Method in Social Sciences

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Scientific knowledge can be substantive, normative, or methodological, depending on whether the object is external reality, thought, or morality. The three types of thought are scientific because they adopt truth as a criterion, which in each case requires a different definition. In the case of substantive sciences, which include natural sciences and social sciences, truth is the conformity of the concept with reality. In the case of normative and moral sciences, which may be subject to reason, they are primarily submitted to values affirmed by religion, tradition, the legal order, or the social consensus of modern societies. In the case of methodological sciences, truth is logical coherence, and the methodological science *par excellence* is mathematics.

Substantive sciences have an object to be studied—nature or social behaviour—while methodological sciences have an objective, not an object: to help the person think. Among substantive sciences, natural sciences achieve great precision because their basic elements—the atom and the cell—are predictable. This is not the case for social sciences due to freedom and, therefore, the unpredictability that defines the human being. In these sciences, the historical method, the dialectical method, and hermeneutics help us to think.

According to the definition in the *Oxford Dictionary of English*, online, “truth is what is true or in accordance with reality”. The definition, therefore, is simple. And yet, truth is so difficult to achieve. Confusion begins with definitions: some define it as "what the scientific community considers true," others as "what is proven empirically," others as "what can be proven and has not been disproven by empirical observation," and others as "that which is logically coherent". On the other hand, we can say that truth is impossible to achieve, except for the simplest, definitional truths, such as "this object is a chair," "this animal is a man". As for other truths, regarding complex objects, systems, or relations between facts, they will be much harder to achieve the more complex and changing these systems are, the more dialectical the relations between the elements composing them, the greater the freedom of these elements, and the greater the interests involved. Consequently, when the systems to be understood are very complex and contradictory, the observer might benefit from reflecting dialectically on the contradictions inherent to the object of study, and to interpret rather than to assert with certainty.

The problem of truth itself is complex, contradictory, and undermined by interests. That is why the debate among philosophers on the subject is endless. That is why rationalism is dangerous. With modern rationalism, truth became attainable by Cartesian reason. In the 18th century, starting with Kant, confronting the competition implicit in the extraordinary advance of natural sciences, philosophy came to consider its specific field not as the knowledge of being (ontology) anymore, but epistemology—the critical study of knowledge. With Heidegger, ontology came to be studied again, but from a perspective different from that of natural sciences. And philosophy also reserved for itself political philosophy and social philosophy—fields in which empirical sciences had fewer resources to advance.

In the 19th century, Marx and later Freud, with their theories of ideology and the unconscious, established the social and psychic conditioning factors of the discovery of truth, in this case in social sciences. Truth, then, assumed two strands: that of empirical truth, according to the historical-deductive scientific method, and that of the truth of logical consistency, corresponding to the hypothetical-deductive method—the method proper to mathematics, statistics, and econometrics, not to substantive sciences. Nevertheless, neoclassical economic theory submitted itself to this method, and thus its theoretical core became detached from reality. Since the emergence of social sciences in the 19th century, the historical method was dominant, with the exception of neoclassical economic theory, which appeared at the end of the century, adopted the hypothetical-deductive method that allowed for the extensive use of mathematics, and became dominant in universities. From approximately 1980, however, the other social sciences (except anthropology) began to be invaded by this method, which gained the name of "methodological individualism". According to this perspective, social structure and social change are the result of individual decisions and, therefore, social scientists will contribute to the advancement of knowledge provided they investigate the microfoundations or rational bases of individuals who behave according to the axiom of *homo economicus*.

For the alternative theory, founded by Marx, Weber, and Durkheim, to which I affiliate myself, social and economic phenomena can be better explained through social and economic structures, by macro or holistic historical forces, which presuppose underlying interests but explain social and economic change primarily starting from the change in relations of production and the new historical facts that modify the social system under analysis.[1] Today, after the failure of utopias, whether liberal or socialist, and after relativistic postmodernism, relativism has gained space, rhetoric has emerged as a substitute for empirical verification, and deconstruction has shown itself to be an alternative to the constitution of truth. Relativism is not, however, a solution to the problem of truth; it is its negation.

