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# The Market for Philosophers

## *An Interpretation of Lucian's Satire on Philosophy*

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I can't imagine how you can think philosophy and wine are similar—except in this one respect, that philosophers sell their learning as shopkeepers their wares; and most of them dilute it, too, and defraud customers.

—Lucian

With the recent publication of *Public Intellectuals: A Study of Decline*, Richard Posner (2001) once again has extended the reach of economics beyond its traditional confines of industry and commerce, taking it to the arena where political and ideological themes are discussed before a general audience. Although the book represents, as Posner mentions, the first application to intellectuals of the complete arsenal of analytic tools now available to economists, a precedent had already been established eighteen hundred years ago, albeit not in so systematic a fashion as Posner's, by a Syrian-born rhetorician and satirist who made his mark in the Roman Empire, Lucian of Samosata.

Among the eighty-two works credited to him by the Loeb Classical Library, we find two dialogues, *Hermotimus* ([153–65?] 1965a) and *The Sale of Philosophers* ([160–70?] 1965b). The first portrays a committed follower of Stoicism convinced by a skeptic to give up on philosophy and live an ordinary life, and the second depicts a fictional auction of the major philosophical schools in the ancient Greek-Roman

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world. In both, key elements of the economic approach are present, inasmuch as Lucian adopts methodological individualism, presumes self-interested pursuit of utility, insinuates a theory of stable preferences, gives a rich description of the high information costs of philosophy, refers to the impact of sunk costs in explaining the dogmatism of philosophers, uses a risk-return framework to assess philosophic investments, and suggests that the interaction of consumer preferences and costs determine the following and prestige of different teachings. Just as Posner does with the present-day market for public intellectuals, Lucian concludes that the second-century A.D. market for Greek-Roman philosophers, the public intellectuals of the time, fails to deliver anything of real informational value. In other words, no philosopher succeeds in providing the truth.

Rather than taking the economic approach, philosophers and intellectual historians have either interpreted philosophical activity as the independent and disinterested pursuit of truth<sup>1</sup> or adopted a sociological approach that treats philosophic thought as being determined by the class, religious, cultural, and political imperatives of the day.<sup>2</sup> Neither of these approaches is fully satisfactory.

The former cuts against the strong correlation between philosophers' teachings and the ideological currents of their societies and times. To give just a few examples, Aristotle offered arguments in support of slavery in a society where slave ownership was accepted; medieval philosophers generally insisted on reason's capacity to prove the existence of God; and virtually all the eighteenth-century Enlightenment philosophers criticized the landed nobility's value system and defended private property at a time when commerce and industry were in the ascendant and agriculture in relative decline. Thus, the chances that philosophers have been entirely disinterested and independent are slim.

By contrast, the other view, sometimes called the sociology of knowledge, is plagued by a self-referentiality dilemma. The proposition that all thinkers are bound by their spatiotemporal conditions must include the person who is advancing it. Yet this person is implicitly asserting that his mind can escape the confines of space and time by grasping how people think in every era. Hence, the proposition does not really apply to all thinkers, but only to everyone but the person making it. Why this exemption? An economic approach, however, does not automatically rule out the capacity of philosophers to think outside their spatiotemporal boxes, while still underlining the incentives they have to fit their doctrines to the preferences of local consumers.

The prevailing approaches' weaknesses point to the necessity of a more fruitful way of looking at philosophy. The fundamental purpose of this article is to explore the economic approach by laying out a model of the philosophic market culled from Lucian's writings and supplemented with the insights of contemporary economists.

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1. Leo Strauss (1953) is a leading exponent of this view.

2. Among the many examples of this view, Richard Rorty (1989) offers arguably the most accessible, and now very fashionable, exposition.

The article follows in the spirit of other economic analyses of what Karl Marx referred to as part of the superstructure of society—that is, the realm of ideas and symbols. Thus, Walstad (2002) and Goldman and Shaked (1991) put forward an economics of science; Iannaccone (1990, 1991, 1995) advances an economics of religion; and Cowen (1998) applies economic principles to elucidate art. The chief difference between these efforts and the Lucian-inspired one in this article is that I depart from the rational-actor model that most economists assume, favoring instead a behavioral view that pictures the human mind as systematically vulnerable to cognitive biases.

In essence, Lucian views philosophy as a risky investment in human capital with high information costs. In making such investments, consumers irrationally take excessive risks. Lucian also sees philosophy as satisfying a demand not just for truth, but for firm conviction, status, solidarity, justice, equality, freedom, moral guidance, consolation, and reduction of environmental uncertainty. Supply, in turn, is generally motivated by the quest for followers, status, money, and power. The market fails to produce truth precisely because the pursuit of truth is far from the only incentive operating on the demand and supply sides. Instead, the popularity of philosophical schools depends on how well their attributes meet consumers' mostly nontruth preferences.

### Key Definitions and Structure of the Article

I define philosophy as information embodying a set of claims, backed up with logical and evidentiary arguments rather than with explicit appeals to ultimately arbitrary assumptions, about the fundamental principles of both the nonhuman and the human universe. This definition is essentially in keeping with the way the subject has been understood for most of the past two and a half millennia, since its introduction in ancient Greece.<sup>3</sup> Consumers of philosophy refer to those engaged in the activity of seeking information about the ultimate issues the subject deals with by making use of oral and written presentations: by attending lectures, talks, workshops, and interviews or by reading books, journals, and articles. Suppliers of philosophy are those who specialize in providing information about the subject matter by making oral and written presentations: by giving lectures, talks, workshops, and interviews or by writing books and articles. Suppliers can also be on the demand side by using other philosophers' ideas as inputs for their own productions, though a consumer need not play a role on the supply side.

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3. I recognize that this time-honored understanding of philosophy is currently being challenged by postmodernist thinkers. Following Friedrich Nietzsche, such thinkers view philosophy as the creative and imaginative articulation of a worldview. In this view, the point of philosophy is not to come up with a rationally defensible understanding that corresponds to reality, but rather to impose an attractive intellectual structure on our experience that satisfies our needs, such as those for edification, meaning, and social justice. Because this understanding of philosophy is neither accepted by Lucian nor supported by a consensus of contemporary philosophers, I adopt the traditional definition. Still, it is worth noting that the postmodernist attempt to change the product definition dovetails with my thesis that philosophy is a credence good satisfying mostly nontruth preferences. What postmodernists are doing is simply offering a product that openly accepts this aspect of philosophy, instead of claiming, as others do, that their teachings can withstand a rational test against objective reality.

Of course, the precise range of philosophy's subject matter has shifted over time, the most obvious examples being physics and astronomy. Today the latter are separate sciences, but at one time they were components of what was called natural philosophy. Our economic approach accepts the range of topics that happened to be established under the rubric of philosophy during the time and place being studied here. In Lucian's setting, second-century Rome, that range included metaphysics, theology, physics, astronomy, biology, psychology, logic, ethics, and political science. This restriction, however, does not preclude the application of Lucian's suggested model to all historical manifestations of philosophy. Throughout its entire existence, philosophy has consistently embraced topics whose claims, at least when thinkers advanced them, were very difficult if not impossible to verify. History accordingly demonstrates that subjects that become systematically capable of generating verifiable assertions drop out of philosophy, as physics and astronomy did. Philosophy is essentially a credence good inasmuch as its quality—that is, its truth value—cannot be readily settled either before or after someone invests in it. It is philosophy in this sense, as the rational investigation of the contemporaneously unverifiable, that our Lucian-suggested model is designed to explain. What Lucian says, then, about astronomy and physics does not necessarily apply to how these sciences are practiced today, yet it sheds light on topics that have remained philosophical. Obviously, too, what he says about the latter topics—which now include metaphysics, ontology, epistemology, aesthetics, philosophy of science, political and ethical theory—is more directly relevant to current conditions.

