

A NOTE ON BLOCK-HOPPE DEBATE ON INDIFFERENCE

IGOR WYSOCKI

ABSTRACT: This paper addresses the debate on indifference within the remit of praxeology, as unfolded between Hoppe and Block. It argues that the whole controversy between the two authors stem from the fact that they conceive of *choice* differently. Simultaneously, there is an attempt made to sharpen the authors' respective positions and to scrutinize the implications thereof while confronting them with our common-parlance linguistic intuitions. In other words, the paper pretends to show what follows from both positions on *what is chosen*; that is, what sorts of elements does an opportunity set consists of (be it, as will be argued, psychologically and intensionally defined end-states or particular action-tokens). Finally, the paper is concluded by demonstrating relative merits of the Blockian position over the Hoppean one as the former appears to be closer to the letter of praxeology as such.

KEYWORDS: indifference, choice, praxeology

JEL CLASSIFICATION: A10, B40, D01

The debate under scrutiny here extended throughout as many as four papers and still seems unresolved. Therefore, far from claiming to provide a conclusive solution, I posit that the entire controversy is misconstrued in that it employs the notion

Igor Wysocki (igorwysocki82@wp.pl) is a Ph.D. student in political philosophy at Nicolaus Copernicus University in Toruń, Poland.

of *choice* equivocally. How does Hoppe interpret *choice* and what exactly does his ingenious and elegant device achieve?¹ It seems that it clearly draws the demarcation line between choice and indifference. A choice occurs *always under strict preference*; whereas indifference, as not being acted upon, is conceived of as a psychological relation holding between the equally valued options (described in psychological and intensional terms), which the subject does not (and cannot) choose between. On the other hand, Block (2009, p. 57) believes that Hoppean resourceful description misses the mark and cannot make sense of an *actual choice*, as conceived of by Block. Block invokes an example of a transaction between a butter vendor and his customer. The former disposes of one unit of butter, while the latter pays with *a particular* note. Block hastens to add that the vendor “does not at all choose ‘a’ unit of butter. Rather he picks a *specific* one. [...] And, it is the same with the buyer. He picks a *specific* dollar with which to pay for the butter, not, merely ‘a’ dollar.” The said divergence between the two authors is readily noticeable now. The Blockian conception of choice seems to be about the *specifics* of the state of affairs brought about by an economic actor. After all, it is quite telling that Block employs the concept of *picking up* (or *choosing*) when it comes to the vendor’s giving up a particular unit of butter and to the customer giving up one of his notes. It is needless to say that Hoppe would construe of this transaction as follows, the choices being (in the descending order of value):

- 1) Giving up a unit of butter and getting a note of money
- 2) Not giving up a single unit of butter but getting no unit of money,

¹ Hoppe effectively says that if a person is genuinely indifferent between a pair of options A and B (they are equally valued by him), and B and C (they are also equally valued but occupy a lower position on the person’s value scale), then the person’s choice (as understood normally) between A, B, C, D is in fact reducible to the choice between the following two disjunctive alternatives:

- 1) A xor B
- 2) C xor D, where xor denotes a disjunctive alternative.

On the face of it, Hoppe’s position seems convincing. It sticks to the orthodox praxeological position stating that it is only strict preference that makes sense of a choice and seemingly does justice to indifference reducing it to a logical operator. Thus, indifference cannot result in choice. The person therefore cannot choose either between A and B or between C and D.

where 1) would be an unanalyzed version of Hoppean disjunctive-alternative interpretation, which, given 100 hundred units of butter, would read as follows:

1) Give up unit 1, xor unit 2, xor unit 3... xor unit 100,

where indifference is accommodated into a series of logical operators of disjunctive alternatives. In other words, Hoppe is committed to saying that a vendor does not choose between those 100 units of butter at all. His choice is merely between giving up a unit or not, with the first option being strictly preferred and acted upon. Conspicuously then, the authors talk past each other as far as the notion of *choice* is concerned. My thesis is that Hoppe implicitly assumes that the opportunity set comprise psychologically and intensionally described end-states. This construal tallies smoothly with the Hoppean (2005, 2009) *correct description of an action*. After all, Hoppe is explicitly concerned with the mentalist aspect of an action, the mere behavioral underpinnings (of course assuming that the person was acting in the first place) being insufficient for the determination of what the actor strictly preferred. What my interpretation also explains is why Block (2009, p. 58) does not “give two hoots about whether or not we achieve a correct description of someone’s action.” I therefore posit that Block, when taken to his logical extremes, would have to admit that what was chosen was *all the details and peculiarities* of the state of affairs actually brought about by the actor. Basically, what sheds light on the scrutinized controversy is *action-type/action-token distinction*.² To sum up, Block and Hoppe could not settle the issue since Hoppe conceives of choice as operating in the set of psychologically defined action-tokens, whereas for Block, what was picked up (and hence also set

² Technically speaking, such unique physical instantiations of generically (intentionally) described action-types are referred to as *action-tokens* (See Steiner, 1994). Trivially, there can be infinitely many action-tokens subsumed under one action-type. For instance, going to a cinema (action-type) can be satisfied by numerous action-tokens (e.g. going to a cinema C by the route R at a specific time T). On the other hand, one and the same action-token can satisfy numerous action-types (or Hoppean correct descriptions of an action, with the proviso that the correct description of an action resides in the mind of an actor, whereas an action-type abstracts from all the peculiarities and contingencies of the action-tokens that satisfy it). For example, going to a cinema C by the route R at a specific time T may be an instance of strolling around, reaching a specific destination D that R is only a part of etc.

aside) are action-tokens (as defined extensionally³, e.g. by dint of Cartesian spatiotemporal coordinates).⁴

Now, what are the relative merits of Block's position over Hoppe's? First and foremost, Hoppe's account seems trivial. Once Hoppe has introduced the correct description of the action, action cannot say anything over and above Hoppe's descriptions. Hoppe starts with the *correctly* described value scale of an actor; so, when ultimately some action takes place, it is the former which is projected onto the latter. Therefore, the latter cannot elucidate the former in any way. The doctrine of demonstrated preference would now look redundant. What is worse, a value scale, which Hoppe would have to admit, exists *independently of and prior to* action, which plainly runs against Mises's (1998, pp. 94–96) construal of the relation between action and value scales.

