

The Logic of Happiness

Note to the reader (July 2026): The essay below is an abbreviated version of my theory of interpersonal action written in 2009. It condenses and summarizes ideas that I had been working on from 2006 through 2008. I'm re-posting it mainly as a historical marker of the progression of my thinking.

I've made some updates to the wording of the essay to make it more understandable. The most significant of these updates is the substitution of the phrase "interpersonal action" for the original phrase "ethical action." When I wrote the original essay, I intended to mean by "ethical action," action taken within the realm of human conduct that has been traditionally addressed by ethics. In other words, the phrase "ethical action" denoted to me the application of value-free action theory (i.e., praxeology) to the realm of human conduct historically treated by normative ethics. It did not mean to me anything having to do with the determination of whether specific interpersonal acts are ethical or unethical from a normative point of view. My original choice of words was confusing, and so I have replaced all instances of the phrase "ethical action" with the much more suitable phrase "interpersonal action." I have also replaced the word "axiom" in the original essay with the word "concept" to make the essay more understandable.

Some of the more technical parts of the argument may be a little difficult to follow, and this is probably because I was working through problems that I had not yet solved to my satisfaction. Briefly, the original idea was that human action can be conceived in terms of *striving* and *attainment*. From the point of view of the individual consciousness, there are those things that have been attained (those things that are perceptually present) and there are those things that are striven for (those things that are sought but not yet brought to perceptual presence). The essential insight of the Theory of Interpersonal Action (2006-2009) was that in interpersonal action there are things that are sought (the mental entities of another person, such as that person's thoughts, intentions, motives, etc.) but which cannot be brought to perceptual presence. If an actor strives to bring things to perceptual presence, experiencing this "attainment" (the bringing of something to perceptual presence) as happiness, and if there are some things that may be striven for but that cannot be attained (the mental entities of another person), then the striving for these entities must impact the happiness of the actor who strives for them. If social interaction (interpersonal action) involves an "attempt to attain" the thoughts, motives, intentions, etc., of another person, then social interaction impacts the happiness of the actor who makes these attempts. This is the central idea that I was working with and that I was trying to build a theoretical framework to express. In the essay below, there

are at least two theoretical challenges that needed to be addressed, and I think it will be helpful to describe these challenges so the reader can see why the technical passages in the essay are not as understandable as they could be.

First, in the original conception of “striving and attainment,” happiness was defined as the case when a “striven-for entity” (a striven-for “want”) became an “attained entity” (an attained want). Happiness was conceived as the situation in which the thing sought after was attained. However, this scheme implied or entailed a temporal process, and I was already far enough along in my theoretical thinking—or would soon progress there—to understand that temporal processes are empirical processes. My goal was to demonstrate necessity in human action, not possibility or probability. Thus, the problem of temporality, its presence or absence, or at least the conception of temporality within the structure of the theory, had not been solved at this point.

Second, at this point in my theoretical development, I had likely already concluded that my system would be comprised of only two categories. The category of attainment seemed straightforward as that category of things that are perceptually present to a consciousness. I would then argue that “striving” is something categorically different from attainment. That means that striving will be something that is not perceptually present to a consciousness. Thus, I was trying to claim both that striving is something that I (as an acting being) *do*, **and** that it is something that is not perceptually present to me. However, how do I know that striving is something that I do without having perceptual evidence that I do it? If I am familiar with the phenomenon of striving to attain something and with the phenomenon of attaining something, I assume this is because I have “experienced” both phenomena. If one phenomenon is experienced by me perceptually and one of them is not, then how, exactly, did I obtain the “experience” of the second phenomenon?

Because I was still grappling with these problems at this stage of the theory, one can see that I was trying different concepts, trying different combinations of concepts, and trying different analogies, in an attempt to satisfactorily address these problems. This accounts for the difficulty in some of these more technical passages. I was working through unresolved theoretical problems.

Lastly, since my theoretical system is comprised of only two categories—a category of perceptual presence and a category of nonperceptual presence—this suggests and ultimately requires a reorganization and recategorization of entities that have historically been organized and categorized differently. Thus, to take some prominent “category pairs” of social science—category pairs such as means/ends, supply/value, supply/demand, happiness/unhappiness, etc.—one element of the category pair (means, supply, happiness, etc.) will be conceived as

perceptual in nature, while the other element of the category pair (ends, value, demand, unhappiness, etc.) will be conceived as a “nonperceptual presence.” This may help the reader to understand my meaning in the passages that discuss these category pairs.