The proper scientific method to social sciences is the historical-deductive method, while to natural sciences is the empirical-deductive method. These are

substantive sciences, endowed with their own object—society in one case, nature in the other. Different are the methodological sciences, like mathematics and econometrics, which do not have an object; they are merely a way to help think about the other sciences. Considering economic theory, I developed this distinction in two essays, "The two methods and the hard core of economic theory" (2009) and "Historical method and economic syllogisms" (2018), the latter originally published in English. In this essay, I will make this distinction considering social sciences in general and not just economic theory.

If we consider true only what can be demonstrated empirically, the scientific method can colonize truth. Actually, there are many truths that cannot be proven but are real. As Gadamer says (1957: 58) : "To what extent does it not reside in the very procedure of science that there are so many questions we need to answer and yet it prevents us from doing so? It forbids these questions, discrediting them, that is, declaring them absurd. This is because, for science, only what satisfies its own method of intermediation and verification of truth makes sense."

Method and historical materialism

The most general method of social sciences is historical and dialectical materialism that Marx and Engels developed in the mid-19th century. It is an extraordinary philosophy of history, which allows us to better understand the contradictory dynamics of human development. Besides being a method, historical materialism is a general theory of how societies organize and develop themselves, which serves more directly as a basis for major sociological analyses, regardless the currents of thought dividing the field. As structural analysis, historical materialism sees in society an infrastructure constituted by economic and technological bases and by relations of production or forms of property, and a superstructure in which political ideologies, religions, and the culture of each people reside. As a dialectical analysis, the two structures maintain a dialectical relationship with each other in which the main vector is the infrastructure, but the superstructure vector reacts to the first and influences it back.

In historical and dialectical materialism, there is no determinism or economism. Marx and Engels clearly gave greater importance to the infrastructure, but over time Marxists began giving more relevance to the superstructure until Antonio Gramsci (1934), by developing the concepts of hegemony and historical block, managed to formulate a model in which history can be understood as a social class struggle in search of ideological hegemony. Or, in other words, politics in capitalist societies is a permanent struggle for hegemony, with the dominant class tending to be hegemonic, but with space for the middle classes and the popular classes.

Historical materialism sees society always in motion. In the long run, which is its proper field, it sees history as a succession of modes of production. Technological development and class struggle are the two engines of history. We have, then, four forms of social organization—the primitive community, slavery, feudalism, and capitalism—which change as class struggles change the relations of production. This struggle is not only between the bourgeois class and the working class. As long as there are dominators and dominated, there is class struggle. And contrary to the vulgar conception, the struggle is not bloody. Deaths only occur in great revolutions like the French Revolution, the October Revolution in Russia, and mainly in the Chinese civil war that led to China's independence in 1949.

From the 18th century onwards, the Capitalist Revolution unleashes; it was the greatest transformation in the history of humanity since the Agricultural Revolution, ten thousand years BC. Technological development or the development of productive forces then accelerates, and we have the formation of the nation-state and the Industrial Revolution. At the same time, the class struggle deepens, stimulated by the contributions of Jean-Jacques Rousseau and other Enlightenment philosophers, and erupts in the French Revolution—the popular revolution that radically delegitimized the unnameable privileges enjoyed by the aristocracy of late feudalism, paving the way for everyone to be equal before the law. It ended up dominated by the bourgeoisie, which was the social class able to replace the aristocratic nobility.

It was in this context that Marx wrote the famous "Preface to A Contribution to the Critique of Political Economy" (1859), in which he brilliantly summarized historical and dialectical materialism.

> In the social production of their life, men enter into definite relations that are indispensable and independent of their will, relations of production which correspond to a definite stage of development of their material productive forces. The total sum of these relations of production constitutes the economic structure of society, the real foundation, on which rises a legal and political superstructure, to which corresponds definite forms of social consciousness.
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> The mode of production of material life conditions the social, political, and intellectual life process in general. It is not the consciousness of men that determines their being, but, on the contrary, their social being that determines their consciousness. At a certain stage of their development, the material productive forces of society come in conflict with the existing relations of production, or — what is but a legal expression for the same thing — with the property relations within which they have been at work hitherto. From forms of development of the productive forces these relations turn into their fetters. Then begins an epoch of social revolution. With the change of the economic foundation the entire immense superstructure is more or less rapidly transformed.

