

Economics vs Philosophy with Tyler Cowen

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Agnes: Hey everyone. You came to attention there very quickly. Hello. Hello philosophers and future philosophers. I'm Agnes collard. I'm. I teach in the philosophy department and I'm the director of undergraduate studies. And before we get started, actually just a few announcements. Umm. So if you somehow didn't sign in at the very beginning, please do that. Like when you leave and you can leave at anytime, we're going to go for three hours, but you don't need to stay. It's not a class. You can stay as long as you like. You can get up, go get hot chocolate. There's hot chocolate on the on my left and cookies on the right back there. If you didn't get. And just a little preview of coming attractions in the spring quarter, we have two night owls events coming. One of them is on war and violence with Chris Blattman and the other one is on the meaning of death. So we're going to watch the movie, the 7th seal. I'm my burgers movie 7th seal. Have dinner and talk about the meaning of death with Dan Morgan from cinema media studies so you can check out those on our website. And. Let's see anything else for this event? Some of you know, there was a kind of study group, so maybe like 20 students and I met in the evenings and read ECON articles together. It was really fun. And we're going to do one of those for the war and violence. One, if you're interested in participating, like on your. Way out. There'll be a sign up sheet.

OK. And just a few thanks. I want to thank the college and the Becker Friedman Institute for financial support for this event and my Co conspirators, Rory Hanlon, where's Rory? I don't see him. And William Weaver. William who's back there at the signing table. Thank you, William.

OK, so when somebody asks me like how I say I go somewhere to give a talk and they ask me how do I want to be introduced. I always say use as few words as possible and say them as quickly as possible. Because it's actually really sucks being introduced. You're kind of sitting there and like a lot of people are staring at you and you just have to absorb the stares. Like if you're talking, you can concentrate on what you're saying, right. So I found out like. I don't know a month or so ago that Tyler feels the same way about being introduced, so I was going to give him this really short introduction. But then I remembered two things. So one of them is that while I hate being introduced, I actually love introducing people. The other one is that neither Tyler nor I are strict contents so. Here is my long introduction. So Tyler Cowen is an economics professor at George Mason University. He's written a ton of articles and lots of books on a big variety of topics. How many books I think like more than 15 and fewer than 20 books about and? If I had to summarize all of them in two sentence. Pieces. I haven't read all of them, but I'm pretty confident in this extrapolation. So here, here's. Here's my 2 sentence summary of all of Tyler's books. The world you're living in has a bunch of problems, but they're not the ones you think they are. Most

things are or are going to get better. In most ways. That's sort of his worldview as I see it.

OK, so Tyler does a lot of other stuff besides write books. He's been maintaining A blog for 15 years, marginal revolution. And if there's some topic or person you're interested in and you just put it in the search engine of his blog, the chances that something will come up are really good. It's. Kind of like an alternative Wikipedia. And if you can come up empty, you can always e-mail him and like maybe. He'll add an entry. I would say that he knows something about most things, except maybe geology. So like all of human analogy, minus geology. But to be a little more specific, he he definitely has some areas of specialization economics, but also music, art, literature, maybe like most of all, travel. To give you a sense of it, because I think maybe this is like the achievement you might be most proud of. So if we took like 2 giant maps of the world, right, and we put them on. That wall right there and. All of us together put pins everywhere we've been, and then Tyler took the other map. Well, there's a reason we're doing economics versus philosophy instead of that, let's just say so. Even when he's tellers at home, he sort of travels the world in a different way. He's Co produced an online series of videos about economics, sort of basic principles and economics. It's translated into a lot of languages, so all people around the world can learn about economics. For free, he has a podcast conversations with Tyler, where he interviews food writers, athletes, journalists, philosophers, scientists, contrarians of every stripe you could sort of see it as an illustration of the principle. Tyler can talk to anyone about anything. You might think that's cause he's well-rounded and he knows about a lot of different things. But if that were true, that would be less interesting for our purposes, because we want to talk to an economist, right. And what's exciting about Tyler is that he it is all economics for him, he sort of sees economics everywhere. So he can help us. See it and then we can destroy it. Sorry. Getting ahead of myself there. OK, back to the intro. So most recently he started a kind of pop-up philanthropy project called Emergent Ventures, where rich people give him money and then he gives it away. To people like you, if you have big ideas about what you might want to do with it, so look it. Up and apply. On top of that, he has like 120,000 Twitter followers and not only that, he even kind of induces people to join Twitter like me. I joined Twitter. I was kind of inspired by Tyler, so he's kind of like. The. I don't know. There's a term for it, like a Twitter. Vampire. OK, so I think it should be pretty clear. What all of this? Adds up to, right? Every time and place and culture is going to have its idiosyncratic form of crusader, Tyler is one for the online era. He's a global Internet superhero. We're delighted to have you here. And this concludes the part of the evening in which I'm nice.

OK, so here's how this is going to work. I'm going to ask Tyler a bunch of questions. He might ask me questions I don't know for a while, and then I'll open it up. To. You my first question. So this morning, the New York Times Front page headline was that like 8 people died in the Midwest from the? Cold. And I thought. Oh, that's sad. This terrible polar vortex has, what a bad thing it caused these people to die. But then I

thought, well, wait a minute. That's how I usually think about it. Let me try. To think about it like. An economist, I thought. Well, what about all the people who didn't die because of the car trips they didn't take because they stayed in their houses? But then I thought, well, but what about all the businesses that were closed and all the money that was lost from sales, that didn't happen? But then I thought, yeah, but what if this kind of brief shock to the economic system, actually overall somehow improves? Improves our economic situation and it's at that point that I feel like my mind is getting a bit lost and I just want to go back to my first thought and be like it's sad that those eight people die and. So what I want to know is, is there a resting place for that kind of economic thought? And if not, does it have a hazard of detaching us from our humanity?

Tyler: Let me first say I'm very proud that today we have with us Agnes Kellen Coward, who is Professor of philosophy at the University of Chicago. And was recently profiled with her work in New Yorker magazine quite prominently by Joshua Rothman. Agnes also has studied ancient history at Berkeley, her best known book is *Aspiration*, published by Oxford University Press. She is also known as having been a guest on the podcast series *Conversations with Tyler*.

And there is much more I could say about her, but tonight I feel ever so slightly content, so I'll address the question.

I would start off by thinking about the incentives of media. So media live from clicks now more than ever before. And what it encourages people to click through is negative news. So there's a general negative bias in media. So people who consume a lot of media, they think that crime rates are very high even when they're low or falling. They may not be lower, falling in every part of Chicago, but in most of the United States they are quite low and have been falling for decades. So if the article says 8 have died because of the cold first realized, probably there is a negative news bias in that headline, but also ask the economic question. Well, eight relative to what margin, how many people would have died anyway, which is what Agnes is. That off hand, as a matter of theory, we don't know. But of course the net number of deaths is unlikely to be 8. What 8 means is that there are 8 deaths which can be attributed to coal under the condition that if a fact checker were to call up and they do not, let me tell you, they do not. That someone would say oh. This person died because of the cold. So the next thing we might do as an economist is try to figure out the net impact on human lives of the level of temperature, Cowen second law says there's a literature on everything, and there are in fact papers do more people die when it is hot or when it is cold. It depends, of course, on the margin. If it were 140°F. I think more people probably would die from the heat, but as I understand these pieces, it seems to be the case that more people die when it's called out, that a lot of circulatory problems like people have heart attacks shoveling the snow. Quickly. And it's better for human life in the short run, when it's somewhat warmer. So some number of people probably did die in the causal sense. And then I look at the philosopher. What's causality? Oh, my goodness. We can come back to that very tricky question. But some people probably

did die because of the cold. That's what I would say as an economist, but don't believe everything you read either.

Agnes: I feel like you didn't answer my question. So my question was about how my initial reaction to this story was one of kind of empathy and sadness. And maybe that's a big part of why there's a negative bias, because when bad things happen, we feel like we actually ought to react to them. With the negative emotion where there maybe isn't, it is, maybe it isn't so necessary to react to good things that happen, but we might think we have like a kind of moral or human obligation and. My worry is that the whole line of thinking. That you just produced. Alienates me from my inclination to have that human reaction.

Tyler: You should think more about people dying in other countries, so when people die due to net weather effects or air pollution effects in the United States, on average, those tend to be people who are older. If you go to a country such as Eritrea and you look at life expectancy figures per capita income figures, child mortality, deaths from malaria. Area I think on net, we are too sensitized to matters which are geographically or demographically or intellectually close to us, and we are too desensitized to that which is far from us. This is a long standing theme, as you know, David Hume, Adam Smith, my goodness, all those people could perish in a flood in China was noted in the 18th century. And you care more about having a little scratch on your finger. So I think the bias that we have is how we allocate our empathy, and we're allocating it for largely selfish reasons. Economics can help explain some of that. So the question is not being alienated or not, but we only have a limited capacity for some emotions, and it seems to me we have a classic externalities problem. Where people have selfish reasons for caring about what's close to them and the net effect is we neglect that which is far including far and time. So we'll end up saying undervaluing climate change for the same reason as a risk.

Agnes: What is economics?

Tyler: Economics is a bit of an art. It's a bit. Of. A science. It is better understood sociologically, and anthropology, rather than in terms of its essence. Economics is, in short, what economists do.