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Praxeology

Praxeology is a discipline concerned with expressing the recurring phenomena of human experience in the form of exact laws.

Historically, praxeology is associated with economics, but the scope of praxeology exceeds economics proper and encompasses any goal-directed activity (any action) in which means are utilized to bring about an end. Holding the door open for someone or thinking about a problem in a different way are means to ends, just as increasing the legal minimum wage or printing more currency are means to ends.

The difficulty in conceiving praxeology as a general science of human action, as opposed to a science of the *economic aspects* of human action, is apparently due to the fact that economic acts eventually result in price fluctuations, and in this sense economic acts entail measurable or “objective” results. By contrast, interpersonal acts such as coercion and dishonesty do not entail measurable results in the same way economic acts do. We know of no phenomena which fluctuate following interpersonal acts analogous to how prices fluctuate in response to economic acts.

The absence of an objectively measurable consequence to interpersonal acts seems to be the reason we believe that interpersonal acts are not “law-like,” and thus not the proper subject of a science of law-like phenomena. Economic actions and their resultant consequences as manifested in market prices are law-like (exhibit regularity), and thus we believe that economic actions are the proper subject of a science of law-like phenomena.

The focal point of praxeology is the ascertainment of laws of succession and coexistence with respect to human goal-directed activity. A *law* in this view is a relationship between phenomenon **A** and phenomenon **B**, such that the appearance of phenomenon **A** brings with it the appearance of phenomenon **B**. This implies that phenomenon **A** and phenomenon **B** are non-identical in some sense.

A praxeological law is clearly and explicitly formulable; it identifies or differentiates two entities and states the sense in which one entails the other. This may seem self-evident. However, one often reads about “moral laws” or “natural laws” for which the implied law-linked entities or the sense in which they entail one another is not clearly defined. This lack of clarity and specification indicates that moral or ethical laws have not yet been uncovered, though some believe they exist.

A praxeological law is utilizable. It is utilizable in the sense that success in bringing about phenomenon **A** thus brings about phenomenon **B** and, conversely, success in avoiding phenomenon **A** thereby avoids phenomenon **B**.

Regarding the following three questions:

1. How to bring about **A**?
2. How is **A** equivalent to **B**?
3. How does a person experience **A**’s equivalence to **B**?

We will view (1) as an empirical question and not the focus of our inquiry, (2) as an “exact” question and the primary focus of our inquiry, and (3) as partially empirical and partially exact and thus a secondary focus of our inquiry.

Praxeology is “if-then” in nature: If **A**, then **B**.

Action

Action is both striving and attainment taken as a unified whole. Action is comprised of both the means currently utilized and the ends sought.

Action is aiming at ends. It is “wanting” or “trying to.” Aiming, wanting, trying, attempting, desiring, willing, intending, striving, seeking, searching, wishing, hoping, proposing, pursuing, needing. These all refer to the same fundamental phenomenon: the attempt to bring about a situation different from the one that exists currently.

A *means* is that which is currently utilized toward an end which has not yet been brought about. As opposed to the end which is aimed for, a means is “attained.” It is present currently; or, simply, present. The end is never present and never attained. In praxeology, *end* is a logical category designating that which is sought. Something sought is something not obtained or attained. Ends and means are the two fundamental categories of action.

According to the various ends an actor may have, we may classify various types of action. If the end is to change the location or appearance of an ordinary object of perception, we may designate this type of action a “physical” action. If the end is to conduct a monetary exchange, we may designate this type of action an “economic” action. If the end is to effect a change in the mind of another person, we may designate this type of action an “interpersonal” action. And if the end is to effect a change in our own mind, we may designate this type of action a “mental” action.

Thus, a person playing a guitar in a coffeehouse may be understood to “act” in each sense described above. When they pick up their guitar they act physically. When they hand out three dollars for a cup of coffee they act economically. When they play guitar for the enjoyment of their audience they act interpersonally. And when they play for their own enjoyment they act mentally.

Action is the general phenomenon of striving to attain. And we may classify various types of actions according to what the actor tries to attain.

An Exact Science of Human Interpersonal Action

Referring to the four classes of actions above, it is possible to conceive mathematics as an exact science of physical action and economics as an exact science of economic action. In this view, then, the exact sciences of interpersonal and mental actions have yet to be developed. A conception such as this is what Mises had in mind when he stressed repeatedly that economics was, up to that time, the best-elaborated part of praxeology.

