Distinction or dichotomy: Rethinking the line between thymology and praxeology

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Abstract The aim of this paper is to critically reexamine Ludwig Mises' attempt to separate the psychological aspects of understanding (thymology) from the "science of action" (praxeology). There are, we contend, legitimate distinctions between theory, on the one hand, and, on the other, psychology or history. But, there is no need to dichotomize them from one another in the way Mises sometimes did.

Keywords Thymology · Praxeology · Hermeneutics · Mises · Methodology of the Austrian school

1 Introduction

Ours is a method of analysis preoccupied with meaning. Man acts, he applies definite means to achieve definite ends, and it is our task *qua* praxeologists to render that action intelligible. This task, of grasping action intellectually, requires that we pay particular attention to human plans and purposes, as what distinguishes one action from another, what distinguishes tears of joy from tears of pain, a smile from a smirk, theft from exchange, is merely how acting individuals come to view and interpret them. An analytical focus on the 'meanings' that purposeful individuals attach to their actions and on the 'web of meanings' (Mises 1966: 26) that breathe life into social institutions must, therefore, be at the center of any attempt to study human endeavors.

What Ludwig Mises was arguing for was an interpretive social science along the lines of Max Weber's sociology. Both Weber and Mises saw explaining (*erklären*) and understanding (*verstehen*) purposeful action as the human sciences' chief functions. As such, we must be particularly attuned to both the meaning context and content of human action. And, our methodological procedures as social scientists, if

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we are to get at meaning, should be refinements of the tools we use in our daily efforts (as human actors) to understand and interact with each other. Just as understanding the overall meaning of a sentence requires that we pay attention to the individual words that comprise it, for Mises, understanding the meaning of social wholes, for example, the meaning of social institutions, requires that we pay attention to individual plans and purposes that constitute those institutions.¹

Similarly, we should remember that words derive their meanings in part from their location in a particular sentence (it matters whether they are subject or object) and in part from the sentence's overall sentiment (it matters whether the author is being sarcastic or serious). In order to understand the meaning of particular human actions, we must, likewise, focus on the 'web of meanings' in which the actor is embedded (the meaning context of action). We are forced to engage in what Mises in his earlier writings (*Epistemological Problems* and *Human Action*) called psychology and what in his later efforts (*Theory and History* and *The Ultimate Foundations*) he referred to as thymology.² Apparently, Mises felt compelled to employ an unusual term because the more straightforward word he would have used, psychology, had been taken over by experimental psychology, which involves the application of the methods of the natural sciences to the study of human behavior. The more literary kind of psychology Mises had in mind deployed methods that are "radically different" ([1962] 1978: 47) from the methods of the natural sciences. As Mises ([1962] 1978: 47) put it:

The primary and central problem of "literary psychology" is meaning, something that is beyond the pale of any natural science and laboratory activities. While experimental psychology is a branch of the natural sciences, "literary psychology" deals with human action, viz., with the ideas, judgments of value, and volitions that determine action.

Thymology, for Mises, is a "branch of history" and it "deals with the mental activities of men that determine their actions" ([1962] 1978: 47–48). Mises directs us specifically to the *verstehen* school and contends that *verstehen* or understanding is a "thymological category." It is "what everybody learns from intercourse with his fellows" (Mises [1957] 1969: 266). It is an awareness of the cultural factors that influence and affect a man's behavior and the "matrix of ongoing social relations" in

¹ Mises ([1949] 1966: 42): "... all actions are performed by individuals. A collective operates always through the intermediary of one or several individuals whose actions are related to the collective as the secondary source. It is the meaning which acting individuals and all those who are touched by their action attribute to an action, that determines its character."

² Just as he came to use the term "praxeology" to describe social science, abandoning "sociology" because he felt that the term had been co-opted, Mises, as he pointed out in the foreword to the third edition of *Human Action*, came to use the term "thymology" instead of "psychology" for a similar reason. As Mises ([1949] 1966: vii) put it,

"in the last decades the meaning of the term 'psychology' has been more and more restricted to the field of experimental psychology, a discipline that resorts to the research methods of the natural sciences. On the other hand, it has become usual to dismiss those studies that previously had been called psychological as 'literary psychology' and as an unscientific way of reasoning. Whenever reference is made to 'psychology' in economic studies, one has in mind precisely this literary psychology, and therefore it seems advisable to introduce a special term for it. I suggested in my book *Theory and History* ([1957] 1969: 264–274) the term 'thymology,' and I used this term also in my recently published essay *The Ultimate Foundation of Economic Science* ([1962] 1978)."

which his actions are implanted. It is “what a man knows about the way in which people value different conditions, about their wishes and desires and their plans to realize these wishes and desires.” As Mises ([1949] 1966: 26) argued, “we cannot approach our subject if we disregard the meaning which acting man attaches to [his] situation, i.e. the given state of affairs and his own behavior with regard to this situation.” And, we cannot get at the meanings acting man attaches to his actions and his environment if we do not consider the thymological factors influencing his behavior.

Unfortunately, in our view, Mises’ own explicit methodological position failed to deal adequately with the consequences of a theoretical focus on meaning, a science of human action with the requisite components of both *erklären* and *verstehen*. This is, to a significant degree, Mises’ own fault. Although many of his pronouncements on the meaning of praxeology stress *verstehen* and its implications for our methodological practices, others take a more Euclidean tone, stressing the universality and apodictic certainty of praxeological precepts. In particular, he transforms a legitimate *distinction* between theoretical and historical questions into a rigid *dichotomy* between them. At times, Mises seems to be arguing that there is a strict dichotomy between theory and history, that while history deals with the particular and the concrete (it is context-specific), praxeology (theory) is universal, is applicable “irrespective of all environmental, accidental, and individual circumstances of concrete acts” (Mises [1949] 1966: 32). And, that since theory is both “logically and temporally antecedent to any comprehension of historical facts,” history cannot be utilized to either falsify or verify theory. History, he seems to be arguing, can never inform theory.

Did Mises really need to draw an indelible line between conception and understanding in this way? Rather than isolating these two cognitive processes completely from each other, he intended them as “two inescapable aspects of what is ultimately one integrated intellectual endeavor” (Lavoie 1986a: 194). The forcefulness of Mises’ claims regarding the distinction between theory and history, his exclusion of thymological concerns from the study of praxeology, and his insinuation that history can never inform theory, we contend, all come from his sense that economics itself was under attack from several distinct sides. Mises’ methodological views need to be appreciated in the context of the intellectual environment of his day and the positions that he was arguing against. While Mises was penning the *Epistemological Problems of Economics* ([1933] 1981), *Human Action* ([1949] 1966) and *Theory and History* ([1957] 1969), the historicists, positivists and various kinds of polylogists were articulating radically alternative approaches to praxeology that rejected, for different reasons, the teachings of economics. Mises, thus, saw himself as the champion of an economics under attack.

