ABSTRACTS
C5.4 Philosophy of the Humanities and the Social Sciences

Austrian methodological individualism: from Carl Menger to Friedrich Hayek
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In Social Sciences, the methodological individualism is commonly divided in different versions, among which stands out the so-called Austrian methodological individualism. Initially, the Austrian School of thought dates back to Menger to elaborate its individualistic conception. However, in Hayek, such conception, receiving new determinations, moves away from the atomism of Menger. If, on the one hand, early in his career, Hayek warns on the importance of microfoundations, on the other hand, he does not accept the reductionism proposed by the atomistic individualism of Menger. As consequence, Hayek comes to a non-reductionist and non-essentialist methodological individualism's conception. In this sense, this paper aims to rescue the key elements of the Austrian methodological individualism, placing it in the current critical debate on the role of individuals in the analysis and interpretation of social phenomena. To this end, we conduct an analysis of the major works of the Austrian School, especially the writings of Menger and Hayek, which gives us a better understanding of the Austrian methodological individualism and its conceptual changes over time.

Mises’ and Rothbard’s Defenses of Praxeology – A Critical Analysis
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In this paper I present a rational reconstruction of the epistemology and philosophy of science of Ludwig von Mises and Murray N. Rothbard, the two main representatives of the Neo-Austrian School of Economics. According to them, the methodology of the theoretical social sciences is praxeology, which allegedly provides an a priori true and absolutely certain theory of human action. I suggest that this view regarding the epistemological status of the theoretical social sciences results from aiming at solving the problem of induction. In order to explicate and identify Mises’ and Rothbard’s positions, Popper’s analysis of epistemological positions as reformulated by Milford is applied. It is shown that Rothbard’s position may be classified as Essentialist Intuitive Universalism and that Mises - perhaps unintentionally - defends Conventionalism. Based on anti-naturalism, methodological dualism and individualism, he rejects alternative epistemological positions as unsatisfactory. The proposed classification resolves a number of interpretational problems in Mises’ writings, which otherwise remain open. This is in contrast both to the received view, which interprets Mises’ position as Apriorism, and to Tokumaru, who takes the Fundamental Axiom of praxeology to be a methodological rule. Also, the view held by representatives as well as by critics of the Neo-Austrian School and according to which Rothbard and Mises share similar epistemological positions is rejected. Consequently, their defenses of praxeology differ with respect to the methodological and epistemological status of economic theory, and its import for policy decisions. In addition, I suggest a problem shift regarding future discussions of praxeology: Emphasis ought to be placed on the purported deduction of praxeological theorems and not on the epistemological status of
the Fundamental Axiom. The use of modern symbolic logic may help to identify gaps and hidden assumptions in the chain of reasoning from the Fundamental Axiom to, for instance, Neo-Austrian business cycle theory.

Do we need a universalizing paradigm for rational decision-making?
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An implicit assumption about theories and models in science is that they should not be used outside their proper scope of empirical application. We may wonder how much excess of abstraction is admissible before a model or a theory collapses. Our case study is the universalization of expected utility theory (EUT). We say that a theory is universalized when the scientists using it consider it capable of encompassing all interesting phenomena, both within its proper scope of application and especially beyond it. In this case, every kind of decision between uncertain alternatives is deemed to follow the axioms of EUT if we should consider it rational. A number of philosophers of economics have been arguing that EUT has gone beyond its proper domain of application: it can only represent our choices under very restrictive empirical conditions that do not exhaust the domain of rational choices. Ross (2005) has defended that EUT is mainly a faithful description of insects’ behaviour and only under certain conditions captures the full complexity of human decisions; Guala (2006) contends that the preferences captured by EUT are often dependent on the structure of particular games and cannot be generalized beyond these contexts (or when these contexts are analogically met in human experience); Hausman (2012) claims that EUT describes our decisions only to the extent that these are subject to rational appraisal—assuming that rationality is precisely captured by EUT.

With these contributions in sight, we may wonder why economists and decision theorists have universalized and narrowed EUT, making it a general paradigm for the analysis of risky choices: was this a purely methodological option or was it driven by non-methodological factors? A group of historians of the social sciences (Erickson et al. 2013) have recently claimed that the universalization and narrowing of EUT is the consequence of the Cold War: had the American military not promoted interdisciplinary research on decision-making under uncertainty, the study of rationality might have proceeded in a piecemeal fashion respecting established disciplinary boundaries, with potentially fruitful dialogue among disciplines.

We want to assess the universalization of EUT in terms of knowledge-production and epistemic success or failure, and in light of similar processes in other disciplines: e.g., selfish gene theory or genetic reductionism in evolutionary biology; general intelligence factor and IQ in psychology and psychometrics. Did EUT contribute positively to the study of rationality or did it rather reify a particular version of rational choice for non-epistemic reasons? From a pluralist and perspectivalist standpoint, we question whether research on rational decision-making should really stick to a single standard of rationality, and on which grounds one could or should justify an option for one.