Forgive me for reproducing these two such well-known paragraphs, but they summarize so well a thought that Marx had certainly been developing for a long time, at least since he wrote *The German Ideology* (1846) with Engels. Of our founders, there is also the book signed by Engels, but which counted on Marx's collaboration, *Socialism: Utopian and Scientific* (1880), in which we have a well-structured explanation of historical materialism and its dialectical character.

Historical-Deductive Method

Historical materialism offers a broad view of historical evolution but has little predictive power in the short term. Social sciences as a whole are very imprecise when compared to natural sciences. Unlike cells or atoms, men are free; they are capable of thinking and making decisions. This makes them unpredictable. The ideal for social scientists would be to formulate theories that were precise and provided excellent predictions, but if they achieved this goal, man would cease to be free. That is why good social scientists are humble; they know what their limitations are and what dangers are involved in arrogance.

Not all, however, follow this good rule. Starting from the correct assumption that men are rational animals, many economists adopted the absurd principle of perfect human rationality as an axiom and concluded that, on the economic plan, they would always adopt the rational decision. Thus, neoclassical economists built the model of general equilibrium and that of rational expectations. They categorically stated that economic science boiled down to this theory, which could be taught with the almost exclusive use of mathematics. And they began to teach it in major universities, which were closed to any "heterodox" thought.

Understood in these terms, economic theory would dispense with empirical tests, but contradictorily, economics departments continued to demand them and give them importance—relative importance, in fact, because if the test disproved (falsified) the theoretical core, it would be considered irrelevant. Or, as Karl Popper (1934) proposed, the test could be disregarded because otherwise we would be incurring the error of "naïve falsificationism", since a small error could not delegitimize a major theory. A clever concept with which he ended up legitimizing thought not falsifiable like that of the neoclassical school. Consequently, due to, on one hand, the mathematical demonstration this theory makes of the market's capacity to coordinate the economic system (with the State merely guaranteeing property and contracts), and on the other, the priority given to reason over empirical verification, the core of neoclassical economic theory ended up being an ideology—the ideology that legitimizes economic liberalism.

Political science also felt tempted and developed the rational choice model, but political scientists were realistic enough not to take too far the idea of perfect

human rationality. The proper method to social sciences is the historical method. When we adopt it, we necessarily become modest because we know the limitations of the knowledge we hope to produce. To distinguish it clearly from the hypothetical-deductive method, I call it the historical-deductive method.

Historical, because the social scientist starts from the observation of historical events that constitute social life. Deductive, because subsequently, he formulates an initial scientific hypothesis which he then tests empirically, if that is possible. If not, he must be content with the relative corroboration given by what continues to be observed. Although social scientists have tried to improve and make their instruments of empirical testing more precise, their success has been small. In social phenomena, the variables to be considered are many and often interdependent, so that, for example, econometric tests, even though they are very sophisticated today, have little capacity to test more complex hypotheses.

The method is deductive because, in the formation of hypotheses, the researcher needs to use deduction intensely, a basic element of syllogisms. A social science cannot be a mere linked system of syllogisms, as happens with neoclassical economic theory, but in the historical perspective, the use of syllogism is inevitable if not necessary. Marx, for example, always thought historically, but he did not dispense with logic. The theory of surplus value, for example, is a remarkable syllogism in which there is a major premise (the value of a good is determined by the socially necessary labor time to produce it); a minor premise (the worker sells his labor power for a wage equivalent to the necessary value for his reproduction (subsistence); therefore, the capitalist appropriates the difference between the value produced by labor and the value paid in wages—this difference is surplus value). It is clear that to reach this syllogism, Marx had to construct the premises, and these are historical. Both were the fruit of much observation and much reasoning.

Based on the historical-deductive method, the social scientist builds historical models—models that depend exclusively on historical observation. For example, when we assert the law of supply and demand, we are simply stating that, according to our experience, when the demand for a certain good increases without its supply increasing at the same time, its prices increase, the reverse happening when demand falls. Another example: when we state that an economy's growth rate depends on the investment rate, we are again making a simple observation: just compare the GDP growth rate of major countries and we will see that it will be higher the higher the investment rate is. A third example: when Marx developed his model of expanded reproduction, he stated that through the accumulation of surplus value and reinvestment on a larger scale, economic growth would occur. In this way, he proposed a theory of development that also corresponded to what he observed in capitalist economies: the greater the profits, the greater the accumulation of capital and the greater the growth.