Traditionally, the study of interpersonal action has been pursued as something other than an exact science of human interpersonal action. Libertarian ethics is traditionally concerned with rights; socialist ethics is generally concerned with equity; and religious ethics teaches the ethical code of the Deity or prophet. The realm of interpersonal action has historically been studied as a normative discipline, not as an exact science.

At least two things prevented interpersonal actions from being studied within exact science. First, the existing system of social-scientific concepts had been developed mainly with an eye toward market phenomena. Formal social science was largely economic social science. This situation posed an intellectual obstruction for those theorists, trained in economics, and who later turned their focus to the realm of interpersonal conduct. Second, though the idea of a formal understanding of human happiness was discussed, a workable formal-logical conception of happiness and unhappiness remained elusive.

Conceiving happiness and unhappiness formally entails more than simply asserting that the concept of happiness is to be understood formally, and without respect to the concrete state of affairs from which a person expects to derive happiness. What is needed is a formal conception of happiness and unhappiness that, besides being absent specific content, also corresponds to the recurring and recognizable pattern of happiness and unhappiness as those are experienced in human action and human consciousness.

The insight that *happiness* is always a situation in which *such and such* happens and unhappiness is always a situation in which *so and so* happens, is the first step toward a formal definition or conception of the phenomena happiness and unhappiness. This insight, explicitly stated and conceived as absent specific content, then leads to a formal conception of happiness and unhappiness. Once happiness and unhappiness are conceived formally, this allows the formal means/ends and happiness/unhappiness conceptions to be integrated into a unified logical-deductive system.

Those who tried to follow Mises have conceived praxeology primarily as a formal science of the *economic* aspect of action and have studied mainly the logic of *economic* means and *economic* ends. And they have conceived interpersonal conduct as a different realm of activity altogether. In this conception, when we turn to interpersonal conduct, we are no longer concerned with *regularity* in social phenomena; instead we are concerned with *rights*; with what one person *should* or *should not* do to others. They conceive that when we turn from economics to interpersonal conduct, we turn from the pursuit of science to the advocacy of norms. Interpersonal conduct (i.e., interpersonal action) as the subject of a theoretical science of invariant regularities is either dismissed or overlooked. Interpersonal action as a branch of praxeology—the attempt to conceive the necessary consequences or co-presences of interpersonal actions—is not considered.

Striving and Attainment: The Two Categories of Action

The two fundamental categories of action are *striving* and *attainment*. In action, there is that which is present currently, and there is that which is sought and therefore not present currently. The categories of striving and attainment are non-identical “if-then” categories conceived without respect to specific content. If something is attained, then it is not striven for. If something is striven for, then it is not attained.

Attainment Further Defined

Those things attained in action are those things perceptually present. Anything and everything present perceptually is thus “attained” in the sense that it is present to a consciousness. Thus, the entirety of one’s conscious awareness in part or in whole is what is attained. We may refer

to that which is attained in action as a “perceptual presence.”¹ A perceptual presence is a sound, a smell, a tactile experience, a visual experience, etc. A perceptual presence is also an imagined sound, an imagined smell, an imagined tactile or visual experience, etc. We may understand the idea of a perceptual presence as a classification (or category) designating anything that “presents” to a consciousness, without regard to where or when it presents and without regard to what kind of perceptual presence it is (e.g., whether we deem the perception “mental” or “physical”). The location, time, or type of perceptual presence is not specified. Only perceptual presence is designated. In other words, it is not where or how or when a perception “presents,” but only *that* it presents.

In praxeology, the theory of human action, the logical counterpart to perceptual presence is not perceptual non-presence. The logical counterpart to perceptual presence is *desire*. That is, the fundamental opposite to the category of attainment is the category of *wanting* something not currently attained. Stated succinctly, in the theory of action, the logical counterpart to attainment is striving.

(Note (7/25/2026): In the paragraph above I am leaving the first sentence intact, though today I may not agree with it as written.)

The Relationship Between Striving and Attainment, Further Specified and Proposed as a Simple Theory of Consciousness

The following is intended to further define the relationship between the concepts of striving and attainment.

First, with respect to Husserl’s “bracketing,” our assertion is that when everything perceptually present is bracketed—when we consider every perception or everything perceptual as categorically singular—what remains is not pure consciousness, as Husserl held, but rather “wanting.” Our thesis is that wanting (striving, desiring, willing, intending, etc.), taken together with perceptual presence(s), constitutes consciousness. Thus, the theory presented here is a radically simple theory of consciousness, holding that consciousness comprises perceptual presences and wanting.

When we consider as categorically identical everything perceptually present, then what remains is “privation.” This is the thesis.

