

Why Are We Libertarians?

(2014)

Before proposing an answer to this question, I would like to state that by “libertarians,” I mean the broad group of people who seek an improvement in mankind’s condition by means of decreasing the scope of government. In my view, there are various *schools* of libertarianism. Each school of libertarianism is generally associated with a particular author or group of authors. In my writing and social thought, the term ‘libertarian’ does not refer to a particular school of libertarian thought, but instead refers to a general orientation of *political* thought. A libertarian in my conception is one who believes that mankind’s condition can be improved by decreasing the scope of government, and by increasing the range of individual autonomy.

Two Theories of Libertarianism

When libertarians have sought to articulate the reasons for their libertarian views, they have generally provided an explanation in terms of *economics* or in terms of *ethics*. The works of Ludwig von Mises may be considered an explanation of libertarianism given in terms of economics. Prosperity flowing from the division of labor is diminished when the government intervenes in the economy and is maximized when the government abstains from intervention. The best way to maximize prosperity is to minimize government intervention in the economy.

By contrast, the writings of Ayn Rand (1964, 36) may be considered an explanation of libertarianism given in terms of *ethics*. She writes:

The basic political principle of Objectivist ethics is: no man may *initiate* the use of physical force against others... The ethical principle involved is simple and clear-cut...

The only proper, *moral* purpose of a government is to protect man’s rights...

Thus, Ayn Rand proposes to limit the scope of government on moral or ethical grounds.

An Explanation of Libertarianism

I would like to propose an explanation of libertarianism that is neither an economic explanation nor an ethical explanation. I use the word “explanation” deliberately, because I do not intend to defend or advocate libertarianism today; instead I want to answer the question: why are we

libertarians, or, why are there libertarians? This may seem an unusual question to want to answer, but I hope that by the end of this talk, my reasons for framing the question in this way will become clear.

Categories of Consciousness

The most important concept I want to discuss today is the concept of “categories of consciousness.” What is a category? A category is simply a classification. For example, *length* is a category, and so is *width*. Most people probably consider *length* and *width* to be characteristics of various *objects* we see and interact with. For example, one might hold that a chair “has” a length and it “has” a width. Length and width are considered characteristics of the chair.

But it is also possible to consider length and width as categories of consciousness. We can assume that characteristics such as length, width, and others, are characteristics—or categories—of our perception. One of the most important essays written about praxeology is F. A. Hayek’s essay “The Facts of the Social Sciences.” Hayek (1980, 63) writes:

In discussing what we regard as other people’s conscious actions, we invariably interpret their action on the analogy of our own mind: that is, ... we group their actions, and the objects of their actions, into classes or categories which we know solely from the knowledge of our own mind.

We ... always supplement what we actually see of another person’s action by projecting into that person a system of classification of objects which we know, not from observing other people, but because it is in terms of these classes that we think ourselves.

Hayek is referring to what we may call the *epistemological method*.

The Epistemological Method

The epistemological method is the thesis that the regularity we experience in natural and social phenomena is a function of the structure of our mind or consciousness. Aurther Eddington’s book *The Philosophy of Physical Science* is a book about the epistemological method. Eddington (1978, 23) writes: “The epistemologist is an observer only in the sense that he observes what is in the mind.” We can attain physical knowledge by examining the results of various observations. But Eddington suggests we can also attain physical knowledge by examining the structure or form of observation itself.

For Ludwig von Mises (1966, 64; 2002, 65), praxeological knowledge is the result of the epistemological method. He writes:

For as must be emphasized again, the reality the elucidation and interpretation of which is the task of praxeology is congeneric with the logical structure of the human mind.

Human knowledge is conditioned by the structure of the human mind. If it chooses human action as the subject matter of its inquiries, it cannot mean anything else than the categories of action which are proper to the human mind and are its projection into the external world of becoming and change. All the theorems of praxeology refer only to these categories of action and are valid only in the orbit of their operation.

Happiness and Unhappiness

Two of the most important categories in social science are the categories of *happiness* and *unhappiness*. When I say “happiness and unhappiness,” I’m referring to a general or formal notion. Happiness refers to a state of affairs that is acceptable to me and that I have no desire to change. Unhappiness refers to a state of affairs that is unacceptable to me and that I desire to change. By the terms happiness and unhappiness I mean only this formal conception. In this conception there are no degrees of happiness or of unhappiness. I’m either happy with a given state of affairs (i.e., I do not try to change it), or I’m unhappy with a given state of affairs (i.e., I try to change it).