The enemies of economics have changed, however, so that the chief danger economics faces is no longer that it may disappear into undifferentiated psychological or historical studies where none of its distinctively economic contributions can be preserved. The danger today is an excessive concern for purification, though not the type Mises had in mind. As Boettke (1996) notes, “the philosophical debates of the 1920s and 1930s that so influenced Mises and Hayek in their methodological pronouncements have progressed.” It is our view that the relationship between theory and history and, particularly, the positioning of

thymology strictly on the history side of the theory-history divide needs to be revisited and revised. As Boettke (1996) argues, “[the] progression in the argument for a non-positivistic and non-mechanistic social science must be incorporated.”

We therefore begin the next section with a review of the intellectual positions that Mises was writing against.³ After contextualizing Mises’s methodological arguments in section 3 and 4 challenge the dichotomization of theory and history. We argue that regardless of Mises’ pronouncements to the contrary, a “pure” praxeology, insulated from thymological considerations, is neither desirable nor sustainable. The final section attempts to outline what a thymologically enriched praxeology would look like.

2 The Methodenstreit: scientific objectivity and the principle of subjectivism

Mises, as we have argued, felt himself forced into a methodological position that dichotomized economics from psychology and history. Mises was trying to separate praxeology from the *verstehen* studies in order to keep it free of a certain kind of tainting: the personal. History and thymology can be done in a serious way, he thought, but they cannot help but be tainted by the connections between the person doing the research and the persons being studied. Mises thought praxeology attains a kind of objectivity that thymology and history should not even aspire to attain.

When the famous Methodenstreit took place, apparently pitting the advocates of theory (Menger) against the advocates of *verstehen* (Schmoller), it would have sounded strange to assert, as one of Menger’s followers did, that what is needed is a *verstehen* economics. We will see that Mises was the pivotal figure in shifting the Austrian school from the position of leading opponent to the position of collaborators in a single *verstehen* tradition.

2.1 The theory/history dichotomy in the Menger/Schmoller debate

The original *Methodenstreit*, or war of methods, was a fight between members of the German Historical School and Austrian economists concerning the methods of analysis appropriate for the study of economics.⁴ Touched off by Carl Menger in 1883, with the publication of his *Investigations into the Methods of the Social Sciences*, the battle centered on the epistemological character of economics. The historicists maintained that “there is no knowledge but that provided by history” (Mises [1957] 1969: 198–9). Menger, however, rejected that assertion. Taking the position, contrary to the view of the German Historical School, Menger argued that economics was not and could not be a ‘historically based’ discipline and, as such, it could not be pursued solely by the application of the historical method. Both

³ Mises’ ([1949] 1966: 32) explanation of why people reject a priorism makes a similar move to the move that we make here, that is, he explains their rejection of a priori reasoning by referencing the philosophies they had to contend with. “A fashionable tendency in contemporary philosophy is to deny the existence of any a priori knowledge. All human knowledge, it is contended, is derived from experience. This attitude can easily be understood as an excessive reaction against the extravagances of theology and a spurious philosophy of history and of nature.”

⁴ Much of the discussion here is informed by Vaughn (1994) and Bostaph (1994).

empiricism and holism had to be rejected because they yielded (could yield) only relative (contingent and context-specific) economic laws and in their stead the ‘exact’ method of deducing economic laws had to be embraced. Menger’s ‘exact’ method required that we first “ascertain the simplest elements of everything real” (Menger [1883] 1985: 60), that is, “we first seek out and study the strictly typical, the simplest, elements of human phenomena i.e. human valuations.” Next, we “investigate the laws by which more complicated human phenomena are formed from those simplest elements, thought of in their isolation” ([1883] 1985: 62). These “exact” laws could then be used to examine economic phenomenon.

Rather than embracing Menger’s methodological turn or engaging it in scholarly debate, the German School’s reaction to Menger’s arguments was polarizing and vitriolic. Menger and the historicists seemed to have mostly talked past each other and many in the discipline have come to view the opening round of the *Methodenstreit* as largely a waste of time. Schmoller, for instance, the head of the Historical School, wrote a scathing review of Menger’s *Investigations* when the book came out and Menger replied to that review a year later in an article laced with personal attacks aimed at Schmoller.⁵ For Mises, however, the *Methodenstreit* was much more than just a debate over methods that ended in a (not so amicable) draw. Instead, Mises saw the debate as but a first round in the battle for the soul of economics.

In the original *Methodenstreit*, the issue was theory versus history; whether there was in fact any role for theory in the study of economics. By the time Mises tipped off what could be called the second round of this debate over methods, however, the philosophical battleground had shifted and the central issue was whether or not there are distinct ways of knowing (for instance, historical versus scientific). Indeed, for Mises ([1949] 1966: 4), “much more was at stake [in the *Methodenstreit*] than the question of what kind of procedure was the most fruitful one.” Instead, “the real issue was the epistemological foundation of the science of human action and its logical legitimacy.” As Lachmann summarized in his foreword to Mises’ *Epistemological Problems of Economics*, “for [Mises], the *Methodenstreit* was by no means over. In his view, what was at stake was not theory as such, viz., empirical generalizations; but the particular kind of theory Menger had defended, based on necessary, not on contingent knowledge.” As stated earlier, the German Historical School, wanted to reject the teachings of economics, and as such their arguments could not be ignored.

2.2 Mises’ trichotomy: everyday, historical, and scientific knowing

Economics, Mises ([1949] 1966: 4) believed, was under attack from all quarters and “it was impossible for the economist to keep silence in the face of all these attacks.” Historicism, Mises argued, “aimed at replacing [economic theory with] economic history; [meanwhile] positivism recommended the substitution of an illusory social

⁵ The debates are described in Lachmann’s book (1971: 24) *Legacy of Max Weber*. The review in which Schmoller so unsympathetically attacked Menger was a dual review, the other half of which was a very sympathetic reading of Wilhelm Dilthey. It is interesting that Mises, one of Menger’s most enthusiastic followers, was to endorse Dilthey’s work as giving a solid account of the nature of historical understanding.

science which should adopt the logical structure and pattern of Newtonian mechanics.” Both positivism and historicism, Mises continues, “agreed in a radical rejection of all the achievements of economic thought.”

