way to Friedrich von Hayek (who actually lived and taught in Germany at the time, but was, if I remember correctly, mentioned less frequently, despite having just, in 1974, been awarded a Nobel-prize). Hayek further strengthened my new-found convictions. Still, I found him even less strict and consistent (or rather more confused) in his political philosophy than Friedman (not so much in his economics, which I was to encounter and read only later-on). But on the other hand, Hayek struck me as far more impressive with his wide-ranging, interdisciplinary knowledge than the narrowly-specialized Friedman.

And now, from there onto Ludwig von Mises: Of course I had heard his name before by now. Interestingly, however, while he was never mentioned in West German economic textbooks, his name figured prominently in commie East Germany.

Because most of my relatives lived in the East (my parents were refugees from there), we went there every year for various visits. For that, you were compelled to exchange a sizable sum of West-Marks for East-Marks, of course at a government-fixed exchange rate. But then, since we always stayed with relatives, you had to find something to buy for your East-Marks. And there was not much to buy: there were the collected works of Marx & Engels and all the other heroes of socialism; you could get some Russian literary classics in German translation, some records of classical music and, of course, also some of the current textbooks on political economy used in the East. And there, in one of such textbooks, then, you could also find some detailed criticisms of Western, so-called bourgeois economics and economists, among them Friedman and Hayek, but in particular also of Mises, who was singled out as the most wrong-headed, dangerous and detestable of all of them.

Still, until the late 1970s I had not actually read anything by Mises. This changed only when I began serious work on my Habilitation thesis on the methods and methodology of the social sciences.

In the course of this, I also took a closer look in particular at economics, as a special field within the general area of the social sciences, and there I came across also statements such as the quantity theory of money (first only in its quasi-mechanical version—of Cantillon-effects, etc., I would learn only later), according to which an increase in the money supply leads to a reduction in the purchasing power per monetary unit. For me it was obvious that this statement is a logically true statement, which cannot be falsified by any “empirical data,” and nevertheless a statement with a clear reference to reality and about real things, and as a philosopher in the rationalist continental tradition there was nothing strange or unfamiliar for me with the idea of logically true or “synthetic-apriori propositions.”

But wherever I looked in the contemporary literature, whether on the left by Paul Samuelson or on the right by Milton Friedman, the entire guild of economists was, to put it bluntly, in love with the Viennese philosophy of logical positivism or of Popperianism, according to which such apodictically true real statements are impossible or scientifically inadmissible. For them, this statement was instead either a mere tautology, a definition of words made up of other words, i.e. a linguistic convention, (without any reference to reality), or a hypothesis in need of empirical verification or to be tested and in principle falsifiable by empirical data.

I was at first dumbfounded by this, but then, I do not remember exactly where, I found a reference in a footnote in one of Hayek's writings to Mises, as his own mentor, but as representing a different strand of the Austrian school of economics. And he mentioned in particular Mises's *Human Action* as the outstanding example of this, in his (Hayek's) view hyper-rationalistic strand, that argued for economics (or what he termed praxeology, a term I had never heard of before) as some sort of discipline offering and made-up of "aprioristic" propositions.

Now that sounded exactly what I was looking for. At the time I happened to spend a semester at the University of Michigan, in Ann Arbor, and the next day, then, I went to the university library to obtain a copy of the book. Thus, *Human Action*, then, was my very first book of Mises's I read. I devoured the whole volume in just two or three days, and then immediately ordered my own copy in the local bookstore.

That book was *it*, I thought, and I still think so today (except for some later additions made to it by Murray Rothbard). In my view, it was in a different league than anything offered by Friedman and Hayek, and it turned me into a radical free-marketier (but not yet into an anarchist). Indeed, it was a double revelation. On the one hand, it was a systematic and comprehensive presentation of all of economics, and on the other hand it was at the same time a confirmation of what I had come to conclude myself before about the nature, and the epistemological status of economic propositions:

*It was a comprehensive presentation of economics as a system of propositions that were neither just linguistic conventions nor propositions open to falsification or in need of empirical verification by "data collection" ---- contrary to all the pronouncements by seemingly everybody else within the economics profession, who claimed such propositions as impossible or rather scientifically illegitimate.*

At the conclusion of my presentation here I will offer a short battery of such propositions to give you a flavor of it all. But before that I want to return very briefly to the subject of philosophical rationalism (vs. empiricism) that I have mentioned before: i.e. the "Mises as a philosopher" part of the title of my speech.

