

Review of Alexander Linsbichler's *Was Ludwig von Mises a Conventionalist? A New Analysis of the Epistemology of the Austrian School of Economics*. London: Palgrave Macmillan, 2017, ix + 151 pp.

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Alexander Linsbichler's *Was Ludwig von Mises a Conventionalist?* marks a significant contribution to and advancement upon the existing literature concerning Mises's epistemology. Linsbichler reviews the primary and secondary literatures on Mises's epistemology through the lens of contemporary philosophy of science, and clarifies several confusions that have long confounded these literatures. Possessed of a seemingly encyclopedic knowledge of twentieth-century philosophy of science, Linsbichler shows what can happen when non-epistemologists try to do epistemology without an adequate understanding of the relevant philosophical history, theories, and methods.

After considering the possible interpretations, Linsbichler makes a compelling case that practicing Austrian economists should adopt conventionalism about Mises's assertion of the a priori nature of the so-called 'action axiom' ('Man acts') which underlies praxeology, Mises's general science of human action. Whatever the master himself may have believed about epistemology and economic methodology, Linsbichler argues that the action axiom is best interpreted as an analytic sentence—one of many in principle defensible definitions of the proper sphere of economic inquiry, to be defended by Austrians on pragmatic grounds, rather than a synthetic proposition about what humans do in the world of experience. This argument exemplifies the humble anti-dogmatic approach that Linsbichler brings to a literature too often riven by intransigence on all sides.

This well-deserved praise notwithstanding, however, a few worries remain. Elegantly executed though the project is—and, as the remainder of this review is mostly critical, I want to emphasize that I did learn much from Linsbichler's analysis—there are aspects of the argument that strike me as somewhat misconceived. Linsbichler offers a rational

AUTHOR'S NOTE: Many thanks to Alexander Linsbichler for his comments on an earlier draft of this review. Any errors that remain are my own.

reconstruction of Mises's epistemology that is, as he acknowledges, mostly removed from Mises's historical context. Linsbichler reconstructs Mises's position according to a taxonomy of epistemologies due to Karl Popper and further developed by Karl Milford. It is not obvious that this classification scheme is relevant to the problem of categorizing Mises's epistemology.¹ Surely, if we wish to reconstruct Mises's epistemology, we want a categorization that expresses the epistemological possibilities *as Mises understood them*. If the Popper-Milford taxonomy reflects Mises's epistemological understanding, then all to the good. But, if this categorization includes epistemological possibilities that Mises failed to recognize, or excludes epistemological possibilities that he did recognize, then its significance for the problem at hand is dubious.

The grounds that Linsbichler adduces for the relevance of the Popper-Milford scheme in this regard are, I think, not adequate. No case is made that this categorization reflects Mises's epistemological milieu. Instead, Linsbichler argues that, as a methodologist, Mises was primarily concerned with finding a solution to the problem of induction in the social sciences. The Popper-Milford taxonomy classifies epistemologies according to responses to the problem of induction. Therefore, the argument seems to go, the Popper-Milford classification scheme is applicable to the problem of reconstructing Mises's epistemology.

However, saying that a methodologist is concerned with the problem of induction in their respective field of inquiry is a bit like saying an economist is concerned with prices—it does little to distinguish the methodologist in question from any other methodologist. Linsbichler provides no evidence that Mises was more profoundly disturbed about the significance of the problem of induction for the social sciences than any other methodologist of his own, or any other, era. If the application of the Popper-Milford taxonomy is licensed by Mises's concern for the problem of induction, then this same taxonomy is relevant to virtually every epistemologist and methodologist of (at least) the last three hundred years. But, this conclusion is problematic from a historical perspective.

Without evidence to the opposite effect, one might worry that the Popper-Milford scheme either includes or excludes epistemological innovations of more recent vintage that had yet to be explicated in

¹ In Linsbichler's defense, the relevant chapter of the book opens with a rather cryptic epigram that seems to warn the reader that the relevance of any classification is always a matter of perspective.

Mises's day, much less three hundred years ago. Note that I am not arguing for the irrelevance of the Popper-Milford taxonomy, but merely asking for better substantiation of its relevance. Perhaps the Popper-Milford taxonomy is the most appropriate scheme for reconstructing Mises's epistemology, but this thesis is not adequately established by the claim that Mises was concerned with the problem of induction.

However, I think there is a problem that runs deeper than the absence of a sufficient argument for the applicability of the Popper-Milford classification scheme. The book's central, if unexamined, assumption that there *is* some coherent Misesian epistemology to be rationally reconstructed ignores the fairly extensive evidence manifested in both the primary and secondary literatures that Mises was simply, and thoroughly, confused about matters epistemological. Linsbichler correctly identifies the problem of the epistemological status of the action axiom as the key to properly categorizing Mises's position (Scheall 2017). Mises repeatedly and forcefully insisted that knowledge of the action axiom is entirely a priori, that contact with the world of experience is neither the source of, nor a guide to knowledge of human action (Mises 2003, 13-14; 1998, 64; 1962, 71-72). He never explicitly rejected this claim in print.