In the balance of this article, I proceed by presenting a critical commentary on Lucian's relevant dialogues, interpreting them as offering a compelling if somewhat inadequately developed economic theory of philosophy. Starting with *Hermotimus*, I focus on Lucian's description of philosophy as a risky asset with high information costs. Next, I identify the sources of demand and supply in addition to the philosophic market's failure vis-à-vis truth production. Then *The Sale of Philosophers* takes center stage as I illuminate the market structure of the philosophy industry and how competition there proceeds along quality lines.

### **The Risk and Information Costs of Philosophy**

It would certainly shock many of Lucian's commentators and readers that his works can be plumbed for philosophic purposes, much less economic insight. After all, Lucian is typically classified as a satirist who specialized in the comedic-dialogue form to deride the foibles and pretensions of the leading figures and symbols of Greek-Roman civilization. In this view, philosophy features in Lucian's work only as one of the chief targets of his satire, and economics and philosophy combine with the auction in *The Sale of Philosophers* only as a satirical device to deflate the leading schools of thought. Although some have interpreted Lucian as a shining example of reason and good sense, few have come away thinking that he had a strong theoretical grasp

of philosophy. One Lucian scholar describes him as having a “superficial attitude towards pure philosophy” and as being “not only tone-deaf to the Pythagorean ‘music of the spheres’ but apparently stone blind to Plato’s ‘vision of the more excellent ideal’” (Allinson 1927, 48 and 47). Another scholar describes Lucian’s references to philosophers merely “as the sorts of things that anyone who has dozed his way through a course of philosophy lectures at some time is likely to remember” (Hall 1981, 169–70). Not surprisingly, Lucian’s most notable attempt to make a grand philosophical statement, *Hermotimus*, is hardly remarked in contemporary philosophical discussions.

The likely reason for this neglect has to do with the economic mode of analysis that *Hermotimus* brings to the age-old philosophical question: How does one choose rationally between different theories? Instead of proceeding in the manner typical of philosophers, by concentrating on the proper logical method to test theories or by examining each one for internal coherence and supporting evidence, Lucian focuses on how the choice would have to be made by someone just starting out in philosophy. “[D]on’t laugh at me,” he pleads, “if I conduct my inquiry in an amateurish way” ([153–65?] 1965a, 124). In other words, he is considering the issue of choice from the standpoint of the prospective consumer, rather than from that of the professional producer of philosophical arguments. Just as an economist would, Lucian treats philosophy as a good whose nature is decisively influenced by consumer forces. Concentrating on the budding consumer allows him to convey starkly the significant uncertainty and information costs present even among seasoned experts in deciding which philosophical positions to take seriously and to adopt. It also helps illuminate the long-term character of the philosophy market, for as Lucian observes in the course of *Hermotimus*, specific, self-generating, and reputational investments make philosophical allegiances costly to reverse. From a behavioral economics perspective, too, Lucian’s emphasis on the initial commitment stage is revealing, given the psychological evidence suggesting that people’s core belief systems, once formed, tend to be resistant to change—cognitive psychologists refer to such resistance as the “conservatism bias” (Edwards 1968).

In *Hermotimus*, the part of the novice interested in philosophy is played by Lycinius, who also serves as Lucian’s mouthpiece. Lycinius meets Hermotimus, now sixty years of age, while the latter is on his way to his Stoic professor’s lecture, deep in thought about the previous day’s lessons. Lycinius cannot recall Hermotimus’s ever taking part in the pursuits of ordinary life in the past twenty years or doing anything other than concentrating on his philosophical studies. Struck by this devotion, Lycinius imagines that Hermotimus must be close to achieving the aim of all his exertions, namely happiness, if he has not achieved it already. On the contrary, Hermotimus responds, he is still far from realizing his goal. Pressed by Lycinius to estimate when he will succeed, he can answer only that it should not take more than another twenty years to obtain happiness. In the meantime, of course, Hermotimus might die, a possibility that he concedes renders the fruition of his philosophical project a matter

**Table 1**  
**Decision Table for Lucian's Wager**

STATE OF THE WORLD		
OPTION	Truth discovered	Truth not discovered
Pursue philosophy	Tremendous happiness	Heavy investment in philosophy not recouped
Live ordinary life	Average mix of pleasure and pain	Average mix of pleasure and pain

of hope. So too, he might not finish, should an overwhelming sense of discouragement and impatience cause him to give up. Even so, he insists that his pains and perils will be more than compensated on the day he realizes his happiness because even “the tiniest fraction of a day would be enough” (115).

From the outset, Lucian represents Hermotimus as a self-directed individual who willingly assumes the risks of philosophy on the calculation that it will maximize his utility. Those risks exist because the study of philosophy constitutes an investment in human capital in which the costs are immediate and certain, whereas the benefits are delayed and uncertain. Among the costs Lucian cites is the mental labor in processing philosophical arguments, though he rightly lays more emphasis on the value of the time expended that otherwise might have been devoted to more practical, everyday affairs. Later in the dialogue, Lucian adds that an explicit cash price also must be paid for the lectures, which includes not only tuition fees but also interest charges because students commonly received interest-bearing loans from their teachers. All these costs may be fruitless in the event of death or lack of sufficient willpower, making for significantly negative returns. Or, in view of the sheer bliss that Hermotimus expects, the returns may be significantly positive if philosophy's search for wisdom is consummated. The returns on an investment in the study of philosophy thus vary greatly among different possible outcomes, fitting the classical definition of a risky asset. Given the huge costs evidently involved in following the Stoic philosophy in particular, a rational consumer would make a commitment to that school only in the expectation of proportionately high benefits—which is exactly what Hermotimus does. Table 1 depicts what one might call Lucian's wager.

Philosophy's risk is accentuated by its being a credence good. Economists usually distinguish this kind of good from a search good, anything whose characteristics and quality can be examined at the point of purchase, as well as from an experience good, whose true nature can be discovered only after purchase. Examples of search goods include nails and two-by-fours; examples of experience goods include food and used cars. With a credence good, in contrast, consumers can *never* really tell whether

they received what they bargained for, even long after purchase (Rubin 2000). Philosophy belongs to this category because the different teachings typically advanced make claims—about matters such as God, being, truth, the human soul, the good life, morality, beauty, and the best political order—that can never be verified.<sup>4</sup> Credence goods pose a dilemma because the consumer is vulnerable to exploitation by the seller. Economists recognize that in this situation consumers may seek to counter the risk of obtaining a defective product by examining signals of the seller's trustworthiness.