It was not only that these intellectual foes challenged the epistemological status of economics that worried Mises but that they sought to replace the “science of economics” with extremely radical alternatives. And, were motivated, in his opinion, by an insidious political agenda. According to Mises ([1957] 1969: 200), for instance,

what [the historicists] wanted was to propagandize for their interventionist or socialist programs. The wholesale rejection of economics was... one item in their strategy. It relieved them from the embarrassment created by their inability to explode the economists’ devastating critique of socialism and interventionism.

The historicists, according to Mises, argued against the pronouncements of economics for political rather than intellectual reasons. Most of them, according to Mises ([1957], 1969: 201), “did not [even] bother about an epistemological explanation of their procedures.” Those who did try to justify their method, articulated a doctrine, which Mises labeled periodalism, that was deeply flawed.

The periodalists, according to Mises, thought that it was possible to derive *a posteriori* laws from historical experience, “which, once discovered will form a new—not yet existing—science of social physics or sociology or institutional economics.” Like the positivists, the periodalists only paid lip service to the “historical method” and the genuine practice of history. In reality, they “rejected history as useless and meaningless chatter, and wanted to [as stated earlier] inaugurate in its place a new science to be modeled after the pattern of Newtonian mechanics” (*ibid.*). Unlike the positivists, however, who wanted to discover universally valid laws, “the periodalists believed that every period of history has its own economic laws different from those of other periods of economic history” (*ibid.*). History, for them, was divided into a series of stages, or rather epochs, and in each successive stage a (perhaps entirely) different set of economic principles was thought to be at work. Nothing, however, was said about how or why a new epoch emerged nor was anything said about the economic laws that governed the period of transition (*ibid.*: 202).

Mises was sensibly worried about both the periodalists’ agenda and their philosophical positions. And, sought to answer their sedition, sternly. Arguing that the historicists/periodalists could not honestly say anything about future events, Mises (*ibid.*: 203) asserted that rejecting “universally valid” economic law meant that “one can say no more than: If conditions remain unchanged for some time, they will remain unchanged.” There was no way to know *ex ante* whether or not conditions would remain unchanged. The historicists, however, made definite pronouncements about the future course of events; freed by their methodological position from having to defend themselves against the arguments of economic science.

The rejection of economics by historicism (and positivism), however, was nothing compared to the “universal nihilism” of polylogism. Racial and Marxian polylogism committed what for Mises was an unpardonable sin; it rejected “the uniformity and

immutability of the logical structure of the human mind” (Mises [1949] 1966: 5). The Marxian version “asserts that a man’s thinking is determined by his class affiliation” while “racial polylogism assigns to each race a logic of its own” (*ibid.*).

It is against this intellectual backdrop and against these positions that Mises constructed his defense of a universally valid science of human action. In the very different intellectual climate today, many of Mises’s assertions as to the “purity” of praxeology sound a bit forced. Nowadays, economic theorists want not only to free economic analysis from psychological and historical tainting, they would like to see it free of the natural language itself, making it into a branch of mathematics.

According to Mises ([1957] 1969: 266), thymology, “the knowledge of the social environment in which a man lives and acts,” has no special relationship with praxeology or economics. Although, “the very act of valuing is a thymological phenomenon... praxeology and economics do not deal with the thymological aspects of valuation” (*ibid.*: 271). Indeed, praxeology does not care why an individual chooses between option A or option B, it “is not concerned with the events which within a man’s soul or mind or brain produce[s] a definite decision.”

Thymology, for Mises, belongs strictly on the history side of the theory-history divide; “it derives its knowledge from historical experience” (Mises [1957] 1969: 272). “All that thymology can tell us,” Mises contends, “is that in the past definite men or groups of men were valuing and acting in a definite way” (*ibid.*). Mises rejects the possibility that we can theorize about how beliefs affect action, how culture impacts choices, or about why an actor might select a particular set of means or ends over another. And, although he concedes that addressing these kinds of questions are essential for the practice of history, according to Mises, praxeology “is neutral with regard to the factors that determine the choice and does not arrogate to itself the competence to *examine, to revise, or to correct* judgements of value” (*ibid.*; *emphasis added*). “Why one man chooses water and another man wine is a thymological problem,” Mises continues, “but it is of no concern to praxeology and economics.”

Mises in an effort to combat the enemies of economics in his day conceived of a sort of methodological trichotomy among kinds of knowing: everyday, historical, and scientific knowing. Contra positivism, matters of historical understanding are considered respectable, serious contributions to scholarly knowledge, but they are necessarily tainted, unavoidably shaped by personal aspects of the historian’s own situation. There can be no strict, objective, “Scientific Method” for doing history, but rather it depends on certain thymological skills, skills in gauging other peoples’ purposes, and are biased by certain thymological considerations, the historian’s own perspective and experiences. Thus, history can attain solid respectability in contrast to everyday understanding, but is more “shaky” (Mises [1962] 1978: 50) than scientific understanding, which is pure and untainted.⁶ Referring to the kinds of assumptions

⁶ The fact that Mises concedes the historian’s work is inevitably tinged with the personal is rather significant in that Gadamer was later to make this the central message in his critique of Dilthey, who, Gadamer thought, was still trying to attain a kind of objectivity which would put it on the same footing as the natural sciences. For a discussion of the relationship between Mises and Gadamer on these issues, see Lavoie (1986b).

about human character and other matters which one needs to make in thymological studies, Mises (*ibid.*) points out,

Compared with the seemingly absolute certainty provided by some of the natural sciences, these assumptions and all the conclusions derived from them appear as rather shaky; the positivists may ridicule them as unscientific. Yet they are the only available approach to the problems concerned and indispensable for any action to be accomplished in a social environment.

We see no good reason why praxeologists shouldn't freely trespass into thymological territory (and vice versa). To do their own job right, they often find the need to say more about the choices that people make, than that they always chose the preferred item. Why A instead of B is too interesting and too important a question to leave unanswered. Indeed, in many cases, we have found it necessary to inquire more deeply into how individual persons see the world so differently from one another.

In monetary theory, for example, the way your conceptual model of money works will depend crucially on the reasons why individuals have a demand for money balances. Is it for short-term transactional purposes or for longer-term expectational purposes?