Agnes: How? If we try to think about if we think about right, let's so let's think about what you do. The the object now.

Unknown Speaker: And.

Agnes: How important is human freedom to the subject matter that you study?

Tyler: People have very different notions of human freedom, so there's a long standing distinction between negative freedom and positive freedom. But I would say in its core or pure form, economics is at least trying to be value free, and some of it is a series of comparative static propositions. Well, if the price of tomatoes goes up, I will buy fewer tomatoes, at least under some conditions. If my income goes up, I will eat out more often at restaurants. And then you try to make the propositions successively more interesting. But as they become non trivial, you're not so sure if they are true and then you go out and look at data and find out to what extent are

these propositions true? By no means is that all of what economics is, but that's a part of the court that we might try to teach and say ECON 101 or intermediate. So we don't for the most part. Talk about human freedom in basic core economics. There is a branch of economics which overlaps with philosophy, which talks a great deal about human freedom.

Agnes: Say we're trying to understand like a particular interaction, right? So you're talking about buying tomatoes, right? So. How can we? Tell whether you're buying tomatoes or whether you just handed over some money and somebody else gave you some tomatoes.

Tyler: I think there are some cases where we genuinely cannot tell, so economics does best in predicting when the notion of price is fairly unambiguous, and if you walk into Whole Foods and you buy some tomatoes and hand over your money and they hand over the tomatoes, there is a series of laws and customs, and there's even surveillance by closed circuit TV. To make sure that more or less, that's exactly what happens. But I like to tell the story when my daughter was younger and still living at home, I paid her to do the dishes. And I thought I was paying her, but she didn't do the dishes anymore. I'd say Yanna if you do the dishes, I'll pay you some money. She was like. I realized she had a deeper model in her mind where I had a threshold amount of money I was going to give her. In any case, whether or not she did. The dishes, and I wasn't actually paying her to do the dishes. I was redescribing my payment in a way that would make her worse off, and I helped. Me better off. And she saw through to that economic game more quickly than I did. So I think when price is poorly defined, predictions of economics do much worse.

Agnes: But in that case, it's that she could see that whether you gave her the money, it didn't depend on what she.

Tyler: Did in the short run maybe, but in the longer run, yes. So if we're planning her college fund, we think well, so much money has to be in there, right. So parents often support their children in threshold fashions. And they don't round down to each dollar to each cent, so their attempts to incentivize their children in the meantime with small rewards. Tend not to work. There may be better not commodifying the activity. Not saying this is about money, saying it's about a particular nature of a relationship. Obedience to your parents, just general willingness to cooperate. Maybe you're better off trading favors with your children than trading money with them. For all of those reasons. So a deeper economic model. Again, it's going to get. White, muddy, and ambiguous. But you can start seeing like what might be the cross-sectional variation here. If it's not your kid. If it's someone washing dishes in a restaurant, how do you get them to do it? You pay them right? Then it really works pretty well. You don't pay them.

Agnes: They're not going to show up when don't incentives matter.

Tyler: Incentives matter less when demand and supply curves are what we call inelastic. So. If. Take someone, for instance, who is a diabetic. I actually haven't read this literature, but I would presume the demand curve for insulin might be somewhat

more inelastic than other demand curves. And if the price of insulin goes up, maybe they will do more or less the same thing, just pay more. Money elasticity depends on numerous factors. The most obvious of which is short term versus long term elasticities tend to be greater in the long term. Incentives matter more in the long term, there are a whole bunch of short term problems where price changes don't seem to matter much. People are kind of locked in by habit or planning horizons, but in the medium to long term. Again, you see the action. To show itself.

Agnes: So you a minute ago you talked about the sort of the deeper market like that you that your daughter saw through? Yeah.

Tyler: Sure. Much more quickly than I. Did.

Agnes: Yeah. So. Are there ever just situations that shouldn't be modeled using the idea of a market like one thing you might think is sometimes I have to give something up. And then I'm going to get something else, but I shouldn't understand that as a trade or an exchange. I might even have sort of a moral obligation not to understand it as a trader exchange. Maybe. Maybe the clearest cut case, which wouldn't be a strong moral obligation, might be gifts, right? So, like, you know, if I give you a gift for your birthday. You give me a gift for my birthday. Like it may be that like this practice of gift giving that we have, it wouldn't continue if we didn't both give each other gifts. But there's just an important sense in which my gift to you. I'm not like, I'm not like selling you that for the gift you give me, right. I just view it as like I give you something done. Finished. You give me something. Thank you. I I. Sacrifice. I have a feeling of like some kind of sacrifice, a willing sacrifice with respect to the gift I give you. And then the gift you give me. I feel gratitude. Right. And those aren't feelings that I could feel if I understood this. I think as any kind of market transaction, does that seem wrong?

Tyler: Here we have the philosopher asking the Economist about should or shouldn't. This is quite remarkable. I don't know if I can address the should or shouldn't question, but I wouldn't know. While I agree with much of what you said, there's a deeper level at which economic incentives still operate. So there's a famous paper called the Strategic Bequest motive by Andre. Leifer and two or three co-authors Rob Vishny at University of Chicago and it turns out that there's evidence that when parents decide requests to their children, the bequest is larger. If the children visit them more and write them. Their letters? They actually found a data set on this remarkable right. Again, we're back to cow and second law, a literature and everything. Our gifts are supposedly unconditional, but I predict as an economist, there are relatively few relationships or a birthday gift is given only one way for 10 or 15 years running. That there are bands of exchange, and if there's no reciprocity, so maybe I would proceed by asking the question when there's reciprocity, when might it make sense within a logic of exchange? That what is demanded is quite precise. So when I go to Whole Foods, the price of the tomatoes, it's exactly this. If I hand over more, they give it back. If I hand over less, I'm not allowed to leave the store unless it's maybe a penny. And then there are other kinds of exchanges where you

deliberately widen the band, so if it's gift giving, it's like, well, I'll give you a gift. Every year, if you give me a gift every other year, send me a Christmas card holiday card every other year, well, that's OK. But at some point, the reciprocity breaks down and then try to think through what kind of model might give us cross-sectional prediction. As to when those bounds should be very tight and as to when they should be broader and then test that model. Now that literature I haven't read so I don't know what economics tells us there, but that's how I would think about it as an economist without being able to really solve the should or shouldn't of.

Agnes: It well, I was asking about the depth issue. That is you were saying. There's like a, you know, a deeper level on which you had your your daughter could see this market. And I was asking, is there some deeper level on which there is in fact a market between us with birthday gifts. Right. And it seems to me that the mere fact of reciprocity doesn't suggest that that. Is the right way for us to think about what's or let's say. We won't be very good friends if we think about it that way and being friends is part of what it is to give gifts, right? So it like it's not fitting to the kind of thing that we're doing to think about it that way. I mean, does that, I guess it's the question of alienation again, right. So like, does thinking about our gift giving practices? If I think about that. From an economic point of view, does that alienate me from our friendship?

Tyler: There are papers on the economics of self deception. If you're trading with people, you may do better if they think you are not calculating very exactly, and maybe the way for them to get this impression is if in actual fact you are not calculating very exactly. So people who have their reputation as being pure maximizers. And indeed. Who are pure maximizers? It's probably harder for them to have friendships, healthy relationships. Marriages, whatever you know, run businesses so partly as a biological matter, I suspect, but also as a kind of subconscious strategy, we evolve not to be transparent to ourselves, to make reciprocal decisions across very gross margins, to have results which in some ways actually look like calculation without us knowing. It is calculation. Keep in mind I interviewed you at my university. Here you are interviewing me at your university. I'm not suggesting either of us. Well, I didn't think. Well, if I interview Agnes, she'll have me into the University of Chicago. And you didn't think well by having Tyler here? It's like, well, returning the favor. For him interviewing me at his. But nonetheless, it's remarkable how reciprocity operates with this power, and you can understand that better with that. Models.

Agnes: Let me read you. I'm going to read you a quote. Hold on. Let me. Find it. So this is from Thorsten Veblen. This is the guy who came up with that phrase, conspicuous consumption, he writes. Businessmen habitually aspire to accumulate wealth in excess of the limits of practicable consumption and the wealth so accumulated is not intended to be converted by a final transaction of purchase into consumable goods or sensations of consumption. I was discussing this with this passage with my students and one of the students told me that one of her economics professors has a Hermes bag, so I don't know if you've heard of this kind of. It's like extremely extremely expensive,

like 10s of thousands of dollars. Bag that he brings to class. It's actually a women's bag but and and and and comes to class with like, you know, extremely fancy, very expensive. And it's kind of projecting, I guess, like wealth and success by doing this. Why do people do that?

Tyler: Why do people project wealth and success?

Agnes: And also why do they accumulate wealth in that is not intended to be converted into consumable goods or sensations of consumption?