Lucian describes a number of such signals, which Hermotimus used in choosing Stoicism. First, he considered his teacher's credibility. He came away convinced that his teacher was acting in line with the tenets of Stoicism and happy in doing so. Second, Hermotimus considered how other philosophy consumers were making their choices, opting for the Stoics because they had the greatest following. Third, he paid heed to the reputation of the various schools according to third parties and found that the Stoics were held in highest regard among the general public. Fourth, Hermotimus attended debates between representatives of each school, favoring the best performers. Fifth, he reports being swayed by the appearance of the Stoics. They walked and dressed with dignity, behaved moderately, projected a serious and contemplative image, and even had trim hair styles. Here we have the ethical appeal that Posner speaks of as critical in the public intellectual market (2001, 49). In philosophy, too, consumers do not simply assess the intrinsic quality of the arguments offered by each school, but consider everything related to the character of the persons advancing the arguments.

Satirists are apt to exaggerate people's irrationality, and Lucian exhibits this flaw in criticizing how Hermotimus made his decision. Lycinius essentially argues that Hermotimus failed to conduct a sufficiently thorough investigation of the available philosophic options. There is no necessary connection, Lycinius points out, between the popularity of a school and its veracity; nor does the general public have sufficient expertise to judge philosophies. Anyone can take on the external traits of the philosopher and not really have the mental resources to be one. To Lycinius, a proper investigation entails a methodical examination of each and every school of thought. Supposing that twenty years must be devoted to each school, and assuming ten schools, Lycinius concludes that it is impossible to identify the right philosophy confidently during one's lifetime. More daunting, even after one has isolated a particular school, one still must determine which of its advocates is the best representative. And all this is on the untenable assumption that one of the prevailing theories exposes the truth.

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4. In Lucian's day, inclusion of the natural sciences within philosophy was consistent with the latter's character as a credence good because of the high information costs entailed at the time in understanding the physical universe. Since then, owing to a fall in information costs, the natural sciences have become part search good and part experience good—a search good insofar as theories can be tested experimentally before acceptance; and an experience good insofar as theories can always be falsified by new data even after they have been accepted. Thus, science has separated itself from philosophy and formed a distinctive market.

After all, it is conceivable that none of them is on the mark. Consequently, if people still insist on devoting themselves to a particular school, they may as well make their choice by picking a name out of a hat because no amount of reflection is going to outperform a randomly generated decision. It makes more sense, Lucian argues, to live a common life.

Lucian's argument is sound if one is concerned simply about making a perfectly certain decision, but the cues Hermotimus used do tend to raise the probability of making a reasonable decision. Everything else being equal, a school that has a greater market share than another is more likely to be true if only because it has successfully withstood greater scrutiny of its principles. Besides providing an independent source of information, a good reputation with the public can be obtained only after the passage of some time during which customers have generally come away satisfied. Chance makes it possible for any philosopher to win a debate, but winning points regularly not only requires that he has the strongest position but also indicates credibility by signaling personal conviction and dedication. The outer traits of a philosopher do not come naturally, but require constant practice in order to be convincing to observers, an effort that intimates an authentic commitment to philosophy. Such commitment is also suggested because a philosophic appearance segregates people from the rest of the community and limits their access to all the opportunities available there. Take me seriously as a philosopher, the message seems to be, for I cannot, even if I wished, readily pursue the pleasure, power, and wealth that everyone else pines after in the more common walks of life.

Although Hermotimus might have probed the different schools further, doing so would have made sense only if the extra costs of that action were expected to be compensated by the incremental benefits that would arise from being more likely to choose valid philosophical positions. As economists say, the optimal amount of information search is defined by the point at which the marginal cost of that search equals the expected marginal benefits (Stigler 1961). This optimal condition varies among individuals in accordance with their distinctive risk preferences: the cautious willingly incur higher information costs than the daring. Thus, the more risk-averse individual demands a higher risk premium to commit to philosophy. The resulting reduction in the expected utility of philosophy has to be compensated by raising the probability of acquiring the truth, which in turn requires bearing greater information costs. It is fitting therefore that Lucian justifies his case for a painstaking investigation of philosophical schools as "the safest way of making one's choice" (124). The problem is that he wrongly assumes that his caution ought to apply to everyone: it surely cannot be proved that there is an objectively correct attitude toward risk bearing, which is an entirely subjective affair. Even so, people's choices can be criticized if they have opted for goods that do not actually fit their risk tolerance. One can judge the efficacy of the means chosen to satisfy the preference, not the preference itself.

For this reason, Lucian is more persuasive in claiming that consumers of philosophy initially underestimate the risks they are taking. Describing students of philosophy such as Hermotimus, Lycinius says: "In your emotion, your passion, you fail to

ask yourselves what you think of the case at each entrance; then consistency draws you onward” (157). Because the delusive emotion referred to here is the hope of eventually obtaining happiness, we can put Lucian’s point in more contemporary psychological terms by saying that philosophy consumers are subject to the cognitive bias of overconfidence (Yates 1990). That this bias makes itself felt in philosophy is consistent with the finding that overconfidence tends to be more pronounced with regard to complex matters (Griffin and Tversky 1992). Once ensnared by overconfidence bias into accepting a particular school’s initial assumptions, Lucian argues, people can sustain their unrealistic expectations because philosophers make their theories internally consistent. Many who commit to a school never come to recognize the tenuous grounds on which its consistency rests, and most of those who do come to this recognition hide their reservations out of concern for their reputations and seek to assure themselves by converting additional followers.

To supplement Lucian here, we can expect philosophers to adopt initial assumptions reflecting widely held norms and beliefs and to do so at a very general level with a view to maximizing both their own market share and their capacity to produce internal consistency in their teachings. Accordingly, Will Kymlicka, following a suggestion by Ronald Dworkin, points out that all contemporary political theories of note—whether utilitarian, Rawlsian, Marxist, feminist, communitarian, or libertarian—are predicated on the belief that each and every individual is entitled to equal concern and respect, with disagreements reflecting only the distinctive elaborations of this fundamental egalitarian value. “[I]f a theory claimed that some people were not entitled to equal consideration from the government, if it claimed that certain kinds of people just do not matter as much as others, then most people in the modern world would reject that theory immediately” (Kymlicka 1990, 4–5). We can also expect derivations from assumptions such as this one to be engaged with greater logical rigor and to show up in more abstract and technical philosophical treatments the more sophisticated and demanding the consumers happen to be. This situation is very much in evidence today, when philosophy is almost exclusively ensconced within the university and most philosophers write for other philosophers in what Martha Nussbaum has called “the academicization and professionalization of philosophy” (cited in Posner 1999, 83). The eighteenth-century Enlightenment philosophers, in contrast, were models of accessibility, reflecting the intellectual layman character of their audience. The technical virtuosity in contemporary philosophical writings might suggest that Lucian is wrong in questioning that pure reason drives inquiry, but he would remind us that all this theorizing takes place within the confines of ungrounded premises.

Switching costs in philosophy are high as well, insofar as opting for another philosophic school involves breaking old intellectual habits while simultaneously coming to terms with new jargon and an entirely distinct conceptual schema. Adding to switching costs is the self-generating-returns feature of investing in a specific theory, as Lucian indicates in quoting the proverb “the deeper it is drained, the more it fills up” (148). Nor should we neglect Lucian’s suggestion that devotees of philosophy

are subject to the sunk-cost fallacy (Arkes and Blumer 1985). Throughout the dialogue, Hermotimus resists giving up on philosophy because of what he has already invested in it, and he must be told that there is no point in dwelling on the past, that the future is all that counts in deciding whether to change one's way of life.