For me, it was in particular part I of *Human Action*, that attracted my greatest interest, the very part of the book, as I have been told, that Randians or Randroits are asked not to read or skip over and which is frequently considered somewhat superfluous, irrelevant, confusing or even incomprehensible — that is: that very part where Mises writes about the subject of the "ultimate foundations" of knowledge and the "ultimate given."<sup>1</sup>

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<sup>1</sup> At this point let me insert some brief, casual and somewhat personal remarks on Ayn Rand and the Randroids. In my own intellectual development Rand played no role whatsoever. In fact, I would dare to say that Rand was virtually unknown to people of my generation in Germany and throughout Europe. I know of no significant figure at the time

The question of how to begin philosophy and how to put our knowledge on firm grounds is almost as old as philosophy itself, Mises made an important contribution to it, and I, inspired by my earlier study of various German rationalist philosophers (of the Frankfurt and the so-called Erlangen-Konstanz-Marburg School), have tried, here and there, to clarify and add to his “solution.” I am still not entirely satisfied with it all and will here only present some bricks and cut some corners rather than offer a completed building, then, but inshallah, if God wills, there will be still more forthcoming.<sup>2</sup>

Incidentally, the two intellectual traditions that I try to integrate, appear to be entirely unaware of each other, although they run largely parallel in time (and interestingly, politically they are far apart: the German philosophers, especially of the latter mentioned school, are mostly mathematicians or natural scientists, essentially unfamiliar with economics and, typically, some sort of social-democrats).

Descartes, as you have all heard, claims his famous “cogito ergo sum” as the certain foundation of knowledge. The empiricists such as Locke claim that it is sense impressions that are at the bottom of our knowledge, Mises considers the fact that humans act purposefully as the “ultimate given,” and people such as Popper, for instance, deny that any such ultimate starting point exists and that any attempt of searching for it will end in some infinite regress.

A little reflection shows that none of this will quite do: because all these proposals come in the form of words, of language, and of propositions. We *speak or write* in meaningful words and

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that found its way to libertarianism (widely conceived) via Rand. Rather, the typical gateway to libertarianism then was through the “Austrians.” This has somewhat changed in the meantime. But as compared to the situation in the US, the influence of Rand on the intellectual scene in Europe has remained rather insignificant to this day. As to the disdain, dislike or even hostility of Randians toward part I of *Human Action* I will have to speculate a bit. While Mises, as revealed in this part of his treatise, is apparently a Kantian as far as epistemology is concerned, Kant is considered by Randians as a *bete noire*. Yet this Randian verdict is based on some near-complete ignorance of the Kantian philosophy, as epitomized by Rand’s official “heir,” Leonard Peikoff’s book *The Ominous Parallels*. For a devastating critique of this work see David Gordon’s review: <https://www.lewrockwell.com/2005/11/david-gordon/objectivism-hitler-and-kant/>. Another reason for the Randian disdain of part I of Mises’ treatise is likely his emphasis on “subjectivism,” i.e., the fact that the ends chosen by human actors are always personal, *subjective choices*; and this “subjectivism” apparently runs afoul of the so-called “objectivism” and objectivist philosophy propagated by Rand and her disciples. But human choices are *objectively* subjective, and insofar any disapproval would be based on no more than a simple misunderstanding. Or else the Randian quarrel with Mises’ subjectivism is meant to be a critique of his utilitarianism. And in this regard they would have indeed a point. True enough, Mises’ utilitarianism does not really qualify as an ethic, nor does Mises claim that it does. But this gap was filled, then, by Mises’ leading student, Murray Rothbard, with his *The Ethics of Liberty*, which completed and enlarged the Misesian edifice to an integrated, full-blown system of “Austro-Libertarianism.” In comparison, Ayn Rand’s ethic, as presented for instance in her *The Virtue of Selfishness*, notwithstanding some considerable overlap with the Rothbardian ethic, leaves much to be desired in terms of analytic rigor. Far worse, unbeknown or ignored by many or even most self-described Randians, except the members of the inner, cultish circle, the Randoids, of course, is the other, darker side of Randianism, including the master Rand herself, that belies much or even all of their otherwise much proclaimed “individualism” and reveals them instead as proponents of the idea of collective guilt and punishment and as advocates of some genocidal collectivism. See on this aspect of Rand and Randianism the important article by Fernando Chiocca: <https://www.lewrockwell.com/2023/12/fernando-chiocca/randians-are-genocidal-collectivists/>