Besides historical models, the economist may, therefore, use syllogistic models. In this case, he starts from a major premise and a minor premise to reach a logical conclusion that is already included in the major premise. Syllogisms, however, are dangerous because they can mislead economists into neoclassical economic theory, which ultimately is a system of syllogisms that can be defined in a precise mathematical way. And in that case, we build a veritable castle in the air, without contact with reality. In truth, an ideological system to demonstrate how self-regulated markets can coordinate economies perfectly.

But syllogisms can help the researcher to think. For this, I propose that we distinguish axiomatic syllogisms from conditional syllogisms. They are axiomatic when the major premise is a definitive statement, an axiom, a self-evident truth. They are conditional when the major premise is only a possibility that will happen if certain conditions are met; they are, according to Aristotle, "contingent futures."[2] In practice, premises will hardly be evidently true (there are few premises with this quality). More common or more reasonable are premises seen as conditional. In this case, syllogisms will not conflict with historical models but can help to formulate and ground them. Conditional syllogisms are modest syllogisms regarding what can be legitimately deduced from them; they do not lead to definitive truths.

I developed the theory of the two methods and the critique of the use of the hypothetical-deductive method from an economic perspective. However, we can also make this critique in relation to other social sciences, because they have often allowed to be contaminated by this method. This is the case of political science, which imported the idea under the name "rational choice theory" (or methodological individualism) and used it as a method. This theory and this method have as a premise the thesis that individuals are always selfish (non-cooperative) and utility maximizers. In its most rigorous expression, the scientist uses game theory to explain cooperation, conflict, and strategies within institutional contexts. This is a narrow view of political science, since actors are not always rational, and do not always act as isolated individuals, but inserted in their respective society. It is also narrow because it does not allow for broad analyses of society.

Rational choice theory, however, allowed a group of economists to invade political science with their "public choice theory". These economists, who had learned neoclassical economic theory at the university, assumed that public servants and politicians are bandits who exclusively seek their own interests and were thus able to mount a fierce combat against the State, which would be the mere expression of these interests. And thus they gave "political" support to neoliberal ideology.

Certainly, it is possible to have a more reasonable and realistic view of things while prudently adopting the rational choice method. This is the case, for example, of Adam Przeworski who, in "Marxism and rational choice" (1985a: 381), seeks the rational motives behind individuals' actions. But formed in

Marxism, he combines this method with a view of history. For him, the critique of Marxism by methodological individualism is "irrefutable and salutary," but he still wants the philosophy of history to have rational microfoundations, which I do not believe to be viable.

Phenomenological method and hermeneutic method

According to Joaquin Xirau (2015), in his introductory book to Edmund Husserl's phenomenology, the phenomenological method for social sciences was originally defined by Alfred Schutz (1932), following the steps of Husserl, the creator of phenomenology. This is a philosophical method that seeks to "return to the things themselves". That is, to understand phenomena as they manifest to consciousness, without presupposing theories, ideologies, or external causal explanations. Instead of studying objective behavior, phenomenology seeks to understand how the social world is constituted in the intersubjective consciousness of subjects. Husserl shows, thus, that he is heir to German idealism, though much modified by him. Phenomenological investigation is the minute description of the intentional structure of consciousness, given that the object is everything that can be the result of the subject's intentional consciousness. On the other hand, reality depends on truth. As Joaquín Xirau (2015) summarizes, "the reality that science seeks to determine is, at the moment, an unknown reality," making it impossible to define truth by reality, for true reality for Husserl is anterior to reality.

In this way, idealism is present in Husserl, like the vast majority of philosophers who only work with ideas. Although he speaks insistently of positive knowledge, there is a strong idealist element there. For Schutz, the social scientist must understand how actors give meaning to their actions and build a common world; what matters is the significant experience individuals have of the social world—a simplified, but more reasonable translation of the phenomenological method. The phenomenological method is difficult to apply in practice.