The implication is that high-risk philosophies—those requiring significant cognitive and time investments while promising huge rewards—tend to be persistently oversubscribed as compared to lower-risk alternatives offering smaller rewards at less cost. There will always be excess demand for abstruse theories, such as the Stoic school that Hermotimus follows, that pledge to unlock all of reality and render one the wisest person on earth. The opposite will be the case with cynical and skeptical approaches, which tend to concentrate on rebutting other schools instead of constructing frameworks of their own, while holding out to adherents little more than common sense and the pride of seeing through everyone else's misconceptions. In the philosophy market, risks are not commensurate with expected returns, at least insofar as the latter are defined in terms of acquiring truth.

### Sources of Demand and Supply

Part of what makes individuals overpay for the truth claims of elaborate philosophies is that they are not simply concerned about reaching the truth. They pay more in the hope of obtaining additional goods not necessarily consistent with the truth. Among these goods is firm conviction in a set of opinions that absolutely withstand future contingencies. Another is the gratification of pride, manifest in the longing to distinguish oneself from the common run of humanity. At issue in the choice between philosophy and everyday life, Hermotimus insists, is “whether you're to waste away miserably with the great rabble of ordinary people, or become a philosopher and attain happiness” (112). With philosophy, he adds, “your mind will operate so far above the common plane that you'll think everybody else children compared to yourself” (112). To the proud, philosophy has special allure because the cognitive effort necessary to understand it renders it a more exclusive good than religion, the widely available alternative that most people rely on for their opinions about the ultimate meaning of things. This snob appeal is what Lycinius belittles in pointing out to Hermotimus that philosophic teachings, for all their sophistication, are really just as illusory as the poetic fictions of the gods. Lucian does not raise the possibility that consumers are also using the high price of a philosophy to infer quality, a form of signaling common to credence goods. Sticking solely with the pride factor, however, he claims that passion sways individuals toward philosophy by giving them a chance to confound others with their mastery of logical puzzles and paradoxes. In contrast, those who have acquired a humility born of disappointment or tragedy hearken to philosophy as a source of consolation. Consumers also look to philosophy for practical moral guidance—Lucian alludes specifically to the education of youth.

Lucian's best statement of what people seek in philosophy is his charming depiction of the city of virtue. Possessing wisdom in addition to all the moral virtues, that

city's residents live a blessed existence in which the hankering after money, power, fame, and sensual pleasure so characteristic of normal cities holds no power to disturb the peace. With everyone indifferent to worldly goods and with the citizen's minds serenely above envy and anger, nobody is motivated to harm, enslave, or raise themselves above the others. The city is the perfect embodiment of justice, freedom, and equality. Moreover, it is open to all comers, for there, again unlike in other cities, citizenship does not require being born in that place or depend on social status, ancestry, beauty, or wealth. To gain admission, one needs only a good intellect, discipline, and an ambition for real happiness. The city of virtue is not necessarily a real city in the way that Athens or Rome is a city. The inhabitants do not share a bounded area ruled by a sovereign authority. Rather, the inhabitants are spread across borders, sharing a way of looking at and living in the world. For Lucian, the hope of entering this city's precincts is what drives people to take up philosophy and what continues to influence professional philosophers of integrity.

Lucian's account foreshadows Posner's claim that the public intellectual market reflects a demand for solidarity goods—that is, for having one's opinions seconded by others (2001, 42). Note how budding philosophers yearn not just to improve their minds individually but also to belong to a community of like-minded people who agree on the principle that an ordinary style of life is wanting something. Lucian's account is consistent with philosophers' desire that at some point the city of virtue be installed on a particular territory, at least when available social technologies are perceived as capable of transforming the bulk, or some vanguard segment, of the population into wise and virtuous beings. Thus, Richard Rorty observes that the advocacy of utopian politics became the norm among intellectuals in the nineteenth and twentieth centuries after the "French revolution had shown that the whole vocabulary of social relations, and the whole spectrum of social institutions, could be replaced almost overnight" (1989, 3).<sup>5</sup>

Further suggesting this revolutionary potential, Lucian describes philosophers' rejection of everyday cities as predicated on those cities' unfair distribution of goods, arbitrarily decided on the basis of factors such as birth and class. Such indignation betrays a latent concern for the condition of actual communities, or more precisely for their status with respect to distributive justice, thus qualifying the indifference that Lucian otherwise emphasizes in the city of virtue. However qualified, such indifference implies an underlying demand for transcendence, an escape from concrete social realities in favor of a community beyond the limits of nature. This demand puts philosophy effectively into competition with universal religions such as Christianity that offer an analogous form of transcendence in the afterlife. Two centuries after Lucian wrote, St. Augustine confirmed this competition by essentially maintaining that

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5. It is, of course, contestable whether the French Revolution really demonstrated any such malleability in the social structure. The point is that it was commonly interpreted in that fashion, thereby suggesting to philosophers that the costs of revolutionizing society had fallen.

Christianity offered better rewards for sacrificing wealth and sensual pleasure than any of the philosophic schools. Unlike Lucian's city of virtue, St. Augustine's City of God offers eternal benefits not subject to the shifting contingencies of this world (St. Augustine [413–26] 1950, 669–709). Lucian even leans in Augustine's direction in hinting that bearing the immediate costs of philosophy makes sense only if they amount to preparation for an afterlife.

Suppliers of philosophy also have motives other than truth.<sup>6</sup> Chief among these motives is the quest for followers, who after all provide the market share and corroborative testimony needed to draw additional followers and to force rival schools to take one's views seriously.<sup>7</sup> Because a critical means of gaining disciples is winning debates against opponents, philosophers are strongly driven to attain victory and are willing to go so far, Lucian insinuates, as to adopt ugly and even coercive tactics. Whereas Socrates once said that he liked to win but would prefer to be corrected by an opponent if he were mistaken, Lucian insists that the general run of philosophers would rather die than acknowledge errors (Plato [385 B.C.?] 1988, 458a–b). In debates, the pressure that devotees of philosophy generally feel to silence any doubts about their own views is multiplied among professional practitioners whose livelihoods depend on retaining their credibility and reputation in the marketplace.

Philosophers seek fame and money, too, even among the powerful and wealthy who otherwise are frowned upon in the city of virtue. So captivated are philosophers with money, according to Lucian, that teachers mercilessly sue their students for unpaid tuition fees. The counterargument Lucian describes as coming from a defendant's father is illuminating: "what you sold us you still have yourself—your learning hasn't diminished at all" (160). The quote suggests that philosophic teachings satisfy one of the defining features of a public good. In a word, such teachings are nonrivalrous: one person's consumption of philosophy does not diminish another's possession of it. One cannot help considering, then, whether philosophy contains the other ingredient of a public good in perhaps being nonexclusive. Is it especially costly for philosophers to prevent others from acquiring their teachings? Today, given the ease of copying books and articles, the answer to this question is surely yes. Copying was far more time consuming in Lucian's time, so philosophy's exclusivity

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6. A possible objection to this statement and to its elaboration in the paragraphs that follow is that it does not account for all philosophers. It can be argued that a few philosophers, such as Socrates, were ardently dedicated to seeking the truth and had little concern for fame and fortune. No doubt such rarities exist, and they can be accommodated simply within an economic theory by classifying them among those willing to produce philosophy for a lesser reward in reputation or money than most other suppliers demand. They would be like a carpenter who loves his work so much that he is willing to do it for less than the prevailing wage needed to attract most people to carpentry. Even so, the objection is misplaced. An economic theory is not supposed to account for each and every agent's particular actions, but rather to generate generalizations about the doings of a large group of individuals. The aim, in other words, is to explain what most philosophy suppliers do most of the time. Testifying to the noble motives of a few philosophers is the more appropriate province of biographers and intellectual historians.