<sup>2</sup> For my most recent effort in this direction see Hans-Hermann Hoppe, On the Proper Study of Man. Reflections on Method, Quarterly Journal of Austrian Economics.

<https://qjae.mises.org/article/94208-on-the-proper-study-of-man-reflections-on-method>

sentences about our self-consciousness, our sense impressions, our actions, or the infinite regress in our search for some ultimate foundation.

Thus, unwittingly and as a matter of fact, they all have affirmed the existence of one and the same point of departure: namely language (whereby it is irrelevant whether it is English, German, Hopi, etc.—*any* language). For the sake of brevity, I will spare myself a detailed account of the praxeological implications of this fundamental insight. But just intuitively: a language, any language is a public and common language (there is no such thing as a “private” language as Ludwig Wittgenstein has demonstrated), spoken with and to be understood by other persons for the purpose of communication; a public tool that some people are good at handling and others bad, helping us move around in the social world by means of words alone. And second, that any language is learned and acquired by infant persons in interaction with older people, and that the correct use and understanding of words is exercised, tested, corrected and demonstrated through the performance of specific actions (and reactions) in the real world. (As well, the learning and perfection of foreign languages occurs in real, inter-personal actions.)

Which brings me back to Mises and his claim of *Human Action* as the ultimate, “apriori” foundation of knowledge. Speaking and writing, all philosophizing, is done in language. There is no other beginning, and these activities, indeed all communicating in meaningful words, are themselves also actions. So Mises is ultimately right. But it is *real* actions, and the success or failure of *real* actions, that precede and provide the ultimate testing-ground for all mere *talk* about actions. Actions, that is, speak louder than words and serve as ground to verify or falsify words. “Handwerk” (handy-work) provides the basis and testing-ground for “Mundwerk” (talk). There is no infinite regress as far as our knowledge of man is concerned: such is only the case as long as you stay exclusively within the realm of words, but once you recognize how words are tied to objects and get down to the level of real actions, all further questions disappear. You are on unmovable ground. You cannot ask for a justification of action, as this question would be an action itself.

In the (or rather one of the) rationalist tradition(s), a proposition is then considered ultimately justified, if you cannot doubt it without falling into what is called a performative (or dialogical) contradiction. That is, if the content of what you are saying stands in contradiction to what you are actually doing or claiming to do. Thus: You can say of course that you cannot act or speak, but this would be contradicted by the fact that you do what you say you don’t. You can say a given person can be at two places at once or climb up and down the stairs simultaneously—that would not be logically contradictory—but it would entail a performative contradiction, because you are not and cannot actually do so. You can say that some object has the property of A and non-A at the same time, but whenever actually dealing with that object, you cannot but treat it as either an A or a non-A, and never simultaneously as both. You can say that the rules of elementary logical reasoning, i.e., the rules of using such terms as “and” and “or,” of “one,” “some,” “all,” etc., are just linguistic conventions, but you cannot actually be treating them as such (rather than as necessary or apriori valid norms) without continuously failing to reach your own goals. As well, you can say of course that the experience of action is derived from sense impressions, but there is no way to get from sense impressions to meaningful words and sentences. Rather, the making and reporting of sensory observations is itself an action and presupposes all categories or concepts implied in the notion of the purposeful pursuit of some end or goal.

Enough of this digression and back, more directly, to Mises and *Human Action*.

In any case, my little excursion into the field of the philosophy of language turns out quite useful to elucidate two fundamental distinctions made by Mises in his work: his twofold distinction—or dualism—between the natural sciences on the one hand and the sciences of acting man on the other; and within the latter field (the social sciences in general) that between theory (made up of apodictic or synthetic apriori propositions) and history (concerning the reconstruction of singular past events or the speculative anticipation regarding some specific future event).