Related to it, but of older origin, is the hermeneutic method—the method of interpreting texts—which became relevant to social sciences since, at the end of the 19th century, Wilhelm Dilthey (1910: 168) extended hermeneutics to the human sciences—as a method of historical and cultural understanding. For him, hermeneutics is "the art of interpretation" in which the central element is understanding—"an encounter of the I in the Thou... this sameness of the I in the Thou is found in every subject of a community, in the whole system of culture, finally, in the spirit of universal history, making possible the joint action of diverse capacities in the human sciences". He reacted to positivism and worked for the understanding of the symbolic reality achieved through social sciences.

Later, Hans-Georg Gadamer—in *Truth and Method* (1960)—formulated philosophical hermeneutics: understanding is a dialogue between horizons (past and present). In this book, in its first pages (p.1 and 2), he defines the main variables of the hermeneutic method. For him, the phenomenon of understanding and the correct way to interpret what is understood are not just problems of philosophy. Since ancient times, there has been a hermeneutics, which "surpasses the limits imposed on it by the methodological concept of modern science". The experience of philosophy, the experience of art, and the experience of history itself cannot be verified with the scientific method. And Gadamer asks himself: "To what extent can the claim to truth of such forms of knowledge situated outside the scope of science be philosophically legitimized? The topicality of the hermeneutic phenomenon rests, in my view, on the fact that only by deepening the phenomenon of understanding can such a legitimation be achieved".

A little later, Paul Ricoeur (1969) integrated hermeneutics and phenomenology, focusing on the role of the text, the metaphor, and the narrative. He developed a "hermeneutics of suspicion" (inspired by Marx, Nietzsche, and Freud) and a "hermeneutics of trust" (p.22). For him, "interpretation is the work of thought which consists in deciphering the hidden meaning in the apparent meaning, in unfolding the levels of meaning implied in the literal meaning" (p.16).

John B. Thompson, who organized a book in English with a selection of texts by Ricoeur checked by him, shows, in its introduction, how hermeneutics relates to social sciences. For Thompson (1981: 17-18), there is in Ricoeur's hermeneutics a direction very close to this with philosophical reflection; in the words of the latter (Ricoeur, 1981: 17), "reflection needs to become interpretation because I cannot understand the act of existing except in the signs existing in the world". Social sciences offer matter for interpretation, while hermeneutics, by interpreting the text, expands the knowledge they seek to transmit. Like Gadamer, Ricoeur has a broad view of social sciences (not just what can be proved).

Freud's fundamental discovery was that of the unconscious. Therefore, consciousness is not given but is a task to be realized through the tortuous path of desire. Marx, in turn, continuing to follow Thompson, made the critique of ideology, which leads day-to-day attitudes to be their distorted manifestation of reality. In this framework, Ricoeur enters with the concept of appropriation—the act of transforming the alien into our own. As Thompson comments (p.18), "the act of appropriation does not seek to review the original intentions of the author, but, rather, to expand the conscious horizons of the reader making real the meaning of the text".

The social life we intend to study is, therefore, described in many texts by the most varied authors. It is also in the newspapers where today's social life is present. To develop social sciences, and understand the movements of society, besides using the historical-structural method and the scientific method, we

must study it by reading and interpreting texts. We do this both when we read texts by other social scientists and when we inform ourselves through the media. In any case, reading must be interpretive. For Gadamer, reading a text is an encounter between the horizon of the reader and that of the text's author. Understanding occurs in the fusion of these horizons. And it occurs necessarily through dialogue. Ricoeur, in turn, by understanding the hermeneutics of suspicion, is stating that Marx, Nietzsche, and Freud suspected the superficial meaning of texts and sought hidden meanings (ideology, unconscious, will to power), while the hermeneutics of trust would complement that of suspicion, showing that interpretation can also reveal meaning, create understanding and openness.

Method in Max Weber

Max Weber was a sociologist, and his method relative to social sciences is historical, but being a liberal, he seeks to distance himself as much as possible from Marx and historical materialism. Weber studied Marx's thought and recognized the importance of economic factors and the existence of class struggle but never showed greater interest in these ideas. On the contrary, he sought to show the importance of religion in history, especially the role of the Protestant ethic in the emergence of capitalism, and criticized economic determinism.