Tyler: I've seen estimates that the net wealth of Jeff Bezos is over \$130 billion soon to be divided by two, by the way. I suspect he has no plans to spend that much, but rather what he enjoys most of all is building 1 of the world's greatest companies. This, to me is quite a rational desire. It doesn't map exactly onto what I want to do with my Life. But I find it quite explicable, and something that might be quite thrilling. For someone to do, and if I look at the number of book. I buy from Amazon or the cheeses I buy from Whole Foods. It's remarkable how much of my money Jeff Bezos gets and the notion that you might value that way of almost communicating with someone, and that the money you earn is a kind of signal and reflection of that, and you value the money. Without necessarily having extreme consumption habits where you, you know, spend down the 65 billion or whatever, it will end up. Being. To me, that makes much more sense than Veblen gives it credit for now. Why do people have these bags and the like? It's maybe 2 signals to their friends that they're doing well and to try to attract more powerful social allies and be in more popular social circles. I'm not suggesting this is necessarily a conscious calculating. Move. You may be worse at it if you are self-conscious about it, but nonetheless, many people act in this manner and an underlying terms, as my colleague Robin Hanson has argued at length, it's probably about signaling.

Agnes: So if the money, like wealth, is a kind of sign of success right, that among other things. Could it be that? That one of the reasons why people want to accumulate wealth? It's a little bit like why people want to get high SAT scores like the SAT is supposed to be. It's supposed to be a measure like of how smart you are, how well prepared you are, right? But then as soon as you get some measure like that, people then. That measure becomes a target, right? And then people, and so could it be that like some of what goes on with the desirability of wealth is that that measure has become a target for people?

Tyler: I find it remarkable how many people work so hard for some social goods which are partly illusory and they're working on my behalf to rack up points. So we've gamified a lot of social activities, including running businesses.

Speaker 5: Yeah.

Tyler: And maybe there are actually cheaper ways to hand out those points, but society is structured that you have to work pretty hard at being successful to get the points. That's great for all of us. That would be a very simple economics and visible hand model.

Agnes: If you.

Tyler: Sometimes handing at the points is cheaper than paying people, right?

Agnes: Is it good for them?

Tyler: It depends who they are. So if they have studied philosophy and they're properly self reflective, they can ask themselves questions like is my business actually doing the world good? Am I maintaining healthy relationships while I'm running the business? And then it can be very good for them. I know many wealthy people who are quite happy and fulfilled and have rich lives. I know some wealthy people who are not so simply winning the game I don't think is good for you, but it's quite possible to win the game and have a total outcome that's very fulfilling and good for broader society.

Agnes: I want to ask you about the difference between prices and sanctions, so if. Say we have some. Well. Sometimes you have to pay in order to get to do something, so that has. A. Price and sometimes people make you pay for what you did. That's like a sanction. You're punished, right? And one way to think, one way that I've read that economists think about this difference is that we can. We tend to price some activity when we have pretty good information about what the costs of that activity are. And we tend to impose a sanction when we're not sure what the costs are exactly, but we're sure that it's bad. That is, it's socially we have, it's like undesirable. So like murder or something, we don't know exactly what the cost is, but we know it's wrong. So. Take that way of distinguishing between a price and a sanction right where a sanction is kind of a legal idea, right? You, you you did something wrong. You're being punished. So you have to pay money as a punishment. Why? Assuming and maybe you disagree, assuming that that way of thinking about the information of prices the the information relativity, of whether we impose a price or sanction is correct, why in the case of sanctions do we care about the person's intent?

Tyler: Well, let's take the case of murder, which you brought up. As you know, in most legal systems, the penalties for deliberate, premeditated, planned murders are higher than, say, the penalties for manslaughter. So if you think of this in terms of a liability framework, as has been developed here at University of Chicago in the law school. Indeed, by Richard Epstein and by Ronald Cox. There are good reasons why if something happens as an accident, you might want to penalize it less than if it is planned deliberately in terms of how the incentives will lead to less of that behavior in the future. But I think it runs deeper than. That. So if you imagine an imaginary setting where instead of being sent to jail for murder. That's the kind of penalty or sanction you would just have to pay a price like you shopping Whole Foods, some cheeses cost a very high amount. Well, murder that's really expensive. But economics has told us that human life is worth \$4 million. So if you're willing to pay 6. Have your rank. First of all, that would mean some billionaires could, in essence, murder for free, since they wouldn't feel the loss of the money. But it's also sending out a symbol about how your society values human life, and it would be telling people there's an essence, a non egalitarian treatment of rights, and who is protected by the rule of law and who is not. And I think the medium and long term consequences of saying human

life is just about money. Very wealthy people should be able to murder without really feeling any loss of consumption or any loss of life stand. Thing that would be corrosive to broader political institutions in such a way where we prefer the sanction something like jail time rather than ohh, just do it for 7 million. Dollars.

Agnes: Should we put a price on human life?

Tyler: It's always context dependent, so let's say you're called into the Pentagon, and the Pentagon wants advice. The Pentagon says, well, we could spend another \$10 billion that would make our aircraft carriers safer. Should we do it? You're gonna either say yes or no, or leave the room screaming or laughing or something. But they're gonna call someone else in, so some answer will be given. You might start by asking them, well, how many lives do you expect. This will save, and if they tell you well, we think it'll save the life of one sailor every 100 years. Almost certainly the correct answer is no. Do not spend the 10 billion because I could tell you other ways of spending the \$10 billion smoke detector is being quite cheap and pretty effective. That would save many more lives. And one on the other hand, if they tell you that saving 10 billion spending \$10 billion will save a million lives, it's almost certainly a good idea. So we do value human lives every time we make a decision. But that said, there's something to be said for those decisions while not being secret, not always reigned explicitly as. Here's how we all trade off. Lives against dollars. Because then people in some ways start thinking social institutions are not entirely legitimate. People in the Navy are like what my life is only worth filling the blank. And I worked so hard and I fought to defend my nation, and I spent all that time in a nuclear sub under the water, and it almost drove me crazy. And they're only willing to spend \$4,000,000 to save me. Surely I'm worth 4.3. That's not the conversation you want to have, so there's an almost straussian level of split meaning where there's some consideration of life valuations at the technocratic level. Yes, it seeps into public discourse, but you need plenty of institutions stacked on top of that, which go out of their way not to treat. Human lives only as something mattering in terms of money.

Agnes: So both with this answer and in the earlier answer that you gave me about. Not. Like not being transparent to yourself in or not performing certain kinds of calculations about, you know, trade-offs and reciprocation it. It sounds to me like thinking like an economist means. Not not being totally straight with yourself all the time. Like. Well, look, there's we should. We should in some contexts say that human life is worth \$4 million, but we shouldn't say that too loud or too. You know, in too many contexts because people will get upset about it. Or we, you know, we do have this kind of exchange between us, where you're noticing maybe the value of the gift that I gave you. And I'm noticing the value of the gift you gave me. But we kind of don't think too hard about it or don't focus on it or we're better off if we don't perform the calculations ourselves, like does. Is it that economics sees human beings as sort of fundamentally self deceived or opaque to themselves?

Tyler: I would stress that all societies in human history have failed to satisfy what Rawls called the publicity condition. Don't blame this on we economists. Just as an

anthropological observation. If you're asking, like, what's the group of people most willing to be square with you about, like the terms of a friendship or reciprocity, I think, like by far and away it's economists. So we're not perfect, but as a set of humans, maybe we even err on the side of not being opaque enough. If you just want to do empirics on economists themselves. But I agree this is a moral issue. I just don't think it's in any way unique to the. Science of economics.

Agnes: Well, I guess in philosophy, I never find. So I never find myself talking the way you were talking. Like, I just think well, look, either it is or isn't OK to think that a human life has a certain kind of put to put a price on a human life. And you know, maybe human lives. Are. Have a kind of value that can be should be understood as having a dignity rather than a price and. And now you might come back at.

Tyler: That's where the self description comes in.

Agnes: Me. Thanks.

Speaker 6: Right.

Agnes: So, so you might say that I'm self deceived, but I don't. But I don't say it.

Tyler: Yes, yes, yes, yes.

Agnes: As a as a philosopher, you at least you get to you get to at least feel straight with yourself, let's say, and maybe. Maybe. Maybe, economists. I don't know. Could could the fact that they speak at these two levels, that they're adept at speaking at these two levels, maybe that partly explains why they're good at being straight with people like they're, they're familiar, they're sort of intimately familiar with their own self deceptions.

Tyler: I think economists and philosophers have a great deal in common on this. Point. I would just note you could have bought like a bigger and safer car. For your whole family and at some point we all don't spend more money on the safety of our family and we stop at different points. So we're making these judgments. We can tell ourselves I don't put a dollar value on human life, but we all are making the decisions that the people in the Pentagon are making, right. So let's try to understand it better rather than just saying it's not there. Here's what I would say. Economists and philosophers have in common. I made-up the list. You tell me what you think of my list. OK. It doesn't mean we don't have big differences, but let's start with what's in common. First point is, it's kind of rude, but I think. It's true. Economists and philosophers, even within academia, really have above average IQ's. Quite a bit, and this binds us together. I'm serious and there's data on scores. Scores are not an exact measure of IQ, but I feel there's good evidence for this point. Both intellectually and as personality types, we both tend to be highly analytical relative to many other parts of academic life or many other jobs. Economics is quite unified. There's something called the logic of choice, logic of microeconomics, preferences, constraints, incentives. Philosophy, I think, is probably less unified, but you've mostly all read a common set of books, and there's a particular way of conducting discourse that is common to most, maybe not all, philosophers. That gives you a unity that maybe sociologists wouldn't have as much. We're also 2 fields where you can say something counterintuitive without

being screamed out of the room. There's also a fair amount of latitude to be politically incorrect, and if you have an analytical argument to back it up, you might get away with it, or even persuade people. That's my like CHEAT SHEET and what we have in common now, what do you think?