7. A rough proxy for a philosopher's following is the number of citations of his writings in other people's works. Walstad (2002), in his economic theory of science, views the maximization of citations as the chief aim of scientists, and Posner (2001) uses citations to gauge the market share of public intellectuals.

was greater then, although the potential still existed for students to communicate their teachers' ideas to others orally. Lucian does not mention this matter, but the public-goods character of philosophy perhaps creates incentives for thinkers to encrypt their ideas in a complicated dress so that only those committed to paying, by offering money and time to become disciples, can possibly decode the full message. Reinforcing this possibility among suppliers of philosophic positions, of course, would be the longing for distinction from the crowd that we have noted already as influencing people's initial decisions to embrace abstruse theories. More certain, however, is that in suing his student the philosopher is not simply manifesting avarice but also forcefully defending his intellectual property from the prospect of the court's accepting the claim that he has not lost any knowledge by imparting it to a nonpayer.

### Market Failure

Because both the supply and the demand sides in philosophy contain a number of controlling variables other than a pure desire for knowledge, it is not surprising to find Lucian concluding that the philosophic market fails to produce truth. He is certainly onto something, for although complex philosophies may satisfy pride, they also may obscure the truth. Assuring favor from the rich and powerful will help philosophers to finance their efforts, but it creates ties of dependence that may sway them into developing theories that flatter, or at least do not directly challenge, the ideologies of the ruling classes. Meeting the demand for moral guidance, in educating youth for instance, may endear philosophers to parents as well as to religious and political authorities, but it compromises the search for truth in order to socialize people in a particular group's worldview. Being firmly convinced of absolute views may protect the mind from the pain of having to revise one's fundamental beliefs, but, as Karl Popper reminds us, truth claims pertaining to the nature of the universe are always tentative and subject to modification in the light of new data. As for the persons looking for consolation, it is easy to conceive of cases in which the situation may actually be so bleak that philosophers must either lie to them or offer highly debatable advice—consider, for example, the Stoic claim that suicide is a rational option whenever the future holds out little hope for a dignified happiness. The fundamental dilemma is that people look to philosophy for pleasure of one kind or another, but as Lucian comments, “the nature of truth is a subject that wise men like you and your teacher are much better qualified to discuss than I am. But I do know this much about it—it isn't very pleasant to listen to. People would far rather listen to lies; they're more attractive, and therefore more acceptable. Truth admits no counterfeit coin to her presence; she speaks frankly to all men, and offends them thereby” (142–43).

Aside from suggesting a tension in the philosophy consumer's preferences, Lucian's fundamental rationale for the claim that truth eludes philosophy relates to the profound disagreements prevalent among the schools. Though Lucian speaks of “logic's grip” as if truth were simply a matter of using the right logical tools to

assess claims, he ultimately sides with a more social theory of truth (149) because any logical method, he insists, is only as good as the person who uses it. Refusing to accept any specific person's mastery of a method on trust, we have to ask another person for corroboration. Yet this other person cannot be taken on trust, either, so someone else must be found to corroborate the corroborator. Logically, this process must go on in an infinite regress, leading to the conclusion that nobody can be in secure possession of the truth simply on the basis of some logical method. Mathematics might seem immune to this dilemma inasmuch as an individual who understands the relevant terms can be sure, via deduction, that two plus two equals four. Lucian's response, however, is that our certainty here is actually justified by the fact that no one disagrees that two plus two equals four, not by the deduction itself. In short, a sure grasp of the truth exists amid a consensus. Elsewhere in the *Hermotimus*, he qualifies this conclusion by indicating that the consensus must exist among well-informed persons and that he would accept the judgment of even one well-informed person. Being well-informed means having thoroughly investigated and thought through all the alternative ways of looking at an issue, inevitably rendering truth into a social affair by requiring individuals to enter a dialogue with others. Consensus as such is a sufficient but not a necessary requirement of truth. Philosophy obviously does not meet the first part of this dictum. It does not meet the second part, either, as we have already seen Lucian claiming, because no one can possibly have the time to examine each of the doctrines adequately.

Saving most of his fire to attack philosophy's truth deficiencies, Lucian barely notices the respect in which the philosophic market succeeds. It must be doing something right, after all, if only because it has lasted so long. By Lucian's time, it had already been around for approximately eight hundred years, if we count from Thales, usually regarded as the first Western philosopher. From our vantage point, that dating makes Western philosophy, though now far narrower in scope, more than two and one-half millennia old. Why do people continue to invest their time in it? A key part of the answer is hinted at when Lucian observes how the Oracle of Delphi helped people to choose among the different philosophical schools. The Oracle directed people to the philosophy best suited to their needs and character. In other words, the market succeeds by engendering a diverse set of theories that appeal to various levels of risk preference and are tailored to the many different expressions of the longing for firm conviction, status, solidarity, consolation, justice, freedom, equality, and truth—the stable set of preferences that Lucian unwittingly identifies as operative in the philosophic market.

### The Sale of Philosophers

The great variety of theories catering to Roman tastes is one of the themes of *The Sale of Philosophers*: “Philosophies for sale! All shapes and sizes! Assorted doctrines!”

([160–70] 1965b, 94). The market offers everything from a view of the universe according to which everything is ordered and harmonious to one that sees everything as the product of blind mechanical forces, from teachings stressing the existence of a divine being to those adopting a frank atheism. We come across theories that assert the existence of an immaterial soul and others that claim that human nature is mere matter. Some doctrines are geared more to practical application; others are more theoretical. The philosophies touch on sex, music, politics, food, and drink, and the level of understanding offered ranges from perfect insight to utter doubt. In all, Lucian presents ten philosophers or schools: Pythagoras, Cynicism, the Cyrenaic, Epicureanism, Democritus, Heraclitus, Plato's Socrates, Stoicism, Aristotle, and Pyrronian skepticism.

Considering that government offered little protection of incumbents in Lucian's time,<sup>8</sup> this number suggests the general absence of natural impediments to a competitive market. To be sure, reputation (dare we say, brand name?) does present a significant barrier to entry, as suggested by the fact that all the doctrines prevalent in Lucian's Rome originated with figures who lived hundreds of years earlier, a phenomenon that still makes itself felt in our day. In keeping with its status as a credence good, a particular philosophy is taken more seriously by consumers to the extent that it has stood the test of time. Of course, the issues that philosophers often deal with tend to cross time boundaries; people are still concerned today, for example, to identify the basis of morality, just as they were two centuries ago and, indeed, two millennia ago.