Happiness and Unhappiness as Categories of Consciousness

In the common conception, we consider happiness and unhappiness to be characteristics of objects. Typically, happiness and unhappiness are conceived as characteristics of human bodies. Specifically, they are conceived as distinct experiences occurring within the spaces occupied by human bodies. A person may have an internal experience of happiness or of unhappiness. Happiness and unhappiness are located with, or within, that person; we cannot find happiness and unhappiness in the sand.

However, it is also possible to consider happiness and unhappiness as categories of consciousness. Instead of the conception that happiness and unhappiness are characteristics of *things*, we can assume that happiness and unhappiness are categories of our *perception*; part of the structure of how we experience and perceive things. This assumption has far-reaching implications for social theory. It means that we *can* find happiness and unhappiness in the sand.

In the common, everyday conception, happiness and unhappiness are states I experience within the confines of my own bodily enclosure. Likewise, the people I observe experience happiness and unhappiness within the confines of *their* own bodily enclosures. Happiness and unhappiness are conceived as events or processes that occur in distinct spatial locations. Additionally, there are objects such as rocks, trees and metal coins that I observe, and that simply “exist.” They do not experience happiness or unhappiness. There is no happiness or unhappiness to be found in the spaces occupied by these objects.

When we conceive happiness and unhappiness as categories of consciousness, this view of things changes radically. Happiness and unhappiness are now conceived as forms of my consciousness, not as characteristics of some objects of my consciousness. In this conception, I find happiness and unhappiness in different places not because happiness and unhappiness are “located” there; but instead because happiness and unhappiness are forms of my perception. When objects enter my conscious field—my own body, other people, houses, mountains, books, etc.—I will experience happiness and unhappiness for the simple reason that all objects of my conscious awareness are constituted of consciousness categories. The same principle applies when the objects in my conscious field are *social* phenomena—for example, when I interact with another person, or when I purchase an item online.

The conception of happiness and unhappiness as categories of consciousness means that my every differentiable conscious experience is constituted of these categories. It means that every object of my conscious awareness entails a happiness and unhappiness aspect.

If we conceive consciousness in terms of categories, we can then study how various social phenomena in our conscious field are constituted in terms of these categories. We can better understand how various forms of social interaction impact our happiness by understanding how these forms of social interaction are constituted in terms of our consciousness categories.

Happiness, Unhappiness, and Social Interaction

Consider the following two instances of social interaction: in one instance, I conduct a face-to-face transaction with another person; in another instance, I make a purchase online. In each of these cases there are both *observable* and *unobservable* aspects of the transaction. For example, in a face-to-face transaction, I can observe various aspects of the other person in front of me, but I do not observe the mind of that person (that person’s thoughts, goals, motives, or intentions). When I purchase an item online, I can observe the computer screen and keyboard in front of me, but I do not observe the circuitry inside the computer screen or inside the keyboard.

Though both kinds of social interaction entail aspects I do not observe, I may find that sometimes I do not accept the unobservability, but instead take steps to find out more about the things I do not currently observe. For example, I may find it unacceptable that I don't know the motives of the person in front of me, and so I may attempt to ascertain what his or her motives are. This attempt to change a state of affairs—from *not knowing* the person's motives to *knowing* the person's motives—is the definition of unhappiness discussed previously. On the other hand, there are times when I accept the unobservable aspect of the things I do and make no attempt to observe things that are currently unobservable to me. For example, I may just accept that I do not observe the circuitry inside my keyboard and make no attempt to change this situation. The absence of a desire to change a given situation is the definition of happiness discussed previously.

If I find that I habitually attempt to change the unobservability inherent in *some* forms of social interaction (and experience this attempt as unhappiness), this may lead me to choose instead *other* forms of social interaction of which the unobservable aspects I accept, thus experiencing happiness in the absence of a desire to change the unobservable aspects.

Social Interaction and the Market System

In theoretical terms, there are two distinctly different ways in which I can interact with other people. First, I can interact with a person while that person's mind is "present" to me. This is what we might call direct person-to-person social interaction. In my theory, I refer to this kind of social interaction as *interpersonal action*. In an interpersonal action, I address or interact with another person's mind in the sense that the other person's mind is present in my conscious field. In interpersonal action, I locate another mind in my conscious field, and I direct my actions or communications toward that mind. Examples of interpersonal action are: face-to-face conversations, telephone conversations, and generally any instance in which, from my own point of view, I interact with another mind (for example, when I issue a command or threat).