Agnes: So. I think that economists have more power than philosophers.

Tyler: That's getting what we don't have in common that's coming up right.

Agnes: Well, well, the economists. Often take themselves to be in a position to give advice at a pretty high level, right as to like. How how the country should be run or how like large decisions that affect a large number of people should be made. And and philosophers don't tend to see themselves as being in that position. And what's weird about that is that you actually you, you you alluded to this. I was gonna say admitted but alluded to. Is the more. Nicer way to put it into this fact earlier that you know economics. Needs to be value neutral and philosophy tends to not be value neutral like. I almost wrote my dissertation on why plagiarism isn't morally wrong. Counterintuitive views. You can try to.

Speaker 7: Defend the philosophy.

Agnes: Not morally neutral, right? So isn't that like, there's an odd, almost like, I don't know, not parallelism, but it's like the philosophers have, or at least claim to have. You know, some kind of grounding in morals or ethics. Like they they here's a quote from James Buchanan by general agreement. The Economist has little or no business teaching, morals or ethics and no justification for building his theories. Oh, I'm going to skip that part. Doesn't matter. OK, just no teaching morals or ethics, OK?

Unknown Speaker: Come.

Agnes: So we're the ones who know about morality. At least we think we do a little bit. And and you guys don't. And so why are you the ones with all the power?

Tyler: Let me move on to what is wrong with. Economics. And it's funny that you mentioned insight, James Buchanan, because Buchanan was my colleague for about 20 years until he died. He was a Nobel laureate, so he was a major figure in my department. And Jim Buchanan was about the most moralizing human being I have ever met. Note I chose my words very carefully. I said. The core of economics. Attempts to be value free. Economists themselves are awful. They moralize all the time. They don't understand ethics, they don't understand the normative. They don't understand. Even at a naive level, metaethics, they've hardly read any ethics. They will moralize on Twitter, they will moralize when they speak to governments. They think the economic model has some moral significance, which, in my view it actually doesn't, or like it might if you argued for it with a lot of work in some cases. But it doesn't, per say, have any automaticity to it. In the moral sense. So people who as a set of people who understand their own moral biases, economists are among the very worst groups in the world. And this is just a terrible fact about us. And it's true for more than 90% of economists, it's probably more true for more powerful economists. The other thing I would say about us. Is whenever we talk about philosophy of science, you should

automatically dismiss us. We don't know what we're talking about. We tend to be naive falsificationist, or at least say we are. Economics isn't actually done that way. Maybe like a few have read Popper, but we know almost nothing about philosophy of science. We talk as if we're qualified. To say things about philosophy of science, because we practice economics, that does give us some kind of knowledge actually, but it doesn't mean what we say about philosophy of science makes sense. It almost always doesn't. So in two major areas of philosophy, people who are economists are a mix of like nonsensical, terrible. Not making any sense and harmful. Do you agree?

Agnes: Well, I have to refute everything you said, Tyler. So that was really clever. I guess I want to know why and let me put forward a hypothesis.

Tyler: Why? Of what?

Agnes: Ohh, why? Why they're terrible? Forget the philosophy of science thing this this terrible moralizing. Right? So suppose suppose as an economist, you didn't do any of that moralizing, but you did still put yourself at the.

Tyler: OK.

Agnes: You know, you offered up your services to say the government like where, you know, just tell me what you want maximized and I'll. I'll, I'll show you how to do it right. I'm not gonna tell you what's good or bad. I'm just gonna you tell me what result you want to achieve and I'll tell you what you have to do in order to achieve it. Right. I'm and I'm not going to assess the ends at all. Right? I'm going to stick within my purview. There's something. There's something kind of humiliating about that, like you're sort of your mind would become a tool for the use of others, right? And for good or evil, you don't know which.

Tyler: We're worse than that, but continue.

Agnes: Well, and so in place of that, what you might get is a very here's here's something that I. Feel like maybe a sense among economists is like a lot of, like, conventionalism, so like, conventional morality. I guess I would say because you need some kind of, you need some kind of moral or ethical view, right, to, to be promoting, to be. If you're going to be advising and saying here's what we ought to do. Using words like ought and should like. How? I use them. And but if you haven't actually reflected on the ethical system, you're just going to absorb. Whatever's around you, you're gonna kind of fill in that void, right? With convention, so.

Tyler: But it's self-serving convention, so it's worse than what you're saying, right?

Agnes: Why is it self-serving?

Tyler: Well, economists are somewhat factional or partisan at least. Often powerful economists are, and they will tend to inject some moral values into the discussion. They're a mix of conventional, but they're conventional to a tribe, so it's both partisan and conventional at the same time. So I think you're overrating us, if I may. Evoke that well known concept.

Unknown Speaker: Yeah.

Agnes: Suppose that people didn't die, so we are all going to live forever. OK, they're going to be no more people. These are just, you know, the people that are alive

now. Are the people that will always live. How would that affect? So you're a big fan of economic growth?

Tyler: Properly.

Agnes: Would properly understood sustainable economic growth within the constraints of human rights.

Tyler: Understood.

Agnes: Suppose that so would you be just as much of a fan of economic growth, more of a fan of it in that in that world, in the world in which none of us?

Tyler: Ever die? Can we get to what's wrong with philosophers now? No. To answer your question, I would be less of a fan of economic growth. Because I think human civilization has at least some chance of supporting a much, much larger number of people and being fundamentally transformed into something far more wondrous than it is. And if it's just the same set of us sad sacks here in the room living forever, I doubt if that will ever happen. I still think a wealthier society on average would be better, but I would be really much less enthusiastic about growth.

Agnes: I see. So part of your interest in growth is this idea that there could be this really radically. New. Kind of civilization or. Or is it just the more people?

Tyler: Both more people and higher quality of lives and more creativity, more diversity, more fulfillment of kind of.

Agnes: Why couldn't we have that? I mean, except for the more people part, the more creativity, more fulfillment. Like why can't? We achieve that.

Tyler: Well, maybe there's a chance of pharmaceuticals or genetic reengineering doing that. But human lives have a particular kind of structure, and depending on what you do, but creativity peaks at some age, then openness declines and we get stuck. Some in mathematics, maybe that happens relatively early or in chess. In philosophy, it actually happens later in life, but it happens to everyone. And if we're all just growing older, I worry about a very stultified society where not much changes.

Unknown Speaker: Hmm.

Agnes: Let me read you a quote. This is by you actually and pointed my directed my attention to this quote from Bruno Latour. This gets us back to the topic. Of what is wrong with philosophers? Since you wanted to return to that? OK, well, let me read you the quote first. You can agree or disagree, and then you can give me the.

Tyler: I have a list for you, yes.

Agnes: List I've always found that. So, Bruno Latour, this is someone posted this on Twitter, but I have always found that philosophy in America has become something like golf, a highly skilled, highly competitive outdoor activity, but somewhat boring for the public to watch and of no relevance whatsoever.

Tyler: It's related to my list.

Agnes: OK, go ahead. So let me.

Speaker 7: Hear the list.

Tyler: There's three points, but rather than me running through all three, let's take them 1 by 1. The first is I don't think philosophers have succeeded very well in

integrating themselves into real world processes where they get useful feedback to be on learning loops. So if I think of economists, and again I recognize not always for the better if they work for governments, they work for the Fed, they work on Wall Street, more and more work for tech companies. They're in academia. They work on aid projects, they work for multilaterals, and there's a feedback and learning loops which are very, very powerful. When I think, like, where do philosophers interact with the so-called real world? I see a lot of that in biomedical ethics. I see much, much less of it in other areas. I do see a good and useful trend in philosophy to have areas like, say, philosophy of physics for the person doing it actually knows a lot about physics. That's great. But just from my distance vantage point, I don't actually see people doing physics coming to the philosopher's asking them for help. And that to me says something. So too many of you are outside of learning loops where data and feedback are making it better and better at a pretty rapid rate. That's my first criticism of philosophers. Would you respond?

Agnes: And. I guess all the philosophers I know are. Pretty much constantly talking about philosophy to other people, often to their students, but also to their friends. And and and so, but maybe what you mean is? Philosophers don't talk enough to non philosophers. That's what you mean by the real world, the. Non philosophers.

Tyler: Data and actual feedback. It could come from philosophers or non philosophers.

Agnes: Well, that that is feedback. Conversations are feedback. I think philosophers get tons and tons of feedback.

Tyler: The conversations haven't gotten that much better overtime, so. There's something about, say, engineering, that has progressed quite rapidly and some other areas of life, like teaching arithmetic to 7 year olds until the Internet, it didn't progress much for a long period of time and economics has on its side a bunch of processes.

Unknown Speaker: Hmm.

Tyler: Which have progressed pretty rapidly like measurement and numbers and math and stats, and what philosophy has. You can still read Plato and learn things right, and that's amazing, but it's part of my worry.

Agnes: So you want philosophy? You want us to be doing philosophy faster.

Tyler: I don't know if there's a way to get there, it may just. Be you're stuck. But it's my worry.

Agnes: So do you also feel that way about like, say, looking at paintings or something like that? People should learn to do it faster.

Tyler: Quite possibly, yes.

Agnes: Like is it is it? Is it true of everything that it's better if? You do it.