Yet, if Israel Kirzner (2001) is to be believed (and I do not doubt his testimony), Mises "told him [Kirzner] that the action axiom was derived from 'experience'" (quoted in Leeson and Boettke 2006, 248, fn2). Mises (1998, 34) also insisted upon the "essential and necessary [...] character of the logical structure of the human mind" immediately before claiming that "[m]an acquired [...] the logical structure of his mind in the course of his evolution from an amoeba to his present state" (Mises 1998, 35). The evolutionary epistemology implied by this latter statement would, if adequate, undermine the former assertion of the necessity of the mind's logical structure. If it is a contingent fact that we evolved as a species in the way that we did—which is, of course, an implication of biological evolution—then the logical structure of the human mind could have been different than it is and, thus, cannot be essential and necessary. This conjunction of propositions suggests confusion, either about the multiple meanings of necessity by then common in the philosophical, logical, and scientific literatures, or about the highly contingent nature of evolutionary processes.² The problem of rationally reconstructing

² There are passages in Mises's methodological writings that suggest he was either not privy to or did not appreciate the significance of many developments in contemporary

Mises's epistemology is that of reconciling these (and other) instances of seeming epistemological incoherence.

I do not doubt that there is *some* way to remove the tension from these seemingly inconsistent propositions. However, Mises provided no such unifying explanation himself, leaving the task mostly to his intellectual descendants. Unfortunately, these scions have never agreed among themselves on a single understanding of the epistemology of the action axiom. Mises provided no criteria for choosing between secondary interpretations. Thus, the apparent inconsistency of the primary literature is recapitulated in the secondary literature. Mises's epistemology can be and, in fact, has been interpreted in ways that are mutually exclusive. *This is not a good thing*. Rather, together with the apparent inconsistency of the primary literature, it is a bright, burning, hot-pink neon sign marking the epistemological muddle left by Mises. It is of course perfectly normal to discover tension in some body of secondary literature. It is not normal to find in the secondary literature of a coherent thinker *mutually exclusive interpretations each more or less equally supported—and undermined—by the relevant texts*. So, the worry is that Linsbichler has set himself a hopeless task, that of reconstructing a position that may not be reconstructible, or, more carefully, a position that can be reconstructed in myriad ways, with few grounds for choice between them.

One obvious response to this predicament is to choose the most generous rendering of Mises's position. Unfortunately, Mises made it difficult to treat his epistemology charitably. It is obviously more generous to interpret Mises's apriorism as 'moderate'—as less extreme than it seems at first glance. It is more charitable to attribute to Mises some conception of the relationship between perceiver and perceived that soothes the rationalist sting of the claim of the epistemological impotence of experience with regard to knowledge of the action axiom. A charitable interpreter—and Linsbichler is certainly a charitable interpreter—wants to read this as something other than what it appears, an overweening rationalistic claim for some mysteriously perspicacious powers of the human mind.

philosophy and natural science. For example, as late as his last methodological work, 1962's *Ultimate Foundations of Economic Science*, Mises (12-14) argued for Euclidean geometry as an example of the Kantian synthetic a priori, a position undermined by the discovery of non-Euclidean geometries *in the nineteenth century* (Caldwell 1984, 368 makes the same point) and further confounded by Einsteinian relativity. Similarly, Mises (1998, 72-91) continued to argue against the possibility of polylogism long after the existence of multiple logics had been established empirically.

However, any such attempt to read Mises's apriorism as merely "moderate" runs up against the extensive evidence of his epistemological extremeness.³ In effect, one is forced to choose between a charitable reading that is, at best, weakly supported by the available textual evidence, or an extreme interpretation that is well-supported textually, but patently ungenerous. One is forced to choose between taking seriously, for instance, the perhaps offhanded comment recounted by Kirzner that knowledge of the action axiom is derived from experience, or the many places in Mises's writings where he explicitly, and forcefully, denies experience any role in our knowledge of human action. One is made to choose either Mises's claim of man's epistemic fallibility, or his assertion of man's infallibility about the action axiom.

Any proposition can be inferred from a contradiction. The fact that many mutually impossible epistemological propositions have been inferred from Mises's writings is an abductive warning that there may be nothing of substance—no 'there'—there. That is, the best explanation of the chaotic state of the literature is Mises's own epistemological confusion. Ultimately, we simply do not know what the historical Ludwig von Mises believed about epistemology.

Linsbichler's analysis exemplifies this quandary. Linsbichler asks: Was Ludwig von Mises a conventionalist? Given that Mises explicitly rejected a conventionalist reading of his apriorism in several places (1998, 39-40, 86; 1962, 17-18), the answer is plainly: 'No, Mises was not a conventionalist'. Yet, because it is possible to interpret various of Mises's other comments as consistent with conventionalism, Linsbichler reads Mises as *almost* a conventionalist. At the same time, he also recognizes Mises's fundamental incoherence: "Mises repeatedly and vehemently insists on the aprioristic character of praxeology. However, as a closer look shows, it is not clear what exactly he claims by stating 'Praxeology is a priori', and how his scarce arguments therefore are to be interpreted" (73; see also 114). It is difficult to avoid the conclusion

³ Linsbichler (45) is such a charitable interpreter that he claims Mises was a fallibilist. Unfortunately, the quotation he chooses to substantiate this claim actually undermines it, as the quotation also has Mises defending infallibilism about the action axiom. "Man is not infallible", Mises (1998, 68) writes, "...All that man can do is submit all his theories again and again to the most critical reexamination. This means for the economist to trace back all theorems to their *unquestionable and certain ultimate basis*, the category of human action" (emphasis mine). Apparently, according to Mises, man's knowledge of the category of human action *is* infallible. This is not fallibilism properly understood.

that Linsbichler would have been better served to follow up the implications of this incoherence than to worry whether someone who explicitly rejected conventionalism might, in a roundabout way, be read as an unenthusiastic, self-hating conventionalist. The available evidence suggests that Ludwig von Mises was thoroughly out of his depths in matters epistemological. Without quite explicating it, Alexander Linsbichler has written a convincing defense of this thesis.

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