

Interview with Hans-Hermann Hoppe, an Anti-Intellectual Intellectual

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As is sometimes the case even today, Hans-Hermann Hoppe as a young man was also a left-winger. Yet a reading of Böhm-Bawerk's critiques of Marxism quickly planted a first seed of disbelief in the system, making him aware of the illusion overwhelming the *Zeitgeist*. For some time, he became a mild Popperian and social democrat. This precursored his determination to examine further the economic science and sociology.



By this time young Hoppe seemed to have arrived at a crucial conclusion: on the existence of sciences whose theorems are 'empirically' irrefutable or non-falsifiable, even in social realms. His exploration led him to believe that economic laws are a priori, traceable by use of deductive syllogism. However, it was his exposure to the thoughts of Ludwig von Mises, the eminent scholar of the tradition that later bears his very name, that he came to understand his place amidst the sometimes hostile competing thoughts. He learned that he, a native German, was in fact an "Austrian".

This awareness of his intellectual predisposition, was the reason behind his decision to emigrate from Germany to the US, i.e. to undertake a study under one of Mises's most brilliant students and a most important Austrian, namely Murray Newton Rothbard. Indeed, Prof. Rothbard then became his direct mentor, whom he befriended and with whom Hoppe remained one of his closest associates until the mentor's death in January 1995.



That's more or less how it all began, Prof. Hoppe's own evolution towards baptism of reason and will. Today, he is Distinguished Fellow at the Mises Institute; author of numerous books, e.g. *Handeln und Erkennen* (1976), *Kritik der kausalwissenschaftlichen Sozialforschung* (1983), *Eigentum, Anarchie, und Staat* (1987), *A Theory of Socialism and Capitalism* (1989), *The Economics and Ethics of Private Property* (1993, enlarged 2nd edition 2006), *Democracy – the God that Failed* (2001), *The Myth of National Defense*, (editor, 2003) and numerous articles in the *Review of Austrian Economics*; co-editor of *The Quarterly Journal of Austrian Economics* and *The Journal of Libertarian Studies* until 2004; editor for

the scholarly edition of Mises's *Human Action*; and author of the introduction to the new edition of Rothbard's *Ethics of Liberty* (1998).

Anyone familiar with his ideas will without hesitation dub him the world's sharpest critic alive of most paradigmatic isms, such as socialism, communism and fascism. He is also a loud voice amid the barren and quiet desert of critical insight into 'empiricism,' the method he thinks largely inadequate for application in social studies. In an age where mechanistic views toward social phenomena have become a trademark for mainstream intellectuals, Hoppe has been a towering figure, calling himself an intellectual anti-intellectual.

Thus, how round or square are the intellectual anti-intellectual's views on economic, political and ethical issues? Quintessentially, they depend on his views on three distinct sciences. In the field of economics, Hoppe believes that it is unnecessary and impossible to test economic propositions against experiential data. To him, experience only serves to illustrate the (in-) validity of a theory. Experience can neither confirm nor falsify a well-constructed theorem, since ultimately the validity of an



economic theorem depends on the validity of the irrefutable axiom of human action--besides of course the validity or correctness of logical application, especially on the rules of deductive reasoning and logical inferences. Empirical testing of economic laws is therefore a waste of resources; rejection of economic laws on the basis of empirical data is a categorical mistake, which reflects confusion of the mind.

Following in Mises' footsteps, Prof. Hoppe is an ardent believer of epistemological and methodological individualism. Only individuals act. Therefore, all social phenomena must be logically elaborated and reconstructed as results of individual actions directed towards different ends. All holistic explanations need to be rejected as scientific. At best they are mere pseudo expositions. Men act within the ever-changing context of dynamic uncertainty, while mechanistic explanations assume static conditions whereby all experiential variables are known or given or must be treated as such. To him and like-minded economists, the essence of economics is precisely about disequilibrium. Mechanistic ideas about social engineering and equilibria are only useful to the extent they enable us to understand what does not qualify as human actions, and what are automatic or robotic behaviors.