Again, as Boettke (1996) argues,

...the entire relationships between theory (conception) and history (understanding) must be rethought in the wake of modern philosophical developments. The philosophical debates of the 1920s and 1930s that so influenced Mises and Hayek in their methodological pronouncements have progressed, and this progression in the argument for a non-positivistic and non-mechanistic social science must be incorporated.

Praxeology, in our view, must now be enriched with thymological considerations. This move, we believe, is consistent with not only the spirit of Mises' analysis but his actual practices. In Mises' work, thymological concerns never did fit neatly on the history side of the theory–history divide but rather can be found straddling the 'dividing' line. In the next section, we explore our contention that Mises, in spite of his rhetoric, always incorporated thymology into his economics.

3 Reconsidering the theory–history, praxeology–thymology dichotomies

Getting at the meanings that an actor attaches to his actions and to his contexts involves us using both our general theoretical knowledge (of say the logic of interpersonal exchange) and our understanding of the actor's concrete plans and purposes. Although Mises in his explicit statements about his a priori methodology, if not in his practice as an economist, was calling for a strict dichotomy between theory and history, the one abstract and general, the other specific and particular, he did admit that the distinction was arbitrary. Both theory and history, he maintained, could just as easily be subsumed under a single category of *verstehen*. And, yet so

much of his explicit methodological writing seems to insist on this dichotomy and to exaggerate its significance.

Fortunately, Mises never succeeded in practice in exiling thymology to the history side of the theory-history divide or in drawing an indelible line between praxeology and thymology. In light of our understanding of the philosophical debates that Mises was engaged in, it seems likely that he was interested, primarily, in insulating praxeology and economics from its opponents (as argued above) rather than in constructing an impassible barrier between theory and history. Indeed, although Mises sometimes seemed to be calling for the construction of an a-historic, perspective-less praxeology divorced entirely from historical experience, he in fact never really built one.

3.1 Mises's project of a purified praxeology

Mises evidently longed for a “purified” science of action, one that could insulate itself from the three kinds of enemies that otherwise threatened its scientific status: historicism, positivism, and polylogism. But was he successful? Does the economics that Mises actually *did* in his books and other publications end up looking anything like the pure science of action described in the methodological passages above?

Mises not only peppered his own theoretical expositions with historical narratives but explicitly described history and praxeology (economics) as being absolutely necessary for each other (Lavoie 1986b). They are the two main branches of the human sciences; two inextricable parts of the same intellectual enterprise. According to Mises ([1949] 1966: 51), the human sciences attempt to comprehend both “the meaning and relevance of human action.” To do so, “they apply... two different epistemological procedures: conception and understanding. Conception is the mental tool of praxeology; understanding is the specific mental tool of history.”

Whereas, “the cognition of praxeology is conceptual cognition... [the] cognition of universals and categories,” i.e., generalizations about what can happen, the cognition of history attempts to deduce what actually transpired. As Mises ([1949] 1966) writes, “The freedom of the historian is limited by his endeavor to provide a satisfactory explanation of reality.” In coming to a satisfactory explication of the “meaning and relevance of human action,” however, it is necessary that we weave back and forth between the two epistemological procedures. To be sure, we cannot make sense of history without theory. “If we had not in our mind the schemes provided by praxeological reasoning, we should never be in a position to grasp any action” (*ibid.*: 40). Unless, for instance, we had in our minds such praxeological categories as buying and selling, fighting and cooperating, working and playing, we would not be able to perceive these actions as anything other than mere motions. As Mises (*ibid.*) asserts, experience “presupposes praxeological knowledge.” Historical data, “would be nothing but a clumsy accumulation of disconnected occurrences, a heap of confusion, if they could not be clarified, arranged, and interpreted by systematic praxeological knowledge” (*ibid.*: 41).

But, the relationship between theory and history is not so one sided. It is as impossible to develop useful theory without an appreciation of history as it is to understand history without the application of theory. Science, Mises ([1949] 1966: 65) reminds us, “is not [merely] mental gymnastics or a logical pastime” but is instead a “genuine” attempt to “know reality.” As such, “praxeology restricts its

inquiries to the study of acting under those conditions and presuppositions which are given in reality.” And, it is experience, Mises therefore concedes, that “directs our curiosity toward certain problems and diverts it from other[s]... [experience] tells us what we should explore.”⁷ As Mises (*ibid.*: 66) puts it, “economics does not follow the procedure of logic and mathematics. It does not present an integrated system of pure aprioristic ratiocination severed from any reference to reality.”

There is a legitimate distinction between theoretical questions and historical questions but it is more of a grammatical distinction than a strict dichotomy. If our scientific inquiry takes the form of “what can happen?” or “how does the world work?” then it is called *theoretical*. If it takes the form of “what did happen at this particular time and place?” or “how has the world has worked?” then it is called *historical*. If it takes the form of “what will be likely to happen in this particular time and place?” or “how might the world work in the future?” then it is called *expectational*. The latter two kinds of questions are directed at specific situations of (past or future) human action, while the first kind are aimed at understanding how things work in general, which is to say, what we can use as lenses through which to see any particulars. Any account of what actually happened or is expected to happen, in any real situation, necessarily makes presuppositions about what can *possibly* happen. Any statement of what can possibly happen needs to be based on an understanding of what has happened. Any *expectational* judgment needs to be based on the best available theoretical and historical knowledge. These are distinctions among parts of what are closely interrelated and not strictly separable aspects of our questioning of the social world around us.

In fact, are we not inevitably weaving our way back and forth between conceptual clarification (which you might call deductive reasoning, broadly construed) and application (which you might call empirical work, broadly construed)? Do we really need to choose which is absolutely prior? Or can we not allow that we are inevitably working in a circle, deducing theory from out of the context of our general experience and interpreting specific experiences from out of our comprehension of applicable theories?

Many of the precepts that are at the very foundation of our analysis were arrived at through experience, as well as, through ratiocination. Consider, for instance, Mises’ 1920 paper on the impossibility of socialism. That paper not only connects the dots between rational economic calculation and private ownership of the means of production, it outlines the failures of the central planning efforts during the recently concluded war. As McCloskey (1990a: 62) notes, this balancing of storytelling and model building makes for the “best economics”.