The second indictment against Hoppe is that his theory resorts to psychologizing. If we take his correct description of the action seriously, we should start doing an exercise in psychology. For let us imagine, drawing on Hoppe's (2005) famous example of the mother trying to decide whether to save Peter or Paul who are both drowning, that the mother decides to save Peter *only because* she

³ An anonymous reviewer incisively hinted at the possibility that my account of action in terms of action-token might be behavioristically skewed, that is that I try to describe actions in purely physical terms. Rather, my attempt is to individuate action-tokens and to propose them as a domain of choice. Also, I would readily concede that behavior does not rank as action just yet. It takes a purpose for behavior to qualify as action. In other words, a behavior-token (to coin a word) qualifies as an action-token only when it is a purposeful behavior-token. My point is that whatever the purpose for our behavior-token is, that behavior-token constitutes an action-token. If our purposes therefore vary, the action-token instantiated in the unique spatiotemporal dimensions remains what it is: the same action-token. For example, the physically identical series of bodily movements might be motivated by our willingness to dance or to impress our friends, or to confuse them for that matter. Yet, as long as the movements are the same in spatiotemporal terms (while the reasons therefore vary), we would speak of the same action-token.

⁴ That is why we can validly say that it was this very unit of butter which was given up and thus valued least. The Hoppean intensional psychological account cannot make sense of why it was this (and not the other) unit of butter which was given up. In fact, Hoppe would basically say that this particular unit was not given up—numerical identity did not matter at all. What mattered is a qualitative identity, that is the fact that it was *a* unit of butter (See Block and Barnett, 2010, p. 11).

knew that it was only Peter who knew some secret information she was eager to find out. In other words, let us imagine that if neither of them had been trusted with a secret, she would have been genuinely indifferent between saving Peter or Paul or none. Now, in the actual fact, because the mother is aware that it is Peter who *is* trusted with the information she is striving to save, what she demonstrates by the act of saving Peter is that she prefers to save the information to not saving it. So what does this actual act of saving Peter demonstrate? Hoppe is (*ex hypothesi*, that is on the grounds of our assumed correct description of the mother's action) unable to say that she preferred to save Peter. He must say that she indeed preferred to save the information (willy-nilly, together with Peter) to not saving it. Therefore, this act does not demonstrate anything over and above what Hoppe already knows due to the correct description of the mother's action. In this case, praxeologists observing the mother's action from a third-person perspective would have no means to say what the mother preferred. They would have to either do reverse psychology or simply ask her about her motives only to determine her preferences. So the question arises: does *this sole particular reason* (that the mother in fact wanted to save the information) have a bearing on *what* the action demonstrates? No. What we apodictically know is that the mother strictly preferred the world in which Peter survives rather than Paul—for whatever reason. The last statement is simply *description-independent* and *a priori true* regardless of the actual motivation driving the mother to rescue Peter. Let us note, that if we understand choice as relating to action-tokens, the issue of motivations or correct descriptions of actions does not even emerge.

Finally, the Hoppean position may look a little clumsy when we realize that if we bear with Hoppe and admit that the mother was genuinely indifferent between Peter and Paul and in the actual fact she rescued Peter, we are linguistically paralyzed and we cannot say that she *chose* Peter. According to Hoppe, what we are only entitled to say is that she was indifferent between the two and what she *did choose* is to save one son instead of neither of them. Although this position is logically coherent, our linguistic intuition recoils at the thought of us being unable to say that the mother obviously *chose* Peter. Instead, action-token understanding of a choice would readily and triumphantly admit that the preference for rescuing Peter was exactly what the mother demonstrated because this

very state of affair in which Peter survives was brought about by her action, the reasons therefore being simply irrelevant, which is again the very part and parcel of praxeology.⁵

REFERENCES

- Block, Walter E. 2009. "Rejoinder to Hoppe on Indifference," *Quarterly Journal of Austrian Economics* 12, no. 1: 52–59.
- Block, Walter E. and William Barnett II. 2010. "Rejoinder to Hoppe on Indifference, Once Again," *Reason Papers* 32: 141–154.
- Hoppe, Hans-Hermann. 2005. "Must Austrians Embrace Indifference?" *Quarterly Journal of Austrian Economics* 8, no. 4: 87–91.
- . 2009. "Further Notes on Preference and Indifference: Rejoinder to Block," *Quarterly Journal of Austrian Economics* 12, no. 1: 60–64.
- Mises, Ludwig von. 1949. *Human Action. A Treatise on Economics*. Scholar's Edition. Auburn, Ala.: Ludwig von Mises Institute, 1998.
- Steiner, Hillel. 1994. *An Essay on Rights*. Oxford: Blackwell Publishers.
- Wysocki, Igor. 2016. "Indifference—in Defense of Orthodoxy," *Societas et Ius* 5: 15–30.

⁵ Somehow, paradoxically, it seems that the debate between the two authors was raging partly outside the realm of praxeology. After all, Hoppe's insistence on the correct description of an action transcends praxeology and, alas, enters psychology (See Wysocki, 2016).