Alternatively, I can interact with another person while that person's mind is not "present" to me, for example, by making a purchase from a vending machine. As a practical matter, I understand that another person will be part of my vending machine transaction at some point in time. However, during the time I make the vending machine purchase, I need not direct my actions or direct any communications toward another mind. I may make a vending machine purchase without another person's mind appearing in my conscious field. Examples of this type of social interaction include street signs, maps, recordings, books, automated bank teller transactions, and Internet purchases. We can also consider the price system as an example of social interaction that does not entail interpersonal action. I may post a price without

addressing another mind, and similarly, another person may observe this price without addressing another mind. In this sense, the price system enables social interaction to occur without interpersonal action.

Thus, the market or price system may be understood as a technique for engaging in social interaction and social exchange without engaging in interpersonal action. The market system allows me to obtain the benefits of social exchange without having to address or interact with another mind.

As previously indicated, the different forms of social interaction are not neutral with respect to my personal happiness. In some forms of social interaction I may seek to observe the unobservable aspects of the interaction or exchange. In other forms of social interaction I may *not* seek to observe the unobservable aspects of the interaction or exchange. If I habitually attempt to observe the unobservability inherent in interpersonal action (and experience this attempt as unhappiness), this may lead me to prefer social interaction via the market system, in which I do not try to observe the unobservable aspects of the exchange (experiencing the absence of a desire to observe the unobservable as happiness). In this sense, social exchange via the market system may be understood as a technique for attaining or increasing personal happiness.

Coercion and the Market System

By the term “coercion” I do not mean violence or assault or aggression. By coercion I mean a certain kind of trade or exchange. When I coerce someone, I threaten that person with some harmful consequence and then offer to withdraw the threat of harm *in exchange* for something I want from that person. Much of what government does is based on this type of coercive exchange. The government threatens its citizens with various forms of harm (e.g., fines, apprehension, imprisonment, etc.) and then offers to withdraw the harm if the citizens obey its laws and regulations. When I say “coercion,” I’m referring exclusively to this kind of social exchange.

If I want to employ coercion, I must locate within my conscious field an entity that I believe will be responsive to coercion. In the current context, this means I must locate another mind toward which I can direct my coercive action or communication. The location of another mind within my conscious field is interpersonal action.

As previously mentioned, the price system enables social interaction to occur without interpersonal action. And this is an important link between libertarianism and the market or price system. Coercion, an essential instrument of government action, requires interpersonal

action. The expansion of the price system implies a diminishment in interpersonal action and thus a diminishment in coercion; the basis of non-libertarian society. This is one reason why libertarians call for an expansion of the market system and non-libertarians call for its diminution. As forms of social interaction not requiring interpersonal action expand, opportunities for coercion—the basis of non-libertarian society—are diminished.

Why Are We Libertarians?

We are libertarians because we seek to attain greater personal happiness by expanding the market or price system. The market system is a technique that enables social interaction to occur without interpersonal action. As the market system expands, opportunities for coercion are diminished. This implies a contraction of non-libertarian society, in which coercion by government plays a large role.

Praxeology and Consciousness Categories

As you can see, the theory I've presented today is neither an ethics theory nor an economic theory. I have not explained libertarianism in terms of justice or in terms of material prosperity. Instead, I have described libertarianism in terms of consciousness categories.

One of the long-standing problems of social science concerns the structure of social interaction from the point of view of the individual consciousness. As Alfred Schutz (1972, 98) wrote in his book *The Phenomenology of the Social World*:

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...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 theory I have presented today is a *praxeological* theory in the Mengerian/Misesian tradition. Here is how Carl Menger (1985, 62) describes “exact theory” in the realm of social phenomena, the discipline that Mises later named *praxeology*:

The nature of this exact orientation...consists in the fact that we reduce human phenomena to their most original and simplest constitutive factors...and...try to investigate the laws by which *more complicated* human phenomena are formed from these simplest elements, thought of in their isolation.

In my work, I try to show how complex social phenomena are formed from elemental consciousness categories, and in so doing, help us to understand why we are libertarians.

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