It is no overstatement that Hans-Hermann Hoppe has been a most important representative alive within the mainstream Austrianism, not only within Austrian economics, for as one would argue, the term "Austrian economics" is probably no longer sufficient, because in fact most thinkers in the tradition have tended to explore beyond the frontiers of economics, across the lines where sciences converge. The interlinkedness of sciences can be seen in the range of interests that Prof. Hoppe himself has demonstrated.

Hoppe's position within the intellectual tradition is unique also in this particular respect: he not only embraces but also emphasizes and deepens the insights of his mentor in bridging the seemingly unbridgeable Humean gulf between economics and ethics. The major feat has been undertaken through the important yet somewhat neglected link: the private property ethic. Hoppe, like Rothbard, fully believes that private property rights are the foundation upon which solutions to many economic and ethical problems can be based.

In the field of politics, Prof. Hoppe has proved somewhat provocative even among promoters of liberty in that he believes that traditional monarchs are a less evil choice than democracy. Moreover, though sympathetic to Mises's own view, he rejects the concept advocating the minimum or minimalist state. Such view, he believes, does not hold water; the belief on the role of the state as such is contradictory, incompatible to genuine efforts to promote social welfare. Further, he argues that even minimalist states still possess inherent proclivities to be omnipotent, or toward totalitarian governments.

Prof. Hans-Hermann Hoppe is currently mulling over an early retirement from the University of Nevada, Las Vegas, where he has taught for many years. Below is the result of a recent email interview with him, conducted by the present writer of the *Akal & Kehendak*, an Indonesian journal on liberty in Jakarta.

A&K: In your last email you mentioned being away somewhere; are you still abroad right now?

HHH: I am currently in Bodrum, Turkey, to make preparation for the upcoming annual conference of the Property and Freedom Society - www.propertyandfreedom.org.

A&K: What is your daily routine like? What subjects do you teach?

HHH: I regularly taught Microeconomics, Money and Banking, and Comparative Economic Systems at the University of Nevada, Las Vegas. I am currently on leave and planning to retire from there in order to devote myself entirely to private scholarly pursuits.

A&K: Who are your favorite philosophers, thinkers or writers?

HHH: My favorite thinkers are Ludwig von Mises and Murray N. Rothbard, with whom I was very closely associated during the last ten years of his life (from 1985-95). Among philosophers, I am predisposed toward representatives of the rationalist tradition within philosophy. Thus, for instance, I have learnt quite a bit from Brand Blanshard and from Karl-Otto Apel (both of whom do not know much, if anything, about economics, however).

A&K: What are the three things you value most dearly in life, Prof.?

HHH: Truth, justice, and beauty.

A&K: And three things you abhor?

HHH: The opposite of truth, justice, and beauty. And more specifically: "political correctness," moral cowardice and opportunism.

A&K: Supposing you sat on the Nobel Prize committee for economics, who would you consider deserves the Prize—please exclude yourself.

HHH: Anyone of the leading lights associated with the Ludwig von Mises Institute. However, the nominating committee is filled with statist, and the prize itself has been established by the Swedish Central Bank, and so, given the fact that Misesian economists are uncompromising free-marketeters and oppose in particular any form of monetary socialism (central banks), their chance of ever winning the prize is virtually zero.

A&K: Why would you nominate them?

HHH: Because Misesian - Austro-libertarian - economists have the best grasp of the operation of free markets and of the detrimental effects of government (states) on the formation of wealth and general prosperity. This is illustrated by the fact that Mises, and those economists following in his footsteps, have by far the best record in predicting the outcome of socialism, of the modern redistributive welfare-state, and in particular of government-controlled paper-money regimes and of central banking.

A&K: Could you share a few words for our audience on empiricism?