Let us take the example of what Mises called the regression theorem, an idea he first developed in his 1912 book, *The Theory of Money and Credit*. The theorem purports to offer a purely theoretical explanation of the determinants of the value of money. In the section of his magnum opus, *Human Action*, devoted to summarizing the “theorem,” he ([1949] 1966: 407) raises a possible objection:

Finally it was objected to the regression theorem that its approach is historical, not theoretical. This objection is no less mistaken. To explain an event

⁷ Mises takes pains to note, however, that this does not change the character of praxeological knowledge. Mises ([1949] 1966: 65) says that “this reference to experience does not impair the aprioristic character of praxeology and economics... it tells us what we should explore, but it does not tell us how we could proceed in our search for knowledge.”

historically means to show how it was produced by forces and factors operating at a definite date and a definite place. These individual forces and factors are the ultimate elements of the interpretation. They are ultimate data and as such not open to any further analysis and reduction. To explain a phenomenon theoretically means to trace back its appearance to the operation of general rules which are already comprised in the theoretical system. The regression theorem complies with this requirement.

Mises's defense of the theoretical nature of his regression theorem is interesting. He makes a concise statement of what differentiates theoretical from historical statements, which reinforces the interpretation we have been arguing for in terms of the particular vs. the general. Clearly what Mises is doing in the regression theorem is what he calls theory, an account of what could possibly happen. Yet to most economists this explanation looks distinctly untheoretical.

The regression theorem suggests that valuation is a process that depends on previous knowledge and context, and is not a timeless problem that can be addressed in the timeless world of general equilibrium. "It traces," as Mises (*ibid.*) continues,

...the specific exchange value of a medium of exchange back to its function as such a medium and to the theorems concerning the process of valuing and pricing as developed by the general catallactic theory. It deduces a more special case from the rules of a more universal theory. It shows how the special phenomenon necessarily emerges out of the operation of the rules generally valid for all phenomena. It does not say: This happened at that time and at that place. It says: This always happens when the conditions appear; whenever a good which has not been demanded previously for the employment as a medium of exchange begins to be demanded for this employment, the same effects must appear again; no good can be employed for the function of a medium of exchange which at the very beginning of its use for this purpose did not have exchange value on account of other employments. And all these statements implied in the regression theorem are enounced apodictically as implied in the apriorism of praxeology. It must happen this way. Nobody can ever succeed in construction a hypothetical case in which things were to occur in a different way.

The famous mainstream monetary economist, Don Patinkin (1965), was quite mystified by Mises's time-embedded theory. He thought the whole thing was trying to resolve a bogus problem in the first place, the circularity problem, that worries about the idea that the value of money depends on the value of the goods it can purchase, but the value of those good depends on the value of money. For Patinkin, this is easily resolved analytically, by acknowledging the mutual dependencies of an equilibrium state. One first does an "individual mental experiment" (in which the value of all goods is calculated under all possible conditions for the value of money) and then one plugs these answers into a "market experiment" to compute the value of money.

Though Mises insists that he is not switching to history in resolving the circularity, in contrast to neoclassical economics, the theory he is building is a much more historically oriented sort of theory. For Mises, such artificial

experiments as Patinkin deploys can be of little value in asking about real-world valuation processes. Mises makes a good case that the actual valuation of money has a historical component to it and that it cannot be dealt with in a timeless model. Menger's story of the evolution of money, of which Mises's theorem is an adaptation, is also a historically oriented theory, not a purely analytical model.⁸

Indeed, stories (history) answer models (theory) and models answer stories at virtually every stage of Austrian economics. This is true even of the most fundamental praxeological concept, *purposeful human action*. Human action as purposeful behavior forms the basis for our entire theory of human action yet we know that men act purposefully because of our experience, we learned it from history. Rothbard in his Preface to *Theory and History* (1957), asks the question, "is the fact of human purposive action 'verifiable?' is it 'empirical?'" and concluded that it is. As he asserts, "the empiricism is broad and qualitative... it is so evident...it clearly forms the very marrow of our experience in the world." Although Rothbard asserts that "it has nothing do with ... historical events," it is difficult to reconcile this assertion with his arguments for the historical nature of our awareness of purposefulness. Indeed, if purposefulness was not true empirically (historically), if it were not "the very marrow of our experience in the world" then praxeology (a theory of purposeful action), would not be an appropriate mode for analysis.⁹

Mises is, in the end, unclear on what he means by *a priorism*. There are passages in which he seems to claim that theory is strictly deduced from first principles, like the theorems of Euclidean geometry. But, there are also places where he argues explicitly that the study of action is different from the purely deductive sciences and, in particular, that they have different starting points. "The starting point of praxeology is not a choice of axioms and a decision about methods of procedure," Mises ([1949] 1966: 39) argues, "but reflection about the essence of action." Praxeology does not begin with arbitrary assumptions but with real world experiences. Although he was not as clear as we would hope, what he seemed to be trying to say was that history influences theory but that the kind of influence history has on theory is not the kind that historicism and naive empiricism had been suggesting. We do not build theory out of an accumulation of observations of (raw, theory-less) facts until some sort of generalization of the facts can be concocted. We do not, for instance, understand triangles and the logic of geometry by observing hundreds of real-world triangles until a statistical pattern like the Pythagorean theorem emerges from the data. Yet, even though we do not seek to "test" such theorems by looking around for anomalous triangles whose angles do not measure up, we would not say that experience of the world is irrelevant to our theory-

⁸ Mises's own followers also continued the tradition of developing time-embedded theory. Hayek's account of the rise of market societies in his *The Fatal Conceit* is, for example, an evolutionary theory in which time is fundamental to the analysis.

⁹ This circularity of stories and models informing and answering each other also affects the science of human action at an even more fundamental level. A theory of human action arrived at through ratiocination is only possible because we can reason. But, humans think in language, language requires experience and so experience (living as humans) is a pre-requisite to all theorizing.

building. Some kind of appreciation of generic shapes that comes from having seen (or touched) triangularly (and non-triangularly) shaped things, for example, is certainly critical to our ability to undertake geometric reasoning. Stated crudely, you need to know what a triangle is in order to do geometry and some kind of primordial experience is surely necessary.

Members of the Austrian school, famous for its theoretical, methodological, and intellectual–historical contributions, have been aware for some time of the difficulty of maintaining a sharp fissure between theory and history. In fact over the last several decades much of the new work coming out by Austrian scholars has been empirical in nature.¹⁰ Austrian economics is starting to look more and more like economic history. The reason for the renewed energy behind empirical studies has to do with a shift in the understanding many Austrians have of the theory/history relation. It is increasingly recognized that not only is theory the basis for empirical work, as Hayek and Mises always argued, but also empirical work is a basis for theory. One way to advance theory is to do economic history but with one's theoretical antennae up, staying alert to opportunities to refine our general understanding of the way the world works by way of the exemplary character of some particular historical case.