Tyler: Faster. No, not everything, but I think we should recognize there are some areas subject to what economists call the cost disease and it's hard to do them much better very quickly. Teaching would be an example. Again, the Internet probably is changing that. Up until the Internet, teaching was specifics technology. And then there are other things we do like, say, building bridges and cars that progress very rapidly

for long periods of time. And to realize, you know, each has its limitations. So I'm very willing to admit. That feedback from data limits economists in some ways, but I also think the absence of a lot of feedback from data and solving real world problems, or failing to solve them limits philosophers in a number of ways. So I'll admit the criticism can be symmetric, but we're only doing them one at a time, and that's my first. This isn't.

Agnes: OK, let me hear the second one.

Tyler: Hey, second one and this, I'm not even sure it's a criticism. It's an observation. I'm on both sides of this one. Philosophers tend to specialize in long chains of argumentation. With plenty of back and forth parts of arguments, side arguments, it's very striking to me a lot of philosophy journals. You look at the articles, they don't have abstracts. I'm not saying they should. They often don't. Economics. Never the case. There's a long argument and then you get long critiques back. And my goodness, like you submit articles to philosophy journals. Some of your referee reports I've gotten some of these. They're astounding. Or like Derek Parfitt, he would give people comments on a manuscript that could be longer than the manuscript itself.

Speaker 5: The.

Agnes: So a lot of feedback.

Tyler: Again, I a lot I have split but a lot of economists, when they see long chains of argumentation, they suspect you're on the wrong track, that you should be able to figure out more quickly. I have split loyalties here. On what empirical variables does this question depend upon, and the conversation should collapse more quickly into a conversation about some empirical literature relative to what you see in philosophy. That is a difference. I'm not at all saying economists get it just right. But. Often. Sometimes, occasionally, rarely. I'm a little bit frustrated with philosophy for this reason.

Agnes: So let me begin by making a distinction.

Tyler: This will be a long argument. Broke it.

Agnes: Yeah. So, so you make 2 points about philosophy. One of them is that we use long chains of argumentation, and the other is that we don't try to quickly get down to the empirical. The second one, I think it's true and I think it's often not a problem, but sometimes a problem. My own view about when, like philosophers reason, often from their intuitions, they say well, look, here's how things seem. To me, right? That's a starting point, and that can be quite dangerous because you're intuitions can be shaped in ways that. Are invisible to you by idiosyncrasies of your. Yourself. I've had this happen to me many times, and if you sort of looking at like data about how other people think about it, or even sometimes just reading novels or something like that can sort of jolt you out of that. So that's a place where I think contact with the empirical can be really useful to philosophers. It can temper our. And to kind of shape the intuitions that we reason with and to the extent that we don't do that enough and we rely too quickly on those intuitions, I think that is a problem. So sorry, I started by saying that I think that's not a problem, but it is sometimes a problem and that's

how it's a problem. So I just sort of great. The first thing about the long chains of argument that's I think it's completely right that that's. Indicating something wrong. It's that all? Yeah, all arguments should be short. Aristotle said they should have two premises. Every argument has to have just two premises because an argument is a putting together of two thoughts into one to create a new thing. That's Aristotle's definition of a syllogism.

Unknown Speaker: Yes.

Agnes: Right. And he came up with this idea that you could take thoughts. Independent like thoughts that are different from one another and put them together and get a new thought that's not identical to any of the earlier too, but it's new, but it follows from the first two. That wasn't an empirical idea. It was a theory about how to put thoughts together. And you know, that was Aristotle's. Logic comes out of that and modern logic is not the same as Aristotle's logic, but it's also a theory of how to put thoughts together, how to reason now when you have like a ton of premises. Like a lot of you in the room have been in my classes when I'm I'm laying out like an argument, say from the feto or something, the final argument and the photo for the immortality of the soul. I can never do that one with less than like 8 premises and that just means that I don't really understand the argument. If I really understood the argument, I would sort of know exactly where to focus on and there would just be two premises. But. It's hard because a lot of details and it's hard to figure out what's important. So I think when you see those long arguments, those are philosophers struggling. With, you know, not yet having simplified the idea, it's just true that we we we that's that's for us like a goal to simplify it to that point. But we usually can't do it.

Tyler: My third criticism, and on this one again, I'm very, very willing to admit indeed emphasize it cuts both ways. It reflects some very important virtues of philosophy and flaws of economists. If I look at the world of economics, as it's communicated to what you might call popular educated audiences. On blogs, on Twitter, through journalism, that world is mostly controlled by reputable economists. Now, by entering that world, those those economists have in some ways made themselves stupider or often more partisan. And I would stress, not just admit but stress, the drawbacks of that process. But nonetheless, by comparison, when I look at the world of philosophy, and I should note, you are an exception. To this, but I see the people who have resonance as communicators, the people who have influence. Almost entirely. They are not professional philosophers, so you have given up control of your field. Really to amateurs. Now they may be interesting ammeters. They may be brilliant. They may be stupid. We can get to that. But if I just go around the country and and travel and meet with people, which I do really a lot, the people I'm asked about who are philosophical, I'm always asked like, what do you think of the rationality community? Mostly not professional philosophers. Some are connected to it. I'm asked what do I think of effective? Altruism. William McCaskill at Oxford. He's one of the founders. He is a very good professional philosopher, but it's mostly not professionals. What do I think of the intellectual dark web of Jordan Peterson? What do I think of

Silicon Valley treatments of the Stoics? Maybe Iran, though, that's a bit older. I could go on and on and on, like maybe Peter Singer comes up at number. 9. But even he's a professional philosopher. Like analytically, he's not always that respected by other philosophers at the highest levels. So ammeters have taken control of your stuff. And again I get that what is left is in some ways better smart or purer, but nonetheless that is still a criticism. I think that philosophy as we know it in the Academy, it is losing out very, very badly and the competitive struggle of ideas.

Agnes: Is it that everybody else is losing out because they don't get our awesome stuff? That's yeah. So we're we're fine.

Tyler: Yes, of course. If that means you're losing out too.

Agnes: Yeah. So I you said I'm I'm a little bit of an exception to this and I'm on Twitter and not only that, not only that, but I just agreed recently to write, I'm writing to write a column in this magazine called the point and I wrote my first one, but my second one. So it's a sort of public philosophy called. My second one is going to be called against public philosophy.

Tyler: Well, you're on Twitter.

Agnes: And I I told Tara this earlier and he's like, wait, isn't that the thing that you're doing in the column? Yes, it's the thing I'm doing in the column so. I think public philosophy is an OK thing, like a pretty good thing, and we should do some of it. But I also think that there's a kind of trend that I'm seeing, like I see it. I see it on Twitter because there's a lot of sort of public philosophy stuff that gets. Tossed around on Twitter. People. You know, it's a kind of venue for that, that. As though that kind of philosophy where I'm sort of preaching right, I'm writing this column. No one's going to really reply to the column. It's not going to be a conversation. There's not gonna be a question period after the column. I just kind of preach and I and I write and kind of like pretty English. That is fun to read. That's. That's not all that philosophy can and should. It it's it's something, maybe it should be part of the time, but. But if I were to do that, a lot of the time, I think I would become filled with a sense of my own knowledge and wisdom. In a way that would make me a terrible philosopher.

Tyler: Would you like to do a comparison of economists and philosophers, and I'll name a trait most of these taken from 5 factor personality theory and we each say how we view economists and philosophers with respect to that trait. Are you game?

Agnes: I'm willing to start.

Tyler: OK, first rate which is not in five factor theory, but I would fight the word boring. I would say economists are more boring than philosophers. Or disagree. We're we're more narrow, more of us. Do things like enjoy college sports. I don't. Please. We're more boring.

Agnes: In in, in in, you're not talking about in academic writing.

Tyler: Just the full sense of all things.

Agnes: To me, the person like if I was going to meet an economist versus meeting a philosopher, which would? Be more interesting.

Tyler: Who's more boring? I say we're more boring. We're more obsessed with money. We're narrower. We read fewer books. I'm tossing you you hesitate.

Agnes: I know I'm thinking about every philosopher I've ever met, and whether. Or not, they're. Boring. I'll try and do this empirically.

Tyler: See I'm. Sitting here just till we did.

Agnes: I I I guess I just don't know is my answer. I don't know who's more boring. OK, we can go on to the next straight.

Tyler: The five trades of five factor personality theory extroversion. To me, it seems both economists and philosophers tend to be relatively introverted. I'll more or less call that one a tie.

Agnes: I mean, they both regularly speak in front of large groups of people, like we're doing right now. Are we introverted?

Tyler: You know this will get us into philosophical issues. I sometimes say introverts make the best extroverts, so the people who don't get nervous when they're doing public speaking are often the introverts because they're almost putting on a kind of mask. It's almost like a bit of an act and they don't feel that like they are out there and they do it and perform. And I think. People who are analytical and who are academic, they tend to be somewhat introverted. The economists and philosophers I've known on average fit this description roughly equally. That's my judgment, but it's subjective.

Agnes: Well, if it's. The kind of introvert that makes a good extrovert. Then I think I agree.

Tyler: OK. Disagreeableness, which is a technical term right related to its websters meaning. But disagreeableness I would say philosophers are more disagreeable than economists. They're less likely to conform. It's related to something you said a few minutes ago. We're more conventional economists. You're less so.