His method centers on the tendencies toward rationalization, secularization, and bureaucratization he observed in history. The world tends to be increasingly "disenchanted" because it tends to be increasingly rational. In his *General Economic History*, he states (1923: 298), "what, ultimately, created capitalism were rational accounting, rational technology, rational Law, and to all this must be added rational ideology, the rationalization of life, and ethics in the economy". Weber's rationalism is, therefore, radical. Capitalism was not born from technological development, economic expansion, and class struggle, but from changes in institutions. As Maurício Tragtenberg observed (1973: XII), "this process of rationalization is linked to the 'disenchantment of the world,' conferring upon it a negative aspect: the 'structural rationalism' that enthroned rationalism as the demiurge of the universe which, through the paradox of consequences, transforms reason into instrumental technical reason at the service of capital, creating the 'iron cage'—bureaucracy—that frames the so-called modern man".

The method of social sciences in Max Weber starts from the idea that the central object of social sciences is social action, that is, the actions of individuals endowed with subjective meaning and oriented towards behavior of a rational character. Unlike natural sciences, which seek universal and causal laws, social sciences need to understand the meaning actors attribute to their conduct. For this, Weber proposes "comprehensive sociology," which seeks to interpret the subjective motivations of individuals. He also defends the use of

ideal types—his most significant contribution regarding method in social sciences. Ideal types are conceptual constructions that do not exist in reality in pure form, but function as analytical instruments to compare and interpret social phenomena. For example, the ideal type "bureaucracy" is a generalization that serves to understand concrete cases, even if these never correspond fully to the model.

Finally, Weber insists on "value neutrality": the social scientist must separate judgments of fact from judgments of value. This does not mean an absence of personal values, but rather that, at the moment of scientific analysis, they must not interfere with the objective examination of phenomena. The task of science is to offer rigorous explanations and interpretations, leaving it to politics and ethics to decide on what is desirable. Among the essays that are part of his book *Methodology of Social Sciences*, in "On some categories of comprehensive sociology" (1913: 315), Weber speaks of the *ideal type* and of action: "It is evident that behavior which is rationally interpretable presents itself, regarding the sociological analysis of comprehensible social connections [relations], as the most appropriate 'ideal type': both sociology and history make interpretations of a pragmatic character through rationally comprehensible connections of an action".

Historical-Structural Method

The historical-structural method can be understood as the eclectic integration of the methods presented here—historical materialism, the historical-deductive method, syllogistic models, and hermeneutics. It requires us to situate the problem to be studied by social sciences in a determined moment of history and in its respective social and economic structures. If the problem we seek to solve is broad, we must think that it changes by stages or phases and we must establish what the current phase is and what the previous phase was from which it originated.

The social scientist who systematically used the historical-structural method was Celso Furtado. He remained faithful to the historical-inductive method, notwithstanding the *mainstream* was, since the 1980s, neoclassical, hypothetical-deductive. He used syllogisms whenever necessary but always made his analysis starting from historical facts and their tendency, not from a presupposition of rational behavior. Although, as an economic historian, it was natural for him to prioritize the historical-inductive method, the same occurs when he assumes the role of theorist of development and underdevelopment. Furtado uses available economic theory and seeks to advance it in the understanding of economic development.

No one has used economic theory to understand the evolution of the Brazilian economy with greater brilliance than Furtado in *The Economic Formation of Brazil* (1959). As historian Francisco Iglésias observed (1971: 200), although

this is a book of economic history, it is so "from the economist's perspective... in this analysis of economic processes one arrives at a great stripping down, at an ideal model, at forms that have, at times, the appearance of abstract. This is what happens in many passages of Celso Furtado's book; the rigor of the book's construction is such that... it makes reading difficult for those who do not have ample historical information and certain knowledge of economic theory". In the same direction, Gérard Lebrun (1985) points out: "history, as practiced by Celso Furtado, is only worth its extreme *precision* (author's emphasis)... This is his method: no assertion that is not anchored in facts or statistical data". But I would add that they are used with great intelligence and capacity for inference. One of the characteristics that makes *The Economic Formation of Brazil* (1959) a masterpiece of history and economic analysis is Furtado's capacity to, from the meager available data, deduce the other variables of the economy and its dynamic behavior. In this perspective, the exchange rate is the economic variable most present in this book, even if not always expressly.