But doing economic history need not be considered the only way to advance theory. One might sometimes engage in a direct examination of the theoretical viewpoints themselves. A second way to advance theory is to do what some people call “the history of thought.” That is, the idea is to read and study carefully, and make a critical contribution to, some specific stream of thought in the on-going critical debates about theoretical issues. The issue is not so much one of method, that is, of applying procedures for resolving questions that are already on the table, but rather of finding good questions to ask in the first place.

Another way to make the point against the exaggerated Misesian contrast between theory and history is to remind ourselves of the extent to which all theoretical statements are themselves part of an historical process. Concepts need to be historically understood. The theoretical claims Austrians made about business cycles in the 1930s, for instance, are definitely taking place inside of an historical conversation about trade cycle theory that had been going on in German and English for a hundred years. Even if we look at the theory just in terms of scientific argument, the place of an argument in relation to other arguments is key to its meaning. What gets emphasized depends on the existing state of the conversation, and can only be properly appreciated in that context. (In a methodological debate against an opponent who insists on *a posteriorism*, one might, for instance, exaggerate the reverse relationship.) And, of course, there is the larger historical context as well. The fact that there was a great depression going on in the 1930s has a great deal to do with what trade cycle theory, a theory that purported to explain the causes of depressions, was all about. Indeed, no

¹⁰ If one reads through the list of articles published in recent issues of *The Quarterly Journal of Austrian Economics* and *The Review of Austrian*, for example, one finds ‘Do Entrepreneurs Make Predictable Mistakes? Evidence from Corporate Divestitures’ (Klein and Klein 2001), ‘Bankruptcy Reform in Russia: The Case for Creditor-Rights in Russia’ (Moss 2000) and ‘The Market Process and the Economics of QWERTY: Two Views’ (Lewin 2001) amongst more traditional Austrian pieces.

theoretical statement stands outside of the on-going historical conversations of previous contributions to theory. Theory, simply, cannot be abrogated from history.¹¹

When examined closely, the attempt to dichotomize praxeology and history fails. That praxeology is concerned with meaning only blurs what is, for us, an already fuzzy dichotomy. As Mises ([1949] 1966: 26) concludes, it is impossible “to grasp human action intellectually if one refuses to comprehend it as meaningful and purposeful behavior aiming at the attainment of definite ends.” And, as he argues later, “meaning” can only be gotten at through *verstehen*. It requires that we examine subjective phenomena. It requires that we become subjectivists.

4 Subjectivism and tainted praxeology

Within the Austrian school, this principle of subjectivism has evolved from a narrow technical point in the theory of value to a broader principle for the study of human action. As Mises ([1949] 1966: 3) put it,

For a long time men failed to realize that the transition from the classical theory of value to the subjective theory of value was much more than the substitution of a more satisfactory theory of market exchange for a less satisfactory one. The general theory of choice and preference goes far beyond the horizon which encompassed the scope of economic problems as circumscribed by the economists from Cantillon, Hume, and Adam Smith down to John Stuart Mill. It is much more than merely a theory of the “economic side” of human endeavors and of man’s striving for commodities and an improvement in his material well-being. It is the science of every kind of human action.

This widening amounted to a linking up of the Austrian work in value theory with the *verstehen* tradition of German social thought, a group of philosophers and social theorists from whom the Austrians borrowed, and with whom (we have seen) they fought.

¹¹ Accepting that theory and history are inextricably linked has dramatic implications for the study of intellectual history; implications that should be acknowledged. For instance, it becomes clear that those who think they can dispense with the history of thought are simply allowing their concepts to be unwittingly shaped by prior discourses of which they are ignorant. One does not escape Keynes’s influence by declaring it “history” and proceeding to “just do one’s own theory” of the relationship between savings and investment, where all the categories one deploys have a history that traces back to Keynes and his followers and critics.

Similarly, the premise that assigns a secondary and derivative nature to intellectual history is called into question. It is generally presumed that theory construction is one kind of thing (and the primary kind, for which the most prestige is expected) and that the history of thought is another kind of thing (secondary to theory building, and of lesser prestige). History of thought work is merely the telling of interesting stories of the creative work of previous theorists, and so it is parasitic on those who do the “real work” of the science. Many seem to think that it is only carried on by those who are not creative enough to invent theories for themselves. It is only of interest to antiquarians, those curious about what used to be the case, once upon a time, in our discipline. It is fundamentally backward-looking and perhaps at best seen as important only for getting the record straight on who discovered what when, but not relevant in any important way to the forward-looking construction of theory. History of thought is “just history.” Accepting that no theoretical statement stands outside of the ongoing historical situation, however, we would argue that history of theory is not “just history” but that it is theory.

Mises ([1949] 1966: 49–50) explicitly points to the contributions of the early *verstehen* tradition; referring to the elaboration of the notion of understanding as “one of the most important contributions of modern epistemology.” This linkage brings both some strengths and some weaknesses to the Austrians’ work. And, important for our purposes here, it further calls into question the stark line Mises wished to draw between theory and history and sets the stage for our reconsidering the relationship between thymology (“what everyone learns from intercourse with his fellows”) and praxeology (“the science of action”). In fact, Mises’ position on *verstehen* in many ways anticipates the sort of point that we are making here (a point that Lachmann, by the way, has suggested long before us).

Unfortunately, at the time the Austrians were in contact with it, the *verstehen* tradition was still trapped in the metaphysical baggage of the philosopher’s subject/object dichotomy. In the writings of Wilhelm Dilthey, Heinrich Rickert, or Max Weber, one can still see a struggle to hold on to the dichotomy, to strive for a certain kind of objectivity in the human sciences, while seeing the content of the human sciences as a matter of subjective meaning. Practical human affairs and history seem to be mired in a certain kind of subjectivity in contrast to scientific knowing. Moreover, *verstehen* was thought to be limited to particular circumstances and unable to deal with the need to find general explanations of recurring phenomena. For the early *verstehen* advocates, explaining (*erklären*) was not part of *verstehen* but a separate kind of cognitive act. The slogan attributed to Dilthey, that the natural sciences explain but the human sciences understand, captures the spirit of the early *verstehen* tradition, even if it is not entirely fair to the subtleties of Dilthey’s thought.¹² Objective causal explanations are set against subjective interpretations of meaning.