Agnes: Yes, I agree.

Tyler: Partly because we earn more money, you're selecting for disagreeableness by the philosophy degree itself. I think being disagreeable is a good thing on that at most margins. That's not in itself don't think Webster disagreeable. Think 5 factor personality theory disagreeable. It's a way of being a non conformist.

Agnes: I yeah, I know. I agree. I.

Tyler: No, you're not supposed to agree. You're supposed to be.

Agnes: I think that we think, I think that we are. I think that we're very aware of conventions and the arbitrariness of conventions. Uh. And that's a big theme in philosophy. I mean, some there are certain philosophers who were just obsessed with that, like Vic, and she was just obsessed with, like, just the arbitrariness of like, which word is used for which thing and the ways that we do things, it kind of where, where, where, that fact. The conventional facts just seem to sort of make. When you look at them, the whole world seems to collapse because they're not real, and phosphors are really bothered by that and so. I don't know whether that makes them less conventional, though. In other, like, they're less conventional in their thinking about philosophy, I

don't know in whether that makes them less conventional in how they live their lives or something like that.

Tyler: I don't have the data, just a prediction. Conscientiousness. I think economists are, on average, more conscientious. They're paid more. They're more used to working regularly. I've known more philosophers who just like every now and then, do something great. And. That's my call. Economists are more conscientious. It may be related to us being more boring, too. I. Get that?

Agnes: Do you think that economists? Like so it seems, I think. I think that's right. And it seems to me that one virtue that economists think of as really important, and I think you think of it as important as prudence, sort of like a kind of self restraint and like you wrote a column recently about how Americans should be saving more money, right and. I wonder whether economists, what kind of space they make for the virtue of courage.

Tyler: Courage is not a concept which comes easily to my discipline. We're very good savers. We actually have an outstanding track record as investors at the very least the less informed ones of us noted. Just buy and hold a diversified portfolio. It would be interesting to write an empirical paper on the courage of economists, but I do think we're somewhat conventional and probably on average, lacking in courage. The next feature you can say more do. We go on to the next speaker.

Agnes: Go on. Go on. Go on, cuz. Pretty soon we gotta turn it.

Tyler: There's two more. Left. Over yeah. Neuroticism. Again, this is the five factor meaning, not exactly the same as the Webster meaning, but I think philosophers are definitely more neurotic than economists. And some of this can be good. So when they see social injustice, maybe they're more. Bothered. But neuroticism, being a kind of negative valence of emotion, which is perhaps admitted too frequently, economists as a group I find are very live and let live and really quite low in neuroticism. So that prize I give. To your friends, the philosophers.

Agnes: Wait, so it's the neuroticism is?

Tyler: Good. Well, it's good and bad, right? But you're more, you're all more neurotic than we are.

Agnes: OK. OK.

Tyler: OK. And then finally, openness. Openness to new experience. I think philosophers are somewhat more open than economists, or this gets back to economists being more conventional and maybe also being paid more.

Agnes: I don't know. Like I. I live in a pretty small world, like a pretty few spaces that I go between like on this campus. I do a lot of the same things. I spend hours and hours and hours and hours in my office, and I listen to songs sometimes like sometimes like 20-30 times in a row. Yeah. So I do a lot of repetitive things like that where I don't seem to be very open to new experiences, but maybe I'm atypical and other philosophers are more open I don't know about that. I wanna ask you one final question.

Tyler: Sure.

Agnes: So. You could you. Could think of an economy as like. A giant computer that we're all part of, right? And that like it's running this big program and you know, no one could run it on their own, but it needs this distinctive kind of processing power. That's not like a computer. It's like a brain where the the. You know the program is like these exchanges that we have, right? So it's like, you know, I'm like buying something from the grocer and he's getting the money and and there are all these transactions that are happening, right. And they can only be running on these. These funny things, brains maybe because. Maybe because freedom and choice are important, maybe for other reasons. Now what I wonder is like so, so the Internet has made all that much easier and faster, right? So we can now. Interact with other nodes in the system at the speed of thought. Really rather. The speed of like, you know, going walking to the store, right? And so these transactions that we have with one another these these economic transactions are now more digital. It couldn't be that that's that that's speeding up those transactions is like the primary value of the Internet.

Tyler: I have a somewhat idiosyncratic view on. This. I like to say we've overrated what the Internet has done for us so far, and maybe underrated what it will do for us in the future. So I think the primary beneficiaries of the Internet or people I call them in favors, who in fact can handle a faster transmission. Feed for information that is not most people. For many people, the Internet is replacing network television with Facebook, and that is an improvement. But it is not a fundamental change. The binding constraint is so often on the attention side, but if you were someone who voraciously consumes information and has niche interests, the Internet makes you much, much, much better off. Including finding the people you can hang out with, who are unusual in the way you are unusual. So the Internet has been super non egalitarian, but the main beneficiaries are not the wealthy per se, they're like the information addict, which is probably a pretty high proportion of the people in this room. And it certainly will be almost 100% if anyone who watches this video online like. This is one of the things the Internet gives you. I think it's striking the Internet has not made many physical processes more efficient. So if you date the onset of the modern Internet to the late late 1990s, since that time economic growth rates have been slower. Productivity growth rates have been slow. So I think the changes of the Internet, we're actually still just seeing what we tend to do is have an institution like higher Ed and we tack the Internet on top like, oh, I'll e-mail my professor. That's fine. Very convenient. What we're not doing is building from the Internet 1st and putting the rest of the organization surrounding the Internet and related. Means of processing information and eventually we will get there. It will just take longer than. We think so. That's addressing, if not entirely answering your question.

Agnes: So basically things aren't going to get better. In most ways.

Tyler: Exactly. And the ways in which they're not better are not always the ways that you would. Thought it first.

Unknown Speaker: OK.

Agnes: Alright, let's open it up for questions and Rory is gonna keep an eye on you and take the question so that you can.

Speaker 7: Yeah.

Tyler: And thank you very much, Agnes.

Speaker 7: So. There's the the the topic that a discipline covers, and then there's the culture of the discipline. And my question is around how the ideas. The culture and the way that discourse is conducted in that. So like I found that it's very rare of economists to be concerned with, like morality and dignity and whatever. And then they almost treat each other with, like, less like morality. And they they get all those things like. Ever been to like a job talking, saying it's like a joke. It's like horrible. You know, it's it's terrible. And then it's like those studies where, like, you find somebody with a screen saver, like the money that's floating around. And then then there is less generous to their lab partner after different times with the money on the drink. Favor and I'm. Wondering is like our economists are like, constantly primed by the money on the screen. You know and. And so I I'm just, I I'm really interested in this because like I studied both things and walking across the street, which is like a very disorienting experience because I felt like. Philosophy was like this really safe place where I could disagree with people on, not have it be like first going to leave like you know. And then I would walk back over there to say it would be personally hurtful again, you know. So I'm wondering like whether. You have noticed that. What your take on? That is, and to discuss the both of you.

Agnes: So we just parents. So the question is, why are economists so mean?

Tyler: I would first know that if you were to rate schools in economics in order of meanness. I'm not saying it's correct in my lifetime. I've presented 2 seminars at Chicago, one of them the audience, was very tough the other time it was not. But in terms of external reputation, Chicago is considered by far the meanest. So keep that in mind. There's one paper which shows doesn't prove that when students study economics, they come away behaving more selfishly. I don't know that this has been replicated. A lot of papers testing that kind of proposition has failed to replicate, but certainly it is possibly. The case. Sociologically, I find economists actually quite easy to work with. They understand the idea of gains from trade and cooperation better than do most academics. They're very willing to delegate authority. They understand risk, they understand contracts. And if you want to have a cooperative group to get something done.

Unknown Speaker: I.

Tyler: Would way rather work with economists than. Other groups. But I think it's quite possibly true that we're more selfish and more objectifying, and in some ways meaner. But I definitely think we're also more cooperative. So I want to see all that replicated, but I suspect there's something to a number of these tendencies, but don't extrapolate just from Chicago. This is like home of the meanies.

Agnes: No, we won't both answer all of them.

Tyler: OK, OK.

Speaker 8: So the topic of today's talk is the down for your goal. And so if I were deciding between going into economic economy or philosophy, how would you each make a case for your field and how it would maybe to be a good life? And also define what you mean. By domain.

Agnes: Awesome question. Thanks Nora, can I start?

Tyler: You may start.

Agnes: OK so. Philosophy is about what a good life is, so insofar as leading a good life is not independent of trying to understand what that is and trying to in so far as you want to lead your own good life rather than sort of what most people take to be a good life. Philosophy gives you a way of doing that. It allows you to kind of. Appropriate and make your own concepts like good and morality and art and should words that we all have to use. And I think that economists have to do more of like delegating that labor to other people in the sense of being more conventional, right, and being like while other people have figured it out. Here's like how one should act, and so I'm not gonna worry about that. So I think that if your conception of. Good life, sort of crucially involves taking that kind of ownership over your own values and morals and goals than philosophies for you.