Put as briefly as possible: nature is everything, all objects, with whom we *cannot* communicate and coordinate our actions by means of words and sentences (or do so only in some metaphorical sense, as when we “talk” to some animals). As for *such* objects, we cannot know, and never find out, *why* they behave the way they do. They just do. There is no reason, motive or purpose involved or to be discovered in nature or natural evolution. There is no rhyme or reason to it. It is just what it is. All we can do here is looking for, and discovering, causal relations: how to produce some specific result A by arranging some causes X, Y, Z, etc. in some specified way. Here, in this field, then, the alleged “great problem” of rationalist philosophy: the infinite regress in the process of justification makes at first intuitively a certain amount of sense: because you can always and endlessly ask “but what of the cause of the cause?” What is the cause of gravitation, or of the big bang? And what is the cause of that cause? But even that problem turns out to be practically speaking irrelevant: because, as in particular the mentioned constructivist philosophers from Hugo Dingler to Paul Lorenzen to Peter Janich have demonstrated, the natural sciences all rest on some “technological apriori,” in the form of purposefully constructed measuring instruments, and thus, any regress here finds some quick practical end.

But this is not be my topic here. The second-mentioned distinction can also be readily explained. Every action, including all communication, can come out as a success or a failure, and whatever a person may hope, no one knows in advance what it will actually be. Thus, with every action a new situation is created, the actor has learned something new and faces a new situation. Accordingly, there can be no general, unchanging law of what it is that people will do, i.e., the specific content of their actions. Put briefly: we can never know in advance all of the sorts of actions that people can or maybe able to perform in the future. Can you predict what sorts of products will be available for sale in 20 years from now, for instance!? Here we are left to historical reconstructions and narratives, respectively to speculations regarding the future. But what we *can* say with certainty is that regardless of whatever the specific actions of a person in this or that situation may be, for any and all cases it holds: every action turns out either successful or not.

*And this, then, is the unique epistemological status of praxeological laws: they are not propositions about the specific content of the actions of specific actors in specific situations, but about the formal structure of all—each and every—action by each and every actor and at all times, unchangeable and unaffected by any future learning of his or any future change of circumstances.*

Let me, for the purpose of illustration, use an analogy here to the philosophy of language. We cannot predict all of the words or sentences that people will ever speak or write. Indeed, there are many different natural languages and people may come up constantly with new words—and in so far language may be considered just a convention. But each and every language, for instance, must make use of “identifiers”, i.e., of proper names such as “Peter” or “Paul” or words such as “this” or “that,” and it must make use of “predicators,” i.e., of words asserting or denying certain properties of the identified objects. Otherwise we could not even produce the most elementary

propositions such as “this is such and such” as expression of any “experience” whatsoever. Yet without the use of elementary propositions, then, no meaningful communication whatsoever between people would be possible.

Let me quote Paul Lorenzen<sup>3</sup> to this effect: the “*decision to use elementary ways of speaking is not a matter of argument. It does not make sense to ask for an ‘explanation’, or to ask for a ‘reason’. For to ‘ask’ for such things demands a much more complicated use of language than the use of elementary sentences itself. If you ask such questions, in other words, you have already accepted the more elementary usage.*” (p.14) And he further explains (p.16): “*Each proper name is a convention (because I know many sounds I could use instead), but to use proper names at all is not a convention: it is a unique pattern of linguistic behaviour. Therefore, I am going to call it ‘logical’. The same is true with predicators. Each predicator is a convention. This is shown by the existence of more than one natural language. But all languages do use predicators. This is a logical feature of our linguistic behaviour.*”

I trust, that you immediately recognize the parallel between this intellectual enterprise of reconstructing and formulating a universal “logic” of speaking and thinking *as such*, i.e., regardless, and totally abstracted from any specific *content* of speech or thought ----- and let me just add in parenthesis that great advances have been made in the meantime this endeavor, going far beyond the just cited first “beginning” with elementary propositions by the various proponents of this rationalist intellectual tradition ----- and Mises’ enterprise of reconstructing and formulating a universal “logic of action”—or what he called *praxeology*—i.e., the laws of acting *as such*, regardless of its specific content.