¹ Changed from “perceptual impression” in previous writings.

Second, the sense in which the concept of striving or wanting is intended is as follows. When we are referred to the mathematical concept of “line,” we are challenged to do something problematic. What we can imagine a line to be is something with properties or characteristics that a line—in the strictly formal sense—is held not to have. That is, a “line” becomes something perceptual in being present to consciousness, and thus takes on characteristics (as something perceptual) which the formal definition of “line” holds as expressly *not* part of the concept of line.

We propose applying the same idea to the concept of “wanting.” In trying to grasp the concept of wanting, we refer to some sensual or perceptual experience of wanting, which is thus a perceptual presence and not strictly wanting as formally defined. This situation constitutes an epistemological factual predicament: formal concepts can be communicated only by means of perceptual presences, such that what is referred to as indicative or representative of the formal concept is, in an essential respect, not the concept. Formal concepts are never perceptually present. Yet, formal concepts can only be communicated by means of perceptual presences (by means of perceptions).

Therefore, continuing with this idea, wanting or striving will not be conceived as something that can be perceptually present, because something perceptually present is a concrete perceptual experience and, as such, is *attained*.

Supply and Value, Means and Ends

In the present theory, the social-scientific concept pairs of supply/value and means/ends reduce to equivalence with the fundamental categories of attainment and striving.

“Supply” corresponds to what is attained in action, and “value” corresponds to desire or striving. Similarly, a “means” corresponds to what is attained in action, and an “end” corresponds to desire or striving.

In considering the two concept pairs of supply/value and means/ends, we can perhaps see an asymmetry between the two pairs as follows. We can see in the ideas “supply” and “value” that one concept, *supply*, refers (let’s say) to some factual state of affairs, whereas *value* refers more to the attitude of an actor toward something. The concepts of supply and value are in this sense categorically non-identical. Let us posit that “supply” refers to a stock of something, and “value” refers to an attitude I have with respect to that stock of something.

By contrast, in some social-scientific literature, the concepts means and ends seem to be categorically less distinct. A car is both a means and an end. Going to an opera is both a means and an end. In this conception, both means and ends are things we can point to. They are both

“perceptually present,” or at least conceived as things which in principle *can be* perceptually present. In this conception, both means and ends belong to the same *category* of perceptible things.

Taking into account what we have discussed above and what we have previously argued,² we will hold that this indicates a partial misconception in the concept pair means/ends. Because from our point of view, the expressions *attainment and striving* and *supply and value* exhibit the recognizable categorial form: (concrete) + (attitude), whereas the expression *means and ends* on its face exhibits the categorial form (concrete) + (concrete).³ And thus, as we have previously argued, in a logically consistent conception of means and ends, an end must be conceived as something categorically non-identical to a means. It follows that an end must always refer to that which an actor aims for but has not attained (and which is therefore not perceptually present to the actor). The concept “end” refers strictly to that in action which is striven for—not perceptually present—and “means” refers to those things in action that are attained—perceptually present. The concept of “end,” to be logically compatible with the formal theory of action, cannot be conceived of as a subset of a larger set (means + ends) where means and ends are considered categorically identical. Rather, we must consider “end” congeneric with the phenomena of value and striving. And thus, with the goal of bringing the three concept pairs into alignment (attainment/striving, supply/value, means/ends), we should interpret the concept “end” as a fundamental categorial counterpart to “means.” Means are those things which are present or presently utilized in action; those things which are perceptually present in action. Ends are not perceptually present in action. We should not conceive of ends as a subset of things appearing perceptually in action. We should conceive an end as something which in principle *cannot* appear perceptually in action.

This conception of means and ends is both logically consistent and in accord with Mises’s conception of them. As Mises stressed on several occasions, treating or discussing ends imperceptibly transforms them to means. In action, once something is brought to perceptual presence, it is thus no longer striven for, but attained.

Ends are beyond rational treatment because when something is “treated,” it is categorically situated as present to consciousness. It is now present (attained) and thus not striven for. If the end is what is striven for, what is now present is not an end.

² *Striving and Attainment*, 43-50; *Praxeology and Ethics*, 15-20.

³ In the sense that the word “end” seems not to refer to an attitude toward something as explicitly as the words “value” and “striving” do.

Happiness and Unhappiness

The missing component in formal/logical social science is a workable conception of happiness/unhappiness capable of demonstrating the impact of conceivable forms of action on the happiness of the actor within a single deductive system. Speaking in broad and general terms, we could say that the definition of happiness employed by formal economics is not accurate, and the definition of happiness employed by non-formal ethics is not deductive. Missing is a conception of happiness and unhappiness that is both accurate and logically consistent within a unified logical system.