Tyler: I would just note that we in economics already have enough competition. And if people decide not to give us more, that is absolutely their privilege. But one other thing I would say. Politically. Culturally, economics is in some ways more diverse than philosophy. So of all the fields of academia, philosophy is close to being one of the more left wing. I think anthropology measures as the most left wing economics is very close to being the most. You could call it right wing, though. Many economists are libertarians. It depends on your point of view. Economics is still like 80% Democrat, 20% Republican remarkable that that's the most right wing. But I actually think in terms of diversity and tolerance and not taking for granted that in on some issues everyone thinks the same way. Economics is better than most other parts of academia may or may not be a benefit from your point of view, but it's at least a consideration.

Speaker 9: A little bit, but may have caused benefit analysis more beneficial than a cognitive philosophy class.

Agnes: I feel like I would be bent. By taking an economics class, and I think that. I mean, I think if we're just talking about two of us, it's I think it's very clear that it would be me because I know a lot less economics than Tyler knows philosophy. But that's just because of where we're starting from. If you pick the average just average economist average philosopher. I guess I would think the economists would benefit more.

Tyler: If you're asking this question from a cost benefit point of view, I say you need the philosophy class.

Speaker 10: OK, so I asked this at the. Risk of sounding like a really bad. One person but.

Tyler: Bring it on. Come on with these are the 2 fields that will let you be counterintuitive and politically and.

Speaker 10: So in this study group, we brought up the idea of, like climate change and how, you know, it might be a good idea to invest in the happiness of future generations by. Doing what we can to, you know, like, impact the climate now, whatever. So they aren't like living under. And having this awful life, I mean like that seems like an intuitive kind of nice idea, but like. Again, at the risk of sounding like a bad person, I feel like that's kind of irrational. Like, why should we care about people who live 500 years in the future, who we don't know? No one's even conceived of them yet, like they don't exist even in. Anyone's consciousness. Why? Why should we care about that or invest in their future instead of just maximizing?

Speaker 3: Our own utility.

Tyler: I'm not an expert in the field of climate science, but my understanding of the relevant knowledge is that the time horizon for climactic changes will be much sooner than 500 years. Some people even suggest the vortex out there. Whatever it's called, you know, it's not that. Well, tonight, actually, but it was yesterday, maybe due to climate change happening now. So it seems again as an outsider, but just from. Others tell me who might meet, who are experts, that there could be very serious costs over the next 10 to 20 years. So it's not even about the distant future. But that said, my latest book, stubborn attachments, has a long discussion of why well-being of the distant future, we should not downgrade. Imagine that we would go back to antiquity. And if you take the logic of compound return seriously, it would say that you know Cleopatra not having a small itch on her finger could be worth more than a few million lives today. If you discount at a normal market interest rate. Being at times an intuitionist and philosophy, I find that very difficult to accept. I think there are a series of steps we could take that would be better both for us and for the more distant future that would give us a higher growth path for GDP in a way that was sustainable. And could be done in a balanced budget fashion, so that would be like a carbon tax with other changes in economic policy, which would speed up our ability to address climate change. It won't get rid of it, but I think that and moving more to nuclear power, deregulating the use of wind power, moving back to hydroelectric and making a number of other changes. One of them being just eat less meat could do really quite a bit right now and make the world a better place.

Agnes: More generally, hold on. I just kind of want to repeat part of Caroline's question, so. Suppose I just don't care about people living. 1000 years from now, I'm just indifferent to the well-being of those people. What are you going to say to? Make me change my mind.

Tyler: I don't view myself as a persuader first and foremost, but I'm very influenced by Tom Thomas Nagel and what he's written about there being an objective and a subjective perspective, and that a good normative argument has to somehow fuse the two. And if someone takes a purely subjective perspective, well, I just don't care about X. As in some of these Socratic dialogues, I'm not sure I really have a very strong counter. If I can't get them to be at least partly interested in the more objective interpersonal inter subjective comparison perspective.

Speaker 11: So in this is what I've heard. About in economics, there's like a positive versus normal. Just this, this. To where like positive is like. How do you solve a particular problem? Norman is more like what problem should we be solving? So let's say you could choose the edge. Like the next President of the United States, would you rather have him be some of this with a positive solution or positive thinking like they know macro theory very well with taxation theory, all this stuff versus someone who's like very good at normative thinking? What kind of world should we have where someone who's very well versed in that which of those we think are more valuable?

Unknown Speaker: Not a leader.

Tyler: I find it very hard to predict the quality of forthcoming presidents. One of our best educated and most qualified presidents of all time was Woodrow Wilson. In my opinion, one of our worst World War One racist. Many other bad policies, forced collectivization of the economy, one of our smartest and probably our most experienced President of all time. Was Richard M Nixon. He actually did many good things, but did many, many bad things, and that assessment is maybe hard to make, but there's certainly plenty to object to there. Jimmy Carter, one of our smartest presidents. Again, mixed record plenty of negatives there so. I don't really think it's about the education. It's something about how a particular set of qualities, pieces of knowledge and personality types mesh with a historical moment in a way, we're manipulating the education side actually has pretty low returns. So going, you know, back to Plato's Republic. It seems to me the whole notion of philosopher kings is a misunderstanding of how the philosophy of history really works. Agnes.

Agnes: Well, the the philosopher kings are ruling over. A very strange society, right? So Plato didn't just say, oh, let's put the philosophers in charge of us, he said. Like, first, let's get rid of the institution of the family. Right. That's that's one of the steps, at least for the guardians, right. So you might almost read the Republic as like a a story of like how weird society would have to be in order for it to make sense for philosophers to rule. As you've heard, I'm already like half against public philosophy, so I I don't know that I want to. Defend the idea of philosophers ruling.

Tyler: Ulysses S. Grant and Abraham Lincoln would be two examples of presidents who did some pretty good things, who are not obviously qualified in terms of education. So think of it as a kind of multiplicative model. Many different things have to come together, and in that kind of model, measuring the marginal product of any single thing is very hard to do.

Speaker 2: Just a really simple question, but so would you vote. Three, that and money has only instrumental values. That is, money only has value and as far as. You can set. It on things in the future or. It can be. Like converted and set to actual goods. So if you would agree with that. In what way is it not irrational for like Jeff Bezos, to sit on his millions and plan to die without ever spending them?

Speaker 12: There's a few.

Tyler: The words in there. I'm not sure how we're defining the most of all irrational. The second the question of what is right and wrong. So on Twitter, Ian Bremmer just

put up a list of different billionaires and what percent of their money they've given away to charity. And Bill Gates is by far number one on the list. This is highly admirable of Gates and I absolutely feel that more billionaires should be more like Bill. Rates, whether irrational, is the correct word to use. What you mean by instrumental value? That's a little trickier, but I will reiterate my claim. I think it's perfectly rational to work really hard wanting to become a billionaire, even if you only spend 1% of it. The notion that building your empire is the right thing to do and fun. And glorious. And you also maybe can do a good job giving away to charity and you will enjoy that and find it rewarding. That, to me at least, is in principle highly rational. Just of course, a lot of billionaires don't do that.

Agnes: I think if the money is your end, it's irrational, but if you have other ends and the money just comes along with it, it's not.

Speaker 6: So throughout this night you've been talking about how markets and other economic systems of incentives can deceive people and, like, make them act in ways for reasons they're not really aware of. Or you talked about those like benefits of self. Option. So in a sense that these systems really cause a gap between reality and appearances, and in some big sentence the job of economics to figure out what's actually going on here is it good that there is this gap and like, wouldn't just society even have a sense of like, would there be? Economics and Justice Act.

Tyler: There's a lot packed in there. I would say economic forces eliminate a lot of harmful self deception. So if you're running a business and you think your profits are high when you're, you're losing money, well, that experiment is going to end pretty quickly and probably it should. So you know this aggregate disaggregate. Aggregate, I think on that, but not in every case. Market economies tend to encourage relatively beneficial forms of self deception and self deception for predates markets. I wouldn't blame it. On markets. It's an interesting question. Like, what's the worst kind of self deception that a market might encourage that would be worth thinking about. It could be that we have something like a kind of barter market, like in dating. So, you know, you use Tinder, and Tinder has systems that it won't show you. People who are in their opinion too good for you and will always reject you. So you kind of self deceived into thinking a lot of people will swipe the correct way and. And that's because they're showing you people like in your league as they as it's measured that way, maybe there's something wrong with that. But again, compare it to the alternative, hard to say.

Speaker 3: Marginal revolution. You posted a link to a Google sheet of projection markets and one that really caught my eye was a lot of assassinations and I noticed there was discontinued because it was considered. Unethical. And so I was wondering, how do? Why is why is assessing the margins unethical? Hardly measure. If prediction, learning or unethical. And how does this fit in with your principle of growth versus Principle of Growth plus human rights?

Tyler: Is that a question?

Agnes: Definitely a question for you, Tyler.

Tyler: Is the risk with assassination markets that you will put it back in the market and then kill someone to win the bet? I'm not sure how great a danger that is. I've since we haven't had these markets, it's hard to know, but it seems like a risk, and it also seems to me the information you would get from an assassination market is not very reliable unless the would be assassin himself or herself is doing the vetting, in which case you're back to the risk being high. So if it's just other people trying to blindly guess it, who will be assassinated, I don't think you're learning much from the market, and there's some risk you'll encourage wrongdoing. Now it's an interesting question, like you assassination markets really make that worse. You could right now, buy put options on a company. And assassinate the CEO, or just try to ruin the product like Tamper, put some poison in in the Whole Foods, you know container, whatever and watch the shares drop and collect your money. Now to some extent. Maybe that's more traceable or your uncle does it. Or you do it. You know foreign markets with crypto and complicated issues. But there are a surprising number of ways. To make money off people dying and we don't see it happening very much, so it's at least possible that risk of assassination markets is overblown. But look, politics is risk averse. You need approval to offer markets to the public or regulators going to give their approval for that. Obviously not, and I don't really think it's going to happen, except possibly in some anonymized form where people are paying with crypto assets and we don't know who's trading there, and it's outside the scope of our regulation. But then you're back to it, just not being very liquid and telling you much. And so I don't know. I don't think it's a very important market. I don't really mind that we don't have it. That answered the first part of your question, but you know that's something. That.