In these circumstances, anyone seeking to make a mark as a professional philosopher has a strong incentive to align himself somehow with an already established school by surveying the available options for the set of principles that best fits his own intellectual inclinations and by becoming, say, a Platonist or a Marxist. Another possibility is to articulate a personally appealing synthesis that integrates and constantly appeals to different philosophers. It naturally follows that professional philosophers will be especially preoccupied with the interpretation of past texts, in addition to dealing with the specific problems of the discipline. Noteworthy, too, as a barrier to entry are network externalities: a particular theory is more attractive to a consumer the greater the network of people already following it because he can more easily consult others to figure out the theory. Moreover, that individual has a greater potential of becoming involved with a community of like-minded individuals—that is, of satisfying his solidarity needs. Only the entrepreneurial will attempt seriously to overcome this state of affairs and to theorize on entirely new terrain. Hence, the philosophic marketplace tends to be stable, with well-established schools infre-

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8. The four established schools—the Academic school originating with Plato, the Aristotelian Peripatetics, the Stoics, and the Epicureans—were officially recognized by the Roman government and given endowments in A.D. 176., but other schools were permitted to operate free of censorship (Reardon 1965, xiv).

quently losing their position over time and with only a few new players being able to gain a secure foothold.<sup>9</sup>

Even within these confines—which really only keep schools from exploding into colossal numbers—more than enough perspectives exist to force philosophers into fierce debates for market share. Although a substantial training period and the general necessity of a high I.Q. confine entry to a small proportion of the population, any market power that otherwise might result is offset sufficiently by the relatively low demand for philosophy. After all, the same educational and intellectual prerequisites that apply to becoming a supplier of philosophy flow through, albeit to a lesser extent, to being a consumer, deterring entry on the demand side. The ratio of sellers to buyers, in other words, remains sufficiently high to maintain a competitive market structure. Strong exit barriers are another source of competition in that philosophers cannot readily find takers on the labor market for their broad and highly refined theoretical talents when the everyday world typically demands specific, practical skills. Price elasticity, to be sure, is negligible because consumers use high prices as signals of quality and badges of distinction, but this condition does not prevent competition from taking place on the plane of quality. In such a market, demand will be directly related to perceived quality—which is to say, the degree to which the attributes of a given teaching are consistent with philosophy consumers' preferences.

This situation is precisely what Lucian conveys through the prices he assigns to the philosophers auctioned, beginning with Pythagoras. Best known for the geometric theorem named after him, Pythagoras founded a school in the sixth century B.C. that argued that all things in the universe are essentially numbers ordered harmoniously so as to mirror the mathematical properties inherent in an agreeable piece of music. The school also insisted on the immortality of the soul, doing so through a doctrine of metempsychosis. Intrigued by this comprehensive vision, the buyer asks about Pythagoras's education, pointing to a key signal that consumers must perforce use as an indirect indicator of quality, given the impossibility of direct inspection at the time of purchase. Satisfied with Pythagoras's answer that he was educated in Egypt by sages, the buyer proceeds with his questioning and is told that his soul must first be purified by five years of silence before he can hope to grasp wisdom. Though averse to meeting this requirement, the buyer is nevertheless impressed to inquire further, demonstrating how the high cost of a particular philosophy, by signaling high quality,

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9. An interesting qualification of this observation is the regular occurrence of fads in philosophy. Notable examples include the rage for existentialism after World War II and the rage surrounding deconstruction in the 1980s and 1990s. An economic approach that recognizes philosophy's status as a credence good offers an account of such fads: one way that consumer X tries to assess the quality of a credence good is by checking how many other people have committed to the available schools; so if X notices that a certain school is attracting supporters, he will be encouraged to join; consequently, the school becomes more attractive to other consumers who are also tempted to join, making it even more attractive to other consumers. In this way, the process feeds on itself, and we have herding. The bubble, so to speak, bursts once some consumers defect, having realized that the school does not satisfy their preferences adequately, and others then follow their example. A thorough discussion of herding, in reference to the financial markets, is provided by Hirshleifer and Teoh (2003).

actually serves to make it attractive. The buyer subsequently hears about the Pythagorean perfect triangle as well the sanctification of the number four, belief in God as the spiritual embodiment of number and music, dualist theory of the self as an entity existing both in reality and in appearance, and opposition to the eating of animals and beans. Clearly, the Pythagorean theory is congenial to consumer preferences in the philosophic market: both its high intellectual and its practical demands give it the aura of exclusivity needed to satisfy status concerns; the reincarnation doctrine offers consolation from the fear of death, albeit a limited one, as personal identity is not maintained after death; the belief in a cosmic harmony permeated by God satisfies longings for a transcendent order; the Pythagoreans' reverential attitude, manifest in mathematico-metaphysical enthusiasm and dietary restrictions, added to their concern with purifying the soul, makes for a morally credible guide. Pythagoras is sold for ten minas, ranking fourth among the ten philosophies auctioned.

The next philosophy put up for sale, Cynicism, fetches a much lower price. Representing the Cynics is Diogenes, who recommends mental independence as a citizen of the world free from physical and social constraints. The problem here, from the buyer's point of view, is the means Diogenes proposes to accomplish this liberation. To inure the mind against bodily pain, he directs followers to an ascetic life with a diet consisting of just water, lupine seeds, and any morsels of food one manages to scrounge up—a life devoid of even the most basic comforts, such as a bed and shelter. The goal is to become so unfettered by the body that torture and whippings have no impact on mental well-being. Freedom from social pressures, in turn, is sought by forgoing marriage and children, not becoming attached to anyone, and openly insulting accepted norms—being willing to go so far, apparently, as to masturbate in public. At the same time, one does not play along with the multitude of little lies that good manners recommend, instead dealing with others with unabashed frankness. One says and does what one truly feels.

Although this doctrine gives voice to the philosophic desire for membership in a global community, it provides little substance for it in calling for a solitary existence within the crowd. The Cynic's approach can certainly make one a recognized figure in the community and so plays to status desires, but most people prefer to have their names connected to socially praised actions, not to their rudeness, much less to their willingness to engage in public sex acts. Theory is so subordinated to practice that the doctrine becomes intellectually thin. Diogenes tries to portray this aspect as a selling point: "it's so simple; anybody can live it, it's there for the taking. You don't need education or any rubbishy theories" (99). Yet such a low price can connote low quality and definitely leaves Cynicism attractive only to the less-educated lower classes—in fact, such was the case (Copleston 1962, 182–83)—stripping it of any cachet. Not surprisingly, Diogenes is sold for only two obols, or one-three-hundredths of a mina.<sup>10</sup>

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10. Each obol was equivalent to one-sixth a drachma. A mina was equal to one hundred drachmas. Hence, an obol equals one-six-hundredth of a mina.

Going unsold is the Cyrenaic, a proponent of the hedonic principle that happiness is simply pleasure. Throughout the entire history of philosophy, hedonism has been viewed with suspicion, and Lucian indicates why in having the buyer complain: “Who in his right senses would buy such a moral wreck?” (100). The pursuit of pleasure evokes self-indulgence, after all, whereas morality is generally associated with self-restraint. Hedonism can be taken to imply the wildly lavish lifestyle of the decadent aristocrat or tyrant, for if pleasure is happiness, then the more pleasure the better. But few can afford this logic: “You’d better look for somebody else,” the buyer says, “somebody with plenty of money” (100). The demand for philosophy may be price insensitive, but only if most of that price consists of time, sacrifice, and intellectual effort rather than of money. Later in the auction, the Epicurean version of hedonism is put up for sale with better results, selling for two minas. One reason for this difference, Lucian hints, is the more moderate character of Epicurean hedonism. Whereas the Cyrenaics extol the bodily pleasures of the moment, with utter indifference to future consequences, Epicurus emphasizes a calculating self-restraint to ensure mental tranquility over the long-run. The stain of immorality, though still present, is not as great. Furthermore, Epicurus adopted the atomic physics of Democritus to argue that the gods do not care about human affairs. This feature offers consolation against the fear of death and, more precisely, the fear of divine punishments in the next world.