Interestingly, by the way, both intellectual traditions, the representatives of the mentioned German philosophical rationalists, as well as Mises and the practitioners of his praxeological method and analysis, are today largely considered “outsiders” within their respective fields: of the philosophy of science on the one hand, and of the field of economics on the other. As intellectuals who uphold the idea that there are universal, non-falsifiable truths out there in the area of thinking and acting they are considered “troublemakers”, if you will, in an intellectual environment dominated by some almost childish form of empiricism and relativism.

But now, then, without further ado, and as promised, just a few examples of praxeological insights, for the purpose of illustration and to come to an end.

Whatever a man may do, we know for sure that he does so for a reason and with a purpose, i.e., with some anticipated future state of affairs in mind; we know that whatever he does, he does so with means thought to be suitable to reach some ends; and we know all of this with apodictic certainty (or apriori), insofar as we cannot possibly dispute such knowledge without thereby actually affirming its truth (in that its denial is itself a purposeful, goal-directed action).

And all the while we can never “scientifically” predict the specific *content* of our own or our fellow-men’s future actions, i.e. our specific choices of ends and means in some continuously changing environment, based on our aprioristic knowledge concerning the *formal* structure of all of human action we can derive an impressive number of equally aprioristic (universally valid) conclusions. These conclusions are either directly implied in the concept of action; or else they are conclusions reached indirectly, in conjunction with some explicitly stated initial empirical (and

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<sup>3</sup> Paul Lorenzen, *Normative Logic and Ethics*, Bibliographisches Institut, Mannheim, 1969.

empirically verifiable) conditions or premises, so as to allow us to also make some apodictic (non-falsifiable) predictions of central importance concerning the social world, provided only that these initial conditions are indeed met and fulfilled.

I shall present merely a few examples of such propositions here to give a flavor of their epistemological status as well as their practical importance.

We do not know all potential human goals, but we do know for certain that whatever they may be, they are supposed to bring about an improvement in an actor's well-being; and we do know for certain that wherever and whenever a person does what he does, he always does so because he considers this, in this situation, his most highly valued or his most urgently needed goal or end.

We do not know all potential means employed by man in his activities, but we do know for certain that whatever is used as a means by an actor derives its value as a "good" for him from the value attached by the actor to the very end or goal that it is supposed to help bring about.

As well, while we cannot predict the changes in the subjective value attached to various ends, we can predict with certainty that a higher (or lower) value attached to some given goal, whatever it is, will also raise (or lower) the value of the means or goods used to produce this goal, and that the discovery of the suitability of certain means for more and additional goals, for instance, will increase the value of such means.

Moreover, while we cannot know (scientifically predict) what thing or entity may ever be used as a means or a good by man, we know for sure that for everything ever considered a good by an actor it holds that more of such a good is preferred by him over less.

As well, we know for sure that as more and more units of some given good are added to our supply, the less is the value attached to a unit of such good, as this can only be employed for the satisfaction of increasingly lower ranked (or less urgent) ends or needs (the law of diminishing marginal utility).

We cannot predict "scientifically" what sorts of goods or products man will ever produce and what sorts of goods or products he may ever consume, but we know for sure that there can be no consumption without prior production and we can also be certain that whatever is consumed today cannot be consumed again tomorrow.

As well, we know with certainty that man cannot for any lengthy time consume more goods than he produces (unless he steals from others), and that it is only by way of savings, in consuming less than what is produced, that he can possibly increase his own prosperity.

We cannot make safe and certain predictions concerning where, when and what sorts of exchanges (be it of material goods or immaterial ones, such as words or gestures, for instance) are to take place between various people, but we do know for sure that for any voluntary exchange to take place it must hold that both parties to the exchange expect to be made better off by the exchange, that they evaluate the goods to be exchanged as of un-equal value, and that they have an opposite preference order regarding them.

As well, from the outset of human history, we cannot know what sort of thing is to become a money, i.e. a common medium of exchange, how long it is to maintain its status as money, or what other thing might replace it as money in the future.



But for any society exceeding the size of a single household and with a bare minimum of a division of labor, we can, based on our aprioristic knowledge concerning the universal structure of action, deduce and safely predict the emergence of *some* common medium of exchange. Because any direct exchange of goods or services requires a double coincidence of wants. I must want what you have and you must want what I have.