These contrasting terms of subjective and objective were in the air in late nineteenth and early twentieth century social theory and the philosophy of history, carrying with them a whole set of connotations about the nature of knowledge. So for example, writers would routinely contrast “knowledge from within” or the mental, from “knowledge from without” or the physical. External knowing, what is outside of us, as when we study nature, is contrasted with internal knowing, introspection, what is inside of minds. Objective explanations strive for universality, subjective interpretations focus only on particular circumstances. Apparently, there would be no room in this perspective for something like a praxeology, a general theory of meaningful human action, hoping to help us explain the workings of the economy. Either it is about meaning, in which case it is subjective, particular, and private, or it is not, in which case it is objective and general. With the problem framed in this way, it is not surprising that Mises felt it necessary to cast praxeology as an objective and universal “science of action” and to stop short of pushing the Austrian tradition to its subjectivistic ends.

The entrepreneur, the Austrians wanted to say, is creating real (objective) wealth by finding opportunities to shift resources toward their (subjectively) higher valued uses. The economist, they wanted to say, is engaged in (objective) science in his theoretical study of the laws of this (subjective) world of mental meanings. The

¹² A thorough and fair summary of Dilthey which shows why this slogan is misleading is the book by Ermarth (1978).

subjective preferences that underlie systemic price phenomena are taking place within the realm of human meaning and purposefulness, which the Austrians tended to describe as matters buried “within individual minds”, but the prices are objective, are “out there”, are indicators of real possibilities and limitations that market participants and economists need to treat as hard realities.

The early *verstehen* tradition, though providing an attractive account of the nature of historical work, didn’t leave room for these kinds of claims. It left no room for the “objective science of subjective phenomena” that Mises wanted to develop.¹³ In particular it seemed to preclude the possibility of the kind of generality and objectivity that Mises presumed (like virtually every social scientist of his time did) was necessary for a science. The historian, Mises thought, is guided by the search for truth, is not merely engaged in an arbitrary expression of personal opinion. But, “there necessarily enters into understanding an element of subjectivity. The understanding of the historian is always tinged with the marks of his personality. It reflects the mind of its author” (Mises, [1949] 1966: 57). History has a kind of semi-objectivity, Mises argues, enough objectivity to be taken seriously as a part of scholarship, but not enough to count as a “science.” It is “tinged” with the personality of its author, while genuine science has to be impersonal.

This distinction between conception and understanding, Mises ([1933] 1981) himself admitted, was arbitrary; shaped more by the common usages of his day than by essential differences.¹⁴ But, having made the distinction, Mises was to make more of it than was warranted. Lachmann, it should be noted, picked up on this admission and asserted boldly that *verstehen* cannot be relegated to the empirical half of the study of human action. As he suggested, it applies to theoretical concept formation as well; “characteristic of the trend of thinking of the Austrian school is, in our view, *Verstehen* (understanding), introduced as a method into the theoretical social sciences” (Lachmann [1966] 1977: 47).

¹³ As we have argued elsewhere (Boettke, Lavoie and Storr 2004),

The notion the Austrians were trying to carve out of “an objective science of subjective phenomena” is misleading on both ends; subjective value phenomena are made to appear too arbitrary, too disconnected from reality, too inaccessibly buried in the realm of the mental....

The philosophical literature’s entanglement with the subject/object dichotomy goes back at least to the work of Descartes, Kant, and Hegel, some say all the way to Plato . . . [and] among contemporary philosophers there is now wide agreement that the dichotomy causes more trouble than it is worth, that both claiming the strict objectivity of science and claiming the subjectivity of non-science (the humanities, practical experience) are highly misleading sorts of claims. Across various otherwise diverse philosophical traditions, from continental, to contemporary analytic, to American pragmatist traditions, philosophers agree that the metaphysical and psychologistic presuppositions behind this way of talking are best left behind. The contemporary analytic tradition has made this point in terms of undermining the presuppositions of the whole mind/body distinction. Likewise one of the main developments of continental philosophy, phenomenology, makes a very similar challenge to this artificial separation of the subject from the object. Virtually all the major figures in philosophy in the twentieth century have come to be wary of the misleading connotations of the dichotomy.

¹⁴ Mises ([1933] 1981, p133) writes: “In and of itself, it would have been possible to include in the definition of understanding every procedure that is directed toward the comprehension of meaning. However, as things stand today, we must accommodate ourselves to the prevailing usage. Therefore, within the procedures employed by the sciences of human action for the comprehension of meaning we shall differentiate between conception and understanding. Conception seeks to grasp the meaning of action through discursive reasoning. Understanding seeks the meaning of action in empathic intuition of a whole.”

Admittedly, this move to introduce *verstehen* as “a method in the theoretical sciences” (which of course is to erase the line that Mises drew between thymology and praxeology), can only really work if we correct the deficiencies in the traditional *verstehen* approach. Fortunately for the contemporary Austrians, contemporary heirs to the *verstehen* tradition have been correcting these deficiencies. Only if understanding can refer not only to historical particulars but also to general or typical phenomena can it serve in this more ambitious role. And, only if we can shake off the latent historicism, psychologism, and mentalism of the earlier *verstehen* tradition can we let the method of understanding serve as the basis of economic theory. All the various contemporary philosophers of understanding in this tradition, from Paul Ricoeur to Hans-Georg Gadamer, are very explicit about enlarging the notion of understanding to include explanation.

Lachmann (*ibid.*: 46) puts the point in terms of style:

I maintain that there is a characteristic and demonstrable “intellectual style” of the Austrian school and that this style is geared to the interpretation of cultural facts... [T]he ideas and aims of the representatives of the Austrian school, perhaps unconsciously, were always directed not only toward the discovery of quantitative relationships among economic phenomena, but also toward an *understanding* of the meaning of economic actions.

Lachmann wants to undo this dichotomy, but never really elaborates how the theory of understanding needs to be changed, freed from its subject/object baggage, in order to accommodate economic theory. He points to a fundamental inconsistency of Mises’ schema: praxeology is concerned with purposes but it is not an historical discipline whereas a reliance on *verstehen* (a purely historical procedure) is an unavoidable consequence of an analytical focus on meanings. But, he does not really elaborate how we might begin to overcome it. One possible answer, we contend, is to reconsider the relationship between thymology and praxeology, that is, to view thymology as the bridge between observed occurrences and praxeological categories rather than as a purely historical discipline.