Going unsold as well is Democritus and Heraclitus, who are promoted as a package deal. Anyone already familiar with their teachings will find this outcome odd. Democritus is a leading member of the atomist school, which claims that the universe is made up of an infinite number of atoms that come together to form bodies within a void. Heraclitus, in contrast, insists that the underlying structure of reality is akin to fire, constantly devouring different objects to create a unified, if always changeable, world. Lucian unites the two schools by emphasizing their disparagement of the human condition. Whereas Democritus deduces that human beings are nothing more than atoms, and hence to be laughed at, Heraclitus pities them because the pure becoming of the universe means that no solid foundation exists to support their hopes. Heraclitus offers little consolation, particularly in predicting a universal blaze that will end the world, and Democritus, at best, can make people feel better with the thought that nothing should be taken seriously. Still, in wanting to feel special, individuals prefer to have their lives and everything they seek in living taken seriously, which explains why the Democritus-Heraclitus package ends up being unmarketable.

Socrates comes next, pictured as an ally and spokesman of Plato and introduced as “his holiness” (102). No one else receives this designation in *The Sale of Philosophers*, but then again no one else seemingly sacrificed his life to philosophy as Socrates did, after he declined a proffered chance to escape Athens in the wake of his conviction for impiety and corruption of youth, and instead decided to stay and drink the hemlock. The commitment that Socrates exhibited certainly aids the

marketing of a credence good, where consumers are especially attentive to the seller's credibility, and accounts in part for the high price his philosophy garners in Lucian's auction.

Also relevant is Socrates' teaching on love, in which he depicts philosophy's quest for truth as an erotic activity best pursued within relationships based on a concern for other people's souls rather than for their bodies. Such relationships provide an emotionally intense way to gratify solidarity needs. Nevertheless, the prospective buyer is wary because Socrates indicates that the relationships involve himself and male youths, reminding us of the pederastic conduct of ancient philosophers in which intellectual mentorship was traded for sexual indulgence.<sup>11</sup> Besides reinforcing his sacrificial devotion to philosophy, Socrates' insistence that his love of youth is purely spiritual (or Platonic, as we now say) deflects parental concerns of sexual abuse. Parents, after all, retain some degree of influence over their children's educational choices, owing to their authority and control of the purse strings. Young people, despite Lucian's focus on the sixty-year-old Hermotimus, represent a crucial demographic group for professional philosophers, making up the majority of consumers because their time value is low and because the number of years they have left to reap the returns on education renders it worthwhile for them to invest in human capital.

Lucian mentions the two best-known features of the Platonic-Socratic philosophy. One is the theory of ideas, according to which the concrete realities of the sensible world are but imperfect replicas of universal concepts existing in a realm beyond space and time. That these universals are perceptible only to the few who possess a developed intellective faculty—the mind's eye—gives the Plato-Socrates combination appeal to elitist tastes. Yet what most raises its appeal, Lucian suggests, is the ideal state described in Plato's *Republic*. This analog to Lucian's city of virtue is a purely meritocratic regime that strips away, at least among the upper classes, all remnants of private property (including, most famously, the ownership of women implicit in traditional marriage) with a view to expunging greed and bolstering the flourishing of human excellence. Dion of Syracuse, who unsuccessfully tried to actualize this ideal in concert with Plato during the fourth century B.C., pays the highest price of the auction, 120 mina, for the Platonic Socrates, illustrating Lucian's belief that politicians in need of policy ideas to legitimate their ambitions wield the greatest potential purchasing power in the philosophy market.

It is not difficult to see why philosophers would be tempted to supply political counsel, given the opportunities to gain access to government resources, to enhance the credibility of their theories, and to acquire fame. Further illustrating Lucian's point, such counsel would tend toward schemes endorsing the government's positive role in society, if only because these schemes would best serve politicians' interests in

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11. Such a trade was the basis for pederasty's respectability in the ancient world, as Allan Bloom explains in his interpretation of Pausanias's speech in Plato's *Symposium* (1993, 459–68).

creating a demand for their services and in rendering the public more dependent on their favors. In other words, we can expect philosophers to be generally suspicious of free markets—a prediction that, outside the eighteenth and nineteenth centuries at any rate, is borne out by the history of philosophy and certainly corroborated in the contemporary philosophic scene. To the extent that philosophers as a class become publicly funded, as they increasingly have over the past fifty years with the growing role of government in higher education, the inclination toward political rather than economic systems of resource allocation becomes all the more imperative. In this context, any move toward privatization and smaller government threatens the philosophers' very job security.

The rewards to be had by catering to the political realm are additionally revealed in Stoicism, the school that ends up obtaining the third-highest price at twelve mina, thanks to demand from Rome's ruling classes. The Stoics' chief tenet is that the good life consists in being virtuous for its own sake and becoming indifferent to physical and material goods. Reaching this state of indifference means looking at events from a god's eye point of view and acknowledging how everything serves the good of the cosmos, rather than viewing things from a self-interested perspective. Stoicism thus demands identification with a universal order reminiscent of the city of virtue. Becoming indifferent requires, too, that we conquer the passions, for they attach us to externals such as the body and tangible wealth instead of to the inner resources of our mind. The herculean effort necessary to accomplish this detachment renders Stoicism a highly priced and therefore highly attractive school.

Even so, this feature does not explain specifically why Stoicism, rather than the other high-priced doctrines available, originally appealed to the political classes. The Stoic's emphasis on logical and rhetorical procedures, which takes up most of Lucian's account, suggests that elites may have wanted to master the art of influencing others in political councils and courts of law. The sophistication of the Stoic logic might have been useful also in giving elites an aura of wisdom by which to legitimate their political superiority to the lower classes. Then, too, the overcoming of self-interest called for by Stoic indifference would have helped to legitimate their rule by making them appear virtuous; or, to be more precise, it raised the lower classes' cost to obtain information that might reveal the upper classes' selfishness. Adam Smith illuminates the puzzle best in observing that Stoicism originally emerged when the ancient Greek city-states were constantly entangled in factional conflicts and war:

In this disorderly state of things, the most perfect innocence, joined to both the highest rank and the greatest public services, could give no security to any man that, even at home and among his own relations and fellow citizens, he was not, at one time or another, from the prevalence of some hostile and furious faction, to be condemned to the most cruel and

ignominious punishment. . . . [S]o a Grecian patriot or hero could not avoid frequently employing his thoughts in what he ought both to suffer and to do in banishment, in captivity, when reduced to slavery, when put to the torture, when brought to the scaffold. . . . [The philosophers] endeavoured, therefore, to show that happiness was either altogether, or at least in a great measure, independent of fortune; the Stoics, that it was so altogether. ([1976] 1982, 282)

Put another way, Stoicism offers a psychological defense against the special risks of being politically involved in an unstable environment. Precisely because their high position renders a fall from grace all the greater, vulnerable elites are subject to especially high emotional volatility in defining their happiness in terms of physical well-being, security, wealth, prestige, and power. Cultivating an indifference to these things serves to lessen this volatility, thereby cutting the risk inherent in the elites' involvement in political life. Although Smith refers only to the risk that the ancient Greeks faced, his point applies as well to the Roman situation of Lucian's day, when elites faced a constant threat of ruin by the emperor's caprices, jealousy, suspicions, and stratagems.<sup>12</sup> The emperor, too, was vulnerable to coups, making it understandable that Marcus Aurelius, who ruled the Roman Empire during the second century A.D., became a famous exponent of Stoicism.