The solution eventually arrived at in *Striving and Attainment* designated all perceptual attainments as constituting happiness and all striving as constituting unhappiness.⁴ We can express all instances of unhappiness as a desire that things be other than they are. And we can express all instances of happiness either as the attainment of something sought, or as satisfaction with the way things are, with both cases emphasizing attainment in the sense of presence. Thus, the requirement that the concepts accurately conceive the phenomena is met.

In this conception we can see that happiness and unhappiness are structurally equivalent to attainment and striving, supply and value, and means and ends (when ends are conceived as proposed above). When we explicate the logic of action, we explicate the logic of attainment and striving, which is identical to the logic of means and ends, which is identical to the logic of supply and value, which is identical to the logic of happiness and unhappiness.

Thus, happiness and unhappiness are integrated into the formal means/ends logical framework upon the realization that when the concept of ends is rightly conceived, both concept pairs refer to the same phenomenon: human action.

Interpersonal Action and Interpersonal Means

Interpersonal action is action directed toward another acting being. We may also define interpersonal action as action directed toward the happiness or unhappiness of another, or action directed toward another consciousness.

Ultimately, interpersonal action entails an attempt to help or harm another person—an attempt to make that person happy or unhappy. This follows logically from the nature of action (when we assume that consciousness and action are comprised of the categories happiness/unhappiness) and the assumption that what or who is addressed is an acting being.

⁴ *Striving and Attainment*, 50-59.

As action is the utilization of means toward ends, then in interpersonal action we may assume there are interpersonal means. Recognizable forms of interpersonal means are helping someone, harming someone, lying to or being truthful with someone, and coercing or seeking the voluntary consent of someone.

As the theory of action is the ascertainment of the hidden or unintended but logically necessary accompaniments attaching to various means, then a theory of interpersonal action is a theory of the logically necessary accompaniments to specifically interpersonal means.

The Essence of the Theory of Interpersonal Action

Below, we attempt to describe the essence of the present theory in descriptive terms. We will begin with the idea that a *concept* cannot be brought to perceptual presence.

If a concept denotes the universal, then this concept is itself something fundamentally other than what appears in any concrete presentation. A universal or concept is something that does not appear perceptually.

With regard to the formal concept “line,” what appears perceptually is never a line as formally defined, but always perceptual presences having width, depth, and presenting concretely and perceptually. What is a formal line, or the concept “line,” may be indicated by referring to concrete “reference phenomena,” each of which is fundamentally different from the formal concept “line” as it is defined.

We suggest that the concept “striving” (aiming at ends) be conceived as a formal concept of the same essential nature; as a universal, and thus as not perceptually present in any particular instance. Thus, “striving” does not appear perceptually. What appears is some perceptual experience or perceptual presence. Striving, by formal definition, will not be a perceptual presence; it will be an attempt to attain something other than what is perceptually present. This concept refers to something that is not perceptually present in any particular perceptual experience or presentation.

The idea is that if a concept cannot be brought to perceptual presence, this will or may have implications in individual action.

In the present theory, perceptual presences are identical to means. Therefore, we are implying or suggesting that a concept cannot be a means of action.

Thus, a stick or a taut rope or a visual horizon can be a means of action, but not a “line.” Similarly, my body or my speech or a feeling I have can be a means of my action, but not my “striving.”

By virtue of the same reasoning then, that aspect of another person that is a concept (from my point of view) also cannot be brought to my perceptual presence. Or, that aspect of another person that is a concept cannot be a means of my action. At the very least, we consider “striving” (aiming at ends) a concept. Thus, another person’s body or speech can be a means of my action, but their “striving” cannot. In the present theory, striving is identical to unhappiness, and this indicates that another person’s unhappiness cannot be a means of my action, to the extent that unhappiness (striving) is a concept. (In this discussion of interpersonal action we will only address the *unhappiness* of another actor, and will leave the other actor’s *happiness* untreated.)

This reasoning seems to indicate that there is something either nonsensical or problematic in an idea such as “I intend to make actor B unhappy, in order to (or so that) ...” For the sake of illustration, let’s consider an example in which I seek to cause another person (actor B) unhappiness because of something that B did to me previously. With respect to “I intend to make B unhappy, in order to...”, we recognize the elements of action. First “I intend,” which is striving (or end), and “in order to” or “so that,” indicating a means. I consider bringing about the unhappiness of actor B a means to some other end for me. The phrases “so that” or “in order to” indicate that what I seek I consider a means to something else.