Thymology, remember, is an awareness of the social environment in which we live and act. Mises (1957: 264) described thymology as “the cognition of human emotions, motivations, ideas, judgements of value and volitions” and “a faculty indispensable to everybody in the conduct of daily affairs.” As such, an appreciation of thymology is synonymous with an awareness of culture; an awareness of the institutions that constrain our choices, of our ideologies, beliefs and practices, of the meanings we attach to actions and objects. Mises, typically, stressed the historical nature of thymology. “It is,” Mises (1957: 266) asserts, “what everybody learns from intercourse with his fellows.”

But, calling into question the theory–history dichotomy necessarily calls into question the relationship, as traditionally conceived, between thymology and praxeology. In *Theory and History* ([1957] 1969: 271–2) Mises argues that “thymology has no special relation to praxeology and economics” and that

...thymology is a branch of history. It derives its knowledge from historical experience...the thymological observation both of other people's choices and of the observer's own choosing necessarily always refers to the past, in the way

that historical experience does...all that thymology can tell us is that in the past definite men or groups of men were valuing and acting in a definite way.¹⁵

Maintaining this narrow view of thymology, however, neglects the role that thymology must play in the human sciences if they are to be truly interpretive and obscures the role that thymology has played in the social sciences in the past. Social science theory has always made reference to thymology.

Consider Mises' own *Human Action* ([1949] 1966), his *magnum opus* on economic theory. In his chapter on "The Role of Ideas," for instance, Mises theorizes about a purely thymological subject: how an individual's world view influences her choices. As Mises ([1949] 1966: 178) writes:

A world view is, as a theory, an interpretation of all things, and as a precept for action, an opinion concerning the best means for removing uneasiness as much as possible. A world view is thus, on the one hand, an explanation of all phenomena and, on the other hand, a technology, both these terms being taken in their broadest sense. Religion, metaphysics, and philosophy aim at providing a world view. They interpret the universe and they advise men how to act.

Indeed, a world view has definite ideas about the limits of human action; it circumscribes what is possible and recommends what is preferable. Mises' elucidation of how world views influence human activities suggests that there is a role for thymological considerations in theory.

Mises ([1957] 1969: 266) describes thymology as both "an offshoot of introspection" and "a precipitate of historical experience." It is, therefore, according to Mises, not only discovered through experience but is also arrived at through ratiocination (like praxeology). In spite of Mises' urgings, thymology (an offshoot of introspection) cannot be seen as an entirely historical discipline. Rather thymology must be seen as both "what everyone learns from intercourse with his fellows" and what everyone needs in order to have intercourse with his fellow men. Thymology is a tool not unlike praxeology; it is critical for our understanding of history and is also informed by our experience of history. Concerning ourselves with why an individual chooses A rather than B (a purely thymological concern), should, therefore, be seen as both possible (without embracing historicism) and necessary (if praxeology is to get at meaning).

5 Conclusion: what would a thymology-enriched praxeology look like?

The central idea behind the concept of "praxeology" is to have a general science of human action, a science that stands up to the critical standards of any other science, but which is also "of human action." It pays attention to the meanings that phenomena have to the human subjects who experience them. So how deeply into these meanings should the praxeologist penetrate? Mises's methodological demarcation whereby thymology is excluded from the legitimate domain of praxeology,

¹⁵ He repeats this claim in the *Ultimate Foundation of Economic Science* ([1962] 1978, 46–52).

appears to be placing an arbitrary wall in the way of the researcher. Asking the consumer *whether* she prefers A over B is legitimately within praxeology, but asking *why* she prefers A over B moves us beyond our legitimate domain, into thymological territory. Why be so touchy about whose territory we're in? We can understand how Mises was trapped between historicism and positivism and thought he was protecting the scientific status of his science of human action by keeping *verstehen*, which many considered a "shaky" methodology, out of his formal science. But today, in light of the changes that have taken place in the philosophy of science, and within the *verstehen* tradition itself, one could argue that territorial boundaries of this kind are unjustifiable, and tend to lead to serious problems.

If in today's philosophical climate there is no longer any danger that praxeology would lose its scientific stature by letting *verstehen* and thymological investigations "tinge" our research, however, we should still ask what we have to gain from opening praxeological theory to such matters. How might a piece of praxeological scholarship differ were it tinged or might we say "enhanced" by thymology?

But before going too far here we need to acknowledge that much of what was said about Mises can be said of the Austrian school more broadly: praxeology has already been opened up to thymological concerns in practice, even where such an opening up is explicitly forbidden in methodological writings. Praxeology enhanced by thymology is already out there, though sometimes disguised. In particular in those works that claim to be doing economic history (applied praxeology) there are in fact important theoretical advances being made.¹⁶ Theory is not in fact being pushed forward mainly by internalized contributions to a hierarchical body of purely theoretical steps of reasoning.

And, yet it has to be admitted that some of the core work of Austrian economics has been twisted in unfortunate ways by the widespread belief that praxeological theory stands on its own legs, is not dependant on history. We would like to open up praxeology to thymology. We would like to claim that the person doing praxeological theory is a historically situated person and therefore the theory that gets developed is already tinged. The theorist is a person fully situated both in a specific economy and in an intellectual discourse about economics. Mises admits that history can shape what questions get taken up for analysis among theorists in the first place but does not seem to grasp what a profound concession this really is.

Indeed, the opening up of praxeology to thymology does not imply merely an opening to one professional discipline. It would be a mistake to interpret this argument as nothing more than a plea for psychologists and Austrian economists to talk to one another, although that would be nice. While literary psychology does today, as Mises thought it did in his day, have a great deal to say about why people do what they do, in today's complex disciplinary landscape, one finds serious scholarly work going on all across the humanities and social sciences where what

¹⁶ Take for example the work of White (1984) on *Free Banking in Britain*, or Baetjer's on the software industry in the US, or Chamlee-Wright's on entrepreneurship in Ghana, all of which are books that at first glance appear narrowly focused on historical details, and yet which also make us think very differently about the theoretical issues raised. These works challenge at a fundamental, praxeological level, the way our theorizing has been done with respect to the nature of competition in the banking industry, capital, and entrepreneurship. They are profoundly theoretical works buried inside of exhaustively detailed historical studies.

Mises would call thymology is being done, including philosophy, literary theory, history, anthropology, sociology, cognitive science, political and social theory, and so forth. This paper is a plea to open further a conversation that has begun across what is an extraordinarily wide range of scholarship, and yet is also a body of work that is surprisingly rich with interconnections and commonalities. The fact that anthropologists and historians speak such different languages does not preclude the possibility that they may be ultimately trying to get at the same kinds of things, human meanings.

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