The historical-structural method is the method that structuralist economists of the Latin American classical developmentalist school used in their works. The main economists of this school of thought spoke insistently of "structural change," and this was nothing other than industrialization, or, more precisely, the Brazilian Industrial and Capitalist Revolution—a structural transformation of the Brazilian economy and society. That is why they were called structuralist economists. This revolution, however, occurred between 1930 and 1980. Afterwards, following the great foreign debt crisis, Latin American countries ceased to adopt the national-developmentalist strategy, and classical developmentalist theory went into crisis, notwithstanding that the economy of these countries entered a regime of quasi-stagnation. In the early 2000s, new-developmentalist theory emerged, which came to confirm the validity of classical developmentalist theory, criticizing it only for believing that growth was possible with foreign savings, and which proposed a new macroeconomics of development focused on interest rates, exchange rates, and the current account deficit.

The historical-structural method is, therefore, applicable not only in the case of fundamental changes such as capitalist revolutions that happen in each country, their particular characteristics, and their consequences. They are also applicable to smaller changes, but they are always linked to the country's social structure. For example, if we want to study the causes of the poor performance of the English economy in recent years, we need to consider that this economy receives massive dividends from its investments abroad, which increases the supply of pounds and appreciates the exchange rate. Or, taking the case of the Trump administration in the United States. We will only understand the aggressive use of import customs tariffs if we consider that since the 1960s the country has presented a structural current account deficit. Or, leaving the economy, it is impossible to understand the conservatism of the Brazilian Congress if we do not consider the proportional electoral system with open lists that makes electoral campaigns expensive and disconnects voters from deputies.

Or, as a last example, it is not possible to understand the abysmal inequality existing in Brazil if we do not consider it as a heritage of slavery, which, besides explaining the poverty of the brown and black people, also explains the racism and insensitivity of Brazilian elites regarding the suffering of the poor.

Part of the historical-structural method is what I call the method of the new historical fact. The idea is very simple. When we seek the causes of a certain historical social fact which is always changing, we must distinguish the new historical facts that explain recent changes from the "old" facts. The latter may continue to explain important aspects of the existing situation today, but only new historical facts can explain recent changes.

The best example I have relates to the Brazilian economy. It has been quasi-stagnant since 1990; it fails to diminish the gap in terms of its per capita income relative to the United States. Why does this happen, when we know that until 1980 this economy grew rapidly? A frequent answer is that the country did not invest in fundamental education. Indeed, this happened, but it is not a new fact, because the great growth between 1930 and 1980 happened without investment in education. It was after the 1988 Constitution that Brazil began to invest in fundamental education.. In my view, the new facts that explain this quasi-stagnation are the trade opening and financial opening, occurring between 1990 and 1992, that led Brazil to lose its control over the exchange rate and the interest rate. Brazil then, pressured/persuaded by the *soft power* of the Empire, fell into the trap of high interest rates and appreciated exchange rates, or the liberalization trap, and entered into quasi-stagnation.

Another example. Why is United States society today at the mercy of an authoritarian president who is gravely reducing the quality of its democracy? We can say it was the radical individualism that dominated the country since 1980, when the Neoliberal Turn occurred. Individualism disrupts a society, depriving it of the basic principle of solidarity, which was really great in that period, but does not constitute a new fact. It always existed in the United States and merely increased in the 40 years in which neoliberalism (1980-2020) was dominant there. The new fact was the global financial crisis of 2008 which caused the economic failure of neoliberalism. This failure, in turn, opened space for extreme right-wing populism, which is the inverse of neoliberalism on the economic plan, but equally represents the interests of the American rentier bourgeoisie.

In synthesis, by implying the eclectic use of all methods we discussed in this article, the historical-structural method is the proper method to social sciences. It is a varied method, which will assume, in each case, a different form because the problems to be studied are also very different. But it is always historical-deductive, always involving dialectics besides logic and often making use of hermeneutics.

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[1] Max Weber is often supposed to have adopted methodological individualism, but his basic method was historical or sociological.

[2] Future events may or may not happen; today they are neither necessarily true nor false.