But we hold that a concept (striving and unhappiness are equivalent concepts here) cannot be brought to perceptual presence, and thus cannot be a means of my action. Thus, there is something either nonsensical or problematic with an idea such as making someone unhappy as a means to an end for me. There is something nonsensical or problematic with the “B unhappy” part in the idea “I intend to make B unhappy, in order to ...”

By way of analogy, we previously used the example of the person who, as a means to lift themselves off the ground, places their hands under their feet and pulls upward. In this example, the constituent elements of such an attempt, each taken by itself, we could construe as amounting to the possibility of success. Pulling something upward is an appropriate means of lifting something off the ground. Bodies can be lifted off the ground. And, assuming one is strong enough, plausibly, the attempt to lift oneself off the ground will result in one’s being lifted off the ground. However, as a means of lifting oneself off the ground, there is something nonsensical or problematic in placing one’s hands under one’s feet and lifting.

Analogously, I can intend to make someone unhappy; another person can (I presume) be unhappy; and my making someone unhappy can be a means to an end for me (e.g., a means to revenge or justice). However, we suggest that there is something wrong with this.

Referring again to our analogy, we might say that a person can attempt to lift themselves off the ground in the way indicated. As a separate matter, that person's body may be lifted off the ground. But though a person may rise above the ground, it cannot be the result of their placing their hands under their feet and lifting. If the person's body does indeed leave the ground, it is not due to their placing their hands under their feet and lifting, but due to something else. It is due to the ground suddenly dropping, or to their jumping up, or to someone or something lifting them up, etc.

Similarly, a person can apparently strive for interpersonal means. And as a separate matter, a person can attain means. But though a person may attain means, it cannot be the interpersonal means they strive for. What presents perceptually as happiness for the actor cannot be the interpersonal means they intend(ed) to attain. What presents perceptually (as happiness) for the actor is something besides the interpersonal means they strive for.

The Essence of the Theory of Interpersonal Action (continued)

Interpersonal action—as all action—is an attempt to attain means (perceptual presences) as happiness. Yet, in interpersonal action (in social interaction) properly understood, an actor strives for something that *in principle* cannot be attained. Every attainment resulting from such striving is, therefore, of a nature different from what the actor intended to strive for.

We may state the situation as one in which actor A can, in principle, never attain something perceptually identifiable as “striving” in actor B, while, at the same time, social interaction can exist for A only when B's “striving” is something that A tries to bring to perceptual presence (as happiness).

In striving for interpersonal means (in striving with regard to another consciousness), actor A strives for a concept to appear as a means of A's action. This concept has never appeared as a means of A's action, and *in principle it cannot* appear as a means of A's action. In interpersonal action, the actor strives for something to appear concretely, which thing cannot concretely appear. Doing so *is* social interaction. Doing this particular thing *is* interpersonal action.

We can express our meaning alternatively in saying that the concept of striving cannot be unambiguously considered as spatiotemporally located with another person. However, interpersonal action is an attempt to unambiguously locate the concept of striving spatiotemporally with another person. In other words, social interaction is an *act* that entails an attempt which in principle cannot be fulfilled.

The Essence of the Theory of Interpersonal Action (conclusion)

Interpersonal action is striving for the perception of striving.

In social interaction, we search for the perception of another person's actions not because actions are perceptible, but because searching for perceptions constitutes our action. To suppose action other than our own is to attempt to perceive action other than our own.

The attempt to delimit a concept by means of perceptual presences is identical to the attempt to bring the concept to perceptual presence. Interpersonal action is an instance of this. Interpersonal action is the attempt to bring the concept of another person's striving to perceptual presence, something which in principle we cannot do.

A Law of Action

This seems to indicate what we may call a law of interpersonal action. When we interact socially, we suppose the person we address to be an acting being, and thus we suppose the presence of action. But this supposition is the same thing as the attempt to bring a concept of action to perceptual presence. The supposition is identical to the attempt. The concept does not present perceptually, but only "appears" (manifests) as the attempt. Attempt is striving: the trying to bring to perceptual presence something other than what is perceptually present. Striving is unhappiness. In some sense, interpersonal action entails unhappiness at a fundamental level.