Agnes: Actually had a question that I wanted to ask you the more general version is, why are prediction markets important?

Tyler: Prediction markets are very often the best way of knowing what's going to happen. So the Super Bowl is on Sunday, right? I believe so. Maybe we need a prediction market in. That. But who's gonna win? The best way to find out is just to look at the betting odds. Who's going to win a particular political office the best way of finding that out is to look at the betting odds. Now, what we would like, but. Don't entirely have. Is a series of markets that give us information about more important things, but these markets tell us about the weather. They give us a sense of political risk, how business cycles are developing, all that is valuable knowledge. Many people have had the goal of extending the set of these markets so they could tell us about many more things, but for reasons we economists. Don't understand very well at all the liquidity in these markets is actually quite scarce. It's very hard to get a new market up and running and sustainable. And so we're left with markets for some very basic things, prediction markets for things which are entertaining, like Who Will Win best picture at the Oscars. There's a market for that. I mean, fine. No, no cost there, but hard to see a huge social benefit either. It's just something people do for fun. That's why they're important. They ought to be more important. But for some reason, it's very hard. To get there.

Speaker 13: So it seems like. If we are able to be rigorous about questions that are within economics properly, we should be able to be rigorous near economics, like, for instance, the theory of management. And yet it seems like the theory of management services or like it's, it seems very platitudinous. It's a lot of like taking motivate the workers, you know.

Speaker 12: Yes.

Speaker 13: The attitude you should bring to the workplace. Why is that a thing fault is that and why is it that it feels like, you know, clever. Whatever will take to be the breaker of economics, living future got in there.

Tyler: This one to me. Too, yes.

Speaker 14: Definitely.

Tyler: First, I would say I'm not even though this event is billed as economics versus philosophy. I'm not actually that keen on the any of these demarcations. So what's economics ought to be loose. It's become much looser over time. We've had a bunch of non economists win the economics Nobel Prize. We intersect much more with psychology. Behavioral work. Sociology than we used. To. Why is management so bad? I think here there's a distinction between what is useful knowledge and what can be written down well. So when you talk to good managers about management, I find I learn a lot. There's a lot which is known, but it has to be presented in the kind of context specific way, often in a very human form that does not translate well to the written page. So management books and articles typically are terrible or just empty or full of to say, but I don't think that means management knowledge is always so. Bankrupt. I once made a related point with anthropology. A lot of books on anthropology are boring for an outsider because you don't know enough about the culture to grasp the fine points. But anthropological knowledge is extremely sophisticated, and you often you cannot judge every field by what is in in writing. It's another thing economics and philosophy. In common that you can actually judge those fields pretty well by what's written down. You know, for better or worse, but don't think that holds for everything. It doesn't.

Speaker 15: I'd like to return to the Pentagon example. So like you said, would be going to do this or you wouldn't. It wouldn't be a good idea to spend that sort of thing. So like first, I'm just wondering how many lives do we need to save?

Speaker 9: So.

Speaker 15: Worth \$10 million. But like admittedly, I know that like this question might be impossible to answer in general, especially since you had said we have put there in like context. So more importantly I'm wondering like how am I gonna come this attempt to answer such a question and like how would a philosopher address that question and it's one with?

Unknown Speaker: So.

Tyler: I wrote my dissertation on this question actually way back when, I don't think economics can tell you exactly how much a human life is. Worth. There are plenty of studies what people are willing to spend to save their own lives. Viewed

as a stochastic problem. So you can measure the value of risk reduction. It's then philosophically undateable. Whether that tells you how much your life is worth when it will be taken with certainty, and it may matter whether it is an anonymous life like, oh, someone will die of cancer because of this pollution or an identified life like, oh, you know, this little girl fell down the well. How much should we spend to get her out? I actually think we should spend much more to save identifiable lives in a number of circumstances. Maybe not all, but the amount of money people will spend to limit risk reduction for themselves. When you turn that into a value for a single life, it's about four to \$6 million. So there is an entire army of economic consultants who go around to governments. And they say you should spend 4 to \$6,000,000 to save a life. In my opinion that that's wrong. I think. It's. Kind of empirically wrong. I think. Context matters so much when you do the actual measurements. I also think it's morally wrong. I don't think how much people are really into spend is the only factor. There ought to be various philosophical adjustments applied to those numbers. Again depending on context. So that's a good example where I think economists when they confront. Normative issues just get things terribly, horribly wrong, but like that number we come up with, it's some number of millions. You know, for a lot of decisions, it's at least giving you bounds. Like, yes, spend a nickel to save a life. If it's \$10 billion, just realize you could spend it some other way and save a lot more lives. It's a billion dollars. It's still true. So you get some broadbands how tightly the band supply depend on how much your social decisions are transit. If if you don't spend the money. There will you in fact spend it, say, on smoke detectors to save lives some other cheaper way. A lot of questions that rolled up into that economics on its own is not very good at answering those questions. Philosophy on its own also is not. It's a great example where you need the 2 to come together and then like maybe you get somewhere, but in any case, wherever you get, it's probably the best. You're gonna do.

Agnes: So I did not write my dissertation. On this question and I haven't thought about it very much. But I'm starting to think more about it so. I. I guess I would favor an approach to the problem that doesn't ever place any monetary value on human lives, and I have. I have kind of, let's say, a hope that that's a possible way of thinking about the problem. And here are two, let's say. Tools that I would use right? Because of course you do have. You do have to make choices and there are trade-offs and all that. Right? So here's one. Is that sometimes one way we can think about a problem like say, should we cancel school today, right? It's very cold and, you know, people might be injured or die if they try to go outside of their classes. Like I I had this thought. I had a class that I was agonizing. When that to cancel and I had our final session of our study group and I really tried to think of ways of avoiding it and then I was like, no, I have a moral obligation to my students to make sure they don't die in the cold and so. But that's the way I thought about it, so I thought about it as like an obligation. And so there's a question, what do we owe people like? How much safety do we owe people? Right. And that's something that can change over time, I think. Like, I think we now think we owe people more safety. Just even in terms of,

like, slippery steps and things like that, right. Than maybe we thought 20-30, fifty years ago. I guess my hope is that we can deliberate about what kinds of safety we owe people in a variety of circumstances. Without saying their lives are worth such and such an amount of money. So that's one tool the other tool would be even in cases where we sort of we have to in some sense do the math. It might be possible to think about it in the way that I was talking about gift giving. That is, sometimes you have to lose some money and you're going to get something, but you shouldn't necessarily see that as a purchase. Right. So like I think I when I give Tyler a birthday present, I'm not purchasing the present that he gives me later. If you think about like I don't know the old like Temple Judaism or something where like the, you know, priests in the temple couldn't earn money right and. Like people were supposed to give some money, but they're not paying for. They're not paying for things like being cleansed of blood, guilt, right. That would just be wrong. I mean, later you do get indulgences and all that, right? And that's problematic, but the. Thought is like it might be wrong to think that you're paying buying those things. It might be better to think you're giving up some money and you're getting something and those are separable, so those might be two tools that I would try to apply so as to try to make some of these decisions without ever having to say that a human life is worth a certain amount.

Speaker 12: Revisit the other. I guess the criticism on real world real world feedback. Just two simple questions. How would the person trained in philosophy improve that situation and then to help how might the person, any economics, avoid a situation where?

Speaker 3: Hmm.

Speaker 12: The real world, real world feedback that they get is sort of leads to some kind of negative outcome.

Agnes: I'm not sure I want to avoid the situation. That is the the sorry getting real world feedback. I I think it might be sorry, maybe.

Speaker 12: Maybe improve the?

Agnes: Situation. But by improved you mean you mean get more? Real world feedback. Yeah, I don't know that I want that. So I think that. Like if anything, maybe I just want to make the world more philosophical and not make. Me more world like.

Tyler: Next question.

Agnes: No, you didn't answer.

Speaker 7: Alright.

Tyler: Well, the way economists can avoid it, I think first of all is by investing in having the right peer group up front to have peers who will speak the truth to you. If you're doing something wrong. I think economics in the last 2-3 years has done some good things, moving toward a stronger and stricter professional code of ethics. I think there's a lot more we could do in the final analysis. Will that, like really stop the bad guys? Probably not. But a lot of people do things that are wrong and those people are not like the bad guys and the code of ethics might help them. This is a general question. When is it wrong to consult with the government? I've met with people you

know from many different governments. I've never been invited to a government where I really had qualms about doing that. I could imagine that I could be, and I genuinely don't know where I would draw the line there. Maybe I would try asking some of my philosopher friends.

Speaker 16: Here.

Speaker 6: So.

Speaker 17: Some other questions I see. The real