Lucian has disappointingly little to say about Aristotle, whose philosophy ranks second in price at the auction. Perhaps Lucian has little to satirize in this subject; he concedes that Aristotle "[k]nows simply everything" (108). Contemporary natural scientists would surely dispute Aristotle's knowledge of the biological and astronomical topics to which Lucian refers, but the founder of the so-called Peripatetic school distinguished himself from his contemporaries with his detailed observations and taxonomies of the physical world. Because such information helps people cope with their environment, the buyer rightly describes Aristotle's knowledge as useful. The implication is that a philosophy succeeds in the marketplace to the extent that it helps people to manage their relationship with the physical universe, foreshadowing the spectacular triumph of natural philosophy (as natural science was first called), beginning in the sixteenth century, brought about by the prospect, now well realized, of technologically harnessing the environment for human purposes.

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12. Here is Edward Gibbon's summary of the situation: "But the empire of the Romans filled the world, and when that empire fell into the hands of a single person, the world became a safe and dreary prison for his enemies. The slave of imperial Despotism, whether he was condemned to drag his gilded chain in Rome and the senate, or to wear out a life of exile on the barren rock of Seriphus, or the frozen banks of the Danube, expected his fate in silent despair. To resist was fatal, and it was impossible to fly . . . 'Wherever you are,' said Cicero to the exiled Marcellus, 'remember that you are equally within the power of the conqueror'" ([1776] 1995, 107).

Another factor working in Aristotle's favor, to which Lucian alludes, arises out of the dichotomy between the esoteric and exoteric traditionally used to organize the Greek philosopher's corpus. The esoteric part of Aristotle refers to teachings accessible to only a select few gifted intellects, whereas the exoteric is the watered-down part designed for popular consumption. The combination of the esoteric and the exoteric allows the Aristotelian teaching to connote high quality via its elitism, but also simultaneously to avail itself of the opportunity to obtain a greater market share among the general public. Adding to Aristotle's attraction, Lucian suggests, is his teaching on the good life, according to which the truly fulfilled individual possesses spiritual, physical, and external goods. Aristotle's willingness to recognize the value of physical and external goods, alongside the spiritual, avoids the extreme risk aversion of the Stoic view that appealed especially to politically exposed elites. At the same time, Aristotle's teaching offers the risk reduction that comes from diversifying among imperfectly correlated assets, which spiritual, physical, and external goods surely represent.

The last school auctioned is Pyrronian skepticism. According to this school, the human mind cannot know anything because any argument in favor of a particular claim can always be countered with an equally powerful opposing argument. From this claim, the Pyrronists deduced that judgment should generally be suspended and that one should just give in to the natural forces impelling belief in commonsense experience and the established mores. The low popularity of this school—it fetches only one mina—attests that philosophy consumers do not generally want to rationalize their attachment to the prevailing social order, but rather yearn for a more fulfilling community—that is, for the city of virtue. Skepticism's low popularity also underlines people's desire, at the very least, to believe firmly in something. By opposing this impulse, skeptics virtually assure themselves of having to stand alone in their views, clearly getting in the way of meeting solidarity preferences.<sup>13</sup> Lucian suggests that the low demand for skepticism reflects the indecisiveness and lack of common sense that this school of philosophy seems to imply. *The Sale of Philosophers* ends with the buyer becoming quickly exasperated with the skeptic when the latter refuses to go with him on the grounds that he (the skeptic) can grasp neither that he was sold nor the existence of who bought him.

## Conclusion

Ever since Plato successfully attacked the Sophists for charging money for their teachings, philosophy has been viewed as operating above the logic of the marketplace. This notion persists because of the widespread belief that an economic approach to understanding applies only to profit-driven activities. In fact, this

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13. Consider this statement of a later skeptic, David Hume, in contemplating the implications of his philosophy: "I am first affrighted and confounded with that forlorn solitude, in which I am plac'd in my philosophy, and fancy myself some strange uncouth monster, who not being able to mingle and unite in society, has been expell'd all human commerce, and left utterly abandon'd and disconsolate. . . . I call upon others to join me, in order to make a company apart; but no one will hearken to me" ([1739] 1978, 264).

approach applies to any activity in which people can be viewed as making choices on the basis of cost-benefit analysis. Nor do these costs and benefits necessarily have to be monetary: costs may encompass the loss of time or the sacrifice of freedom from pain, and benefits may include the satisfaction of tastes and preferences of all sorts.

As Lucian suggested more than eighteen hundred years ago, the economic approach can illuminate people's choices in the philosophy market when deciding which thinkers and schools of thought to take seriously. The costs that consumers weigh are primarily the time and intellectual exertion required to process philosophic arguments. The benefits sought are truth, firm conviction, status, justice, freedom, equality, solidarity, consolation, moral guidance, political counsel, and a reduction of environmental uncertainty. In dedicating themselves to a particular theory, consumers assume the risk of ultimately wasting their time and effort and not obtaining promised benefits. Such risk is compounded by philosophy's status as a credence good: philosophical claims defy verification. Managing this risk drives consumers to heed quality signals provided by the character, reputation, commitment, pedigree, and education of philosophy suppliers, which they use along with third-party testimony, market share, and the relative prices of different theories.

Lucian suggests a number of market failures in the philosophy market. Adopting a behavioral model of the individual, he insists that consumers take excessive risks on high-cost, abstruse philosophies, accept questionable assumptions, overvalue internal consistency in theories, and maintain rigid adherence to chosen teachings out of reputational concerns. Consumers also ensure that truth fails to win out in the marketplace of philosophic ideas by placing greater weight on satisfying nontruth preferences. Suppliers contribute to this market failure, Lucian insists, in also having motives beyond the search for truth, being distinguished from consumers only by their quest primarily for followers, as well as fame, money, and power. In terms of satisfying the full menu of consumer preferences, however, it can justly be doubted that the philosophy market fails, given its endurance over more than two millennia.

Much still needs to be done, of course, to put our Lucian-inspired economic model of philosophy on a firmer foundation. It should be examined outside the sample of ancient Western philosophies to which Lucian refers. Its ability to explain the sequence and popularity of philosophic ideas throughout the past and the current state of affairs in philosophy must be evaluated against the competing accounts offered by the sociology of knowledge and by those who regard philosophers as motivated by the socially unfettered, disinterested pursuit of eternal truth. Richard Posner, Lucian's contemporary successor, has begun this inquiry by devoting an entire chapter of *Public Intellectuals: A Study of Decline* to the market for contemporary philosophers, but he has limited his analysis to their activities as public intellectuals (2001, 320–58). This much, however, we can say already: the economic approach that Lucian originally championed holds promise in providing new and revealing insights into the philosophic life.

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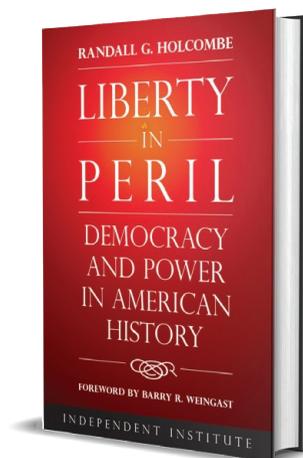
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