The Relationship Between the Market Economy and the Command Economy

Libertarian social theory begins with a critique of the way society is structured. Ultimately, libertarian social theory involves a contrast of two fundamentally different approaches to social organization: market economy versus command economy, capitalism versus socialism, voluntary relationships versus coerced relationships, etc. The libertarian argument is that a relationship exists between political liberty and human well-being, such that expanding political liberty is universally beneficial to human well-being. Libertarians contend that the nature of human beings is such that libertarian political organization in some form is optimal for human happiness. Each particular libertarian social theory is a theory about the nature of humankind and about what kind of political system is consistent with that nature.

When we conceive the human being as an acting being, we conceive the human being as one who strives to attain things as happiness. Attainment is happiness and striving is unhappiness. And as we have argued, interpersonal means cannot be attained, as it is impossible to bring the concept of action to perceptual presence. Thus, interpersonal action (typically referred to as

social interaction) is actually a type or class of unhappiness. There is a “painful” or “dissatisfactory” aspect to social interaction that arises from the nature of social interaction, and which must arise whenever and wherever social interaction occurs.

But we propose that there are forms or methods of social interaction which do not entail the attempt to bring the concept of action to perceptual presence. Some forms of social interaction as we typically conceive them do not refer to an acting being at the time the interaction takes place. Vending machine transactions are one example. Thus, to the extent that these types of social interaction do not refer to the concept of action (do not refer to the consciousness, intentions, motives, etc., of another acting being), to this extent does the unhappiness that arises from such a reference not arise. The specific type of unhappiness that arises from the attempt to perceive action does not arise when we make no attempt to perceive action. And there are types of social interaction where such an attempt is largely absent. These include vending-machine and self-check-out transactions, mail-order transactions, Internet transactions, and the like.

The point is *not* that therefore, we should structure society so that one interacts only with inanimate technology. The point is that we intuitively associate with “market” transactions the kinds of social interaction that do not refer to another consciousness (consider price signals). Though we may not bring such a fact to conscious awareness, we intuitively associate with what we call “market” transactions those social transactions that do not refer to another consciousness. We do this based on our experience of such market transactions compared with our experience of social interaction that entails reference to another consciousness. In other words, we define “market versus command,” or “capitalism versus socialism,” or “voluntary versus coerced,” as fundamental opposites, according to the fundamental difference within our acting reality between interpersonal action and other types of action. We intuitively realize that the terms “command” or “socialism” or “coercion” ultimately refer to interpersonal action and social interaction, and we intuitively realize that the terms “market” or “capitalism” or “voluntary” ultimately refer to or envision other types of action besides interpersonal action.

Command, coercion, and socialism, as theories of social organization, are theories which insist on interpersonal action as the primary mode or method of social interaction. These political theories continually refer one to the desires of another person—to another person’s consciousness—as the only legitimate form of social organization. By contrast, market, capitalism, and voluntarism, as theories of social organization, refer either explicitly to a mode or method of social interaction absent interpersonal action, or at least conceive such modes and methods to be legitimate.

This is why the debate and struggle between the opposed camps inevitably refers to the market economy, because the market economy is a method of social organization tending more and more towards forms of social interaction which alleviate the need for interpersonal action. It tends this way because people experience the unhappiness in interpersonal action and ordinary social interaction, and tend over time to adopt methods of interacting socially which render interpersonal action and typical social interaction unnecessary. When they do this, they adopt a method in which reference to another consciousness is largely absent, so that the unhappiness accompanying interpersonal action does not arise. When they do this, they choose a method of social interaction that is fundamentally the same as a market transaction since, for an acting being, market transactions are defined or experienced in terms of the degree to which interpersonal action is absent from such transactions.

Libertarian social theory begins with a complaint about the way society is structured, and this complaint derives from a preexisting intuitive understanding of the essential difference between interpersonal action and market transactions. And that is why libertarian social theory is inextricably bound to the theory of market society. It is the experience of the logically necessary accompaniments to interpersonal action, as compared with the experience of alternative means of social interaction, which ultimately guides libertarian social theory in the direction of market society.

Libertarian social theory is essentially a theory about the happiness and unhappiness we experience during fundamentally different types of social interaction.

An Invisible-Hand Explanation

The theory outlined above provides an *invisible-hand* explanation of the evolution of market society similar to those provided by Adam Smith and Carl Menger. By means of the present theory we can understand how an individual, acting to improve their own happiness, also acts to bring about a state of society—market society—that was not necessarily their intention.

Theory Placed in the Context of Austrian School Social Thought

The theory as outlined is entirely consistent with Misesian praxeology and with Menger's conception of theoretical exact science. It is structurally consistent with the universal categories of human action, and generally does not refer to content except as content is a category of action.