Yet this obstacle and limitation of direct exchange can be overcome, and the conditions for an actor can be improved by means of indirect exchange. A person who cannot attain what he wants in direct exchange can increase his chances of getting what he ultimately wants if he succeeds in first acquiring a *more marketable* good than his own in exchange, to be then more easily saleable for the ultimate thing. This practice further increases the marketability of the very good in question and stimulates others to follow this example. Thus, step by step, via rationally motivated imitation, a common medium of exchange is to emerge: a money (originally a commodity money), as the most easily saleable and most widely accepted good, and as such clearly to be distinguished in its function from both producer and consumer goods.

With money come money-prices, price comparisons and economic calculation, and there is nothing to be known with certainty about future money prices paid for this or that, about future price comparisons or about future business calculations. But again there are some things that we do know for certain.

For instance: If the quantity of money is increased the purchasing power per money-unit is reduced below what it would have been otherwise. An increase in the quantity of money cannot increase over-all social wealth (as an increase in producer and consumer goods would) but only lead to a redistribution of wealth to the advantage of the money producer(s).

Economic calculation requires that you can compare the input of production with the output of production to determine whether or not less valuable means were transformed into more valuable means (as intended). For such a comparison to be possible there must be money prices for all factors of production as well as for all final goods. Under old-style socialism, with all means of production owned and controlled by one central committee, no input-factor prices exist, and hence, economic calculation under socialism is impossible.

We can also know for sure (via the law of marginal utility) that if the price for some good is increased (or decreased), and everything else is assumed to remain constant (*ceteris paribus* assumption), then either the same quantity or less (or either the same quantity or more) will be bought.

And we know just as surely that prices fixed above market prices, such as minimum wages, for instance, will lead to some unsaleable surpluses, i.e. to forced unemployment, whereas prices fixed below market-clearing prices, such as rent ceilings, will lead to shortages, i.e. to a persistent shortage of rental housing.

And we know as well with certainty that if any of these predictions happen to fail in some particular case, this would not be because of an error in our logically deduced conclusion, but because the *ceteris paribus* assumption had not been met in the particular case under consideration, and we would have to look for some significant changes in an actors' empirical circumstances, in order to account for the observed anomaly.

No “experience” or so-called “empirical evidence” can ever falsify, beat or trump praxeology and logic, but praxeology and praxeological reasoning can reveal that there is something wrong about some alleged experience or evidence. I could go on and on with further examples of apodictic propositions, i.e. of propositions that can be “begriffen” (conceptually grasped). But I am quite confident that the short list of examples that I have provided should suffice to demonstrate that they have some distinctly different epistemological status than what is commonly understood as “empirically falsifiable hypotheses.”

Looking from a methodological point of view at the current state of affairs in the social sciences (including economics), then, two major and interrelated confusions can be readily diagnosed, both ultimately rooted in the typically unquestioning acceptance of some variant of “empiricist philosophy” amongst most practicing social (and nearly all natural) scientists.

The first confusion concerns the widespread belief that things can be accomplished in the social sciences that simply *cannot* be accomplished. Contrary to the belief of many social researchers, there are no “empirical laws”—verified, confirmed or not-yet falsified by empirical data—to be found and discovered within the realm of human action and interaction. There may be tendencies or somewhat stable patterns to be found. But that is that. Here, more humility is in order. One’s research may still be interesting and relevant, but it is not what it claims to be.

And the second confusion, widespread in particular among economists, has just been addressed: it is the inability (or unwillingness) of recognizing the categorical epistemological difference between apodictic, or in Kantian lingo, “synthetic-apriori” propositions on the one hand and empirical or “aposteriori” propositions on the other. As “good” empiricists who only recognize and only know of empirical laws (apart from math), they are increasingly often busy subjecting propositions that are deductively derived from some apriori-true starting point to empirical tests. That is, they test the un-testable, and they try to falsify the non-falsifiable, and whatever insight may happen to spring from such misguided endeavors, then, is overshadowed by the intellectual damage done (and the confusion spread) by the blatant category mistake undergirding and committed with any such research.