HHH: There are areas of scholarly pursuit where empiricism is quite appropriate: in the empirical natural sciences, for instance, and, in a somewhat different form, also in history. But there are other areas - logic, mathematics, geometry and, in particular, also economics - where the empiricist method is entirely inappropriate and indeed fallacious. What rationalist philosophers in general and Misesian economists in particular object to is merely the "overreach" of the empiricist method. They insist that different methods of intellectual inquiry apply to different areas of human knowledge; and they insist that "theory" is more fundamental than "history," i.e. that logic "beats" experience, or put differently, that experience which seems to contradict logic is the result of intellectual confusion and muddle.

A&K: Fine; now, let's enter political issues. In one of the articles that we read on LewRockwell.com, Why Democracy Attracts Bad People. Could you paraphrase it briefly here?

HHH: What is true, just, and beautiful is not determined by popular vote. The masses everywhere are ignorant, short-sighted, motivated by envy, and easy to fool. Democratic politicians must appeal to these masses in order to be elected. Whoever is the best demagogue will win. Almost by necessity, then, democracy will lead to the perversion of truth, justice and beauty.

A&K: So what do you have to say about Nepal, which is entering democracy?

HHH: I do not know much about Nepal. But I am afraid that the transition from a traditional monarchy to a modern democracy in Nepal will make things worse than they would otherwise be, because democracy promotes short-sightedness and will lead to the same redistributionist welfare-state policies that we already know to increasingly plague the U.S. and Europe.

A&K: What do you say about the Austrian Theory of Business Cycle in light of the sub-prime mortgage crisis and today's soaring global food prices?

HHH: The sub-prime mortgage crisis is a beautiful illustration of the ABC theory. If you artificially lower the interest rate by creating additional loans out of "thin air" (merely by printing up more paper money offered in the loan market - rather than by genuine additional savings) then you create a popular illusion: the illusion that there are more funds available for investment purposes than there really are (a wealth illusion). The following crisis merely reveals this illusion. More money cannot make a society richer than it really is, it can only lead to a redistribution of wealth, i.e., it can make some people in society richer at the expense of making other people poorer.

As for food prices: prices are determined by demand, supply and the general monetary conditions (the supply of money). The demand for food is rising due to a larger world population (and an overall more prosperous world population) - this is one reason why food prices rise. Second, the supply of food is reduced (as compared to what it could be) due to governmental regulations and restrictions of agricultural production (just think of so-called environmental restrictions in the West, or of the confiscations and "socialization" of privately owned land as, for instance, in Zimbabwe) - this is another reason for rising food prices. Third, the government (central bank) produced paper money supply (inflation) is everywhere constantly increasing - and this is a third reason for rising prices.

A&K: Rumors abound in the Mises forum saying that you are working on a new book? Is that true?



HHH: Yes I am working on a large book project, which I anticipate to take me at least 5 years to complete. Therein I want, first, to restate and elaborate on my previous work (early on in my career in German, and later on in English) in the fields of epistemology and ethics - or, more generally: the nature of human rationality; and then, secondly, I want to offer a systematic and interdisciplinary reconstruction of human history (pre-history, hunter-gatherer societies, agricultural societies, industrial societies) where I will draw on and largely expand on ideas first sketched in my 10 lecture series Economy, Society, and History, delivered a few years ago at the Mises Institute (and available on the internet).

A&K: Following my translation of your paper into Indonesian, The Misesian Case Against Keynes, I am actually interested in translating one of your books,

Economic Science and the Austrian Method; where you attempted to demolish empiricism. The problem is, whom to write to for the permission?

HHH: I can herewith give you permission to translate the little book!

A&K: I never expected this at all, but thank you very much! In just a few words, what's the prospect of Austrianism?

HHH: I cannot but hope that the truth represented by Austrianism will ultimately win over falsehood and illusion. But even if that were not the case, I still consider it to be my duty to fight for it as long as I can.

A&K: Prof. Hoppe, thank you very much once again for this interview, and for your permission.

HHH: You're welcome. Hope this helps. □

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