The problem is how to arrive at a praxeological theory of interpersonal—as opposed to economic—phenomena.

Mises wrote:

“The importance of phenomenology for the solution of the epistemological problems of praxeology has not been noticed at all.”⁵

However, Schutz as phenomenologist wrote:

“We must, then, leave unsolved the notoriously difficult problems which surround the constitution of the Thou within the subjectivity of private experience. We are not going to be asking, therefore, how the Thou is constituted in an Ego, whether the concept “human being” presupposes a transcendental ego in which the transcendental alter ego is already constituted, or how universally valid intersubjective knowledge is possible. As important as these questions may be for epistemology and, therefore, for the social sciences, we may safely leave them aside in the present work.

The object we shall be studying, therefore, is the human being who is looking at the world from within the natural attitude. Born into a social world, he comes upon his fellow men and takes their existence for granted without question, just as he takes for granted the existence of the natural objects he encounters. The essence of his assumption about his fellow men may be put in this short formula: The Thou (or other person) is conscious, and his stream of consciousness is temporal in character”⁶

Thus, Austrian School social thought was to some degree prevented from progressing because the theoretical problem of how to constitute the Thou (the other consciousness) within the acting reality of the Ego (the primary consciousness) had not been solved. Austrian School social theorists were thus forced to treat social interaction in terms of intersubjectivity and spatiotemporal relations rather than by strict methodological individualism and formal relations. This ultimately manifested in a gradual and tacit abandonment of Misesian praxeology and Mengerian theoretical exact science, in favor of more realistic and value-objectivistic approaches. The Austrian theorists taking this approach generally emphasize the realistic aspects of Menger’s thought and combine this with the realism of Bohm-Bawerk and the value-objectivist approach of Rand or Rothbard. By contrast, the present theory emphasizes the formal (exact) aspects of Menger’s thought and combines this with the formalism of Mises to arrive at a formal and uniquely Austrian School approach to human interpersonal action. This

⁵ *Money, Method, and the Market Process*, 19.

⁶ *The Phenomenology of the Social World*, 98.

approach flows directly from Mises's conception of praxeology as the formal science of human action in *all* its forms.

The problem of the unobservability of other people's actions is not new. But those who realized a problem existed with respect to observing the actions of others naturally considered it out of the question to *deny* the existence of others' actions. Thus, in their theorizing they generally assumed the opposite: they assumed the existential (ontological) reality of others' actions. This fateful assumption essentially placed their social thought on the foundations of philosophical objective realism.

By contrast, the present theory neither assumes nor denies the real existence of other minds, but instead tries to examine how one mind may appear or not appear from the point of view of another. It is an approach from the point of view of strict methodological individualism rather than from the point of view of objective realism.

What allows this approach to achieve a degree of success is a preexisting formal theory of happiness and unhappiness, so that various phenomena that present to action can be formally related to an impact on the happiness or unhappiness of the individual actor. Thus, if on the one hand we have a formal theory of happiness and unhappiness, and on the other hand we have the insight that another person's actions are not observable, then the question eventually arises whether the unobservability of another person's actions has a demonstrable impact on the happiness and unhappiness of the observing subject. The theory is essentially an unfolding of the implications of the insight that the unobservability of the actions of another person has an important impact on the acting individual.

Mises knew that social science is closely related to our understanding of the human mind. For social science to progress, new approaches to understanding the human mind are needed, and these approaches amount to theories of consciousness. The social scientist or social thinker is understandably cautious when it comes to the subject of consciousness, because of the apparent complexity of consciousness. The danger in embarking on a theory of consciousness lies in the possibility of failure.

Husserl writes:

“On the single-mindedness and purity of the “phenomenological” attitude depends entirely the consistency or absurdity of the investigations that are here to be carried out.”⁷

Mises writes:

“The method of imaginary constructions is indispensable for praxeology; it is the only method of praxeological and economic inquiry. It is, to be sure, a method difficult to handle because it can easily result in fallacious syllogisms. It leads along a sharp edge; on both sides yawns the chasm of absurdity and nonsense. Only merciless self-criticism can prevent a man from falling headlong into these abysmal depths.”⁸

Though failure is possible, to refrain from treating the subject of consciousness is to cede the realm of consciousness to the philosophers of naturalism and egalitarianism. And thus, if we desire that libertarian theories eventually triumph over the theories of coercion, the philosophers of liberty have no choice but to construct theories of consciousness that complement rather than contradict the cause of human liberty.

⁷ Essay: “Philosophy as Rigorous Science.”

⁸ *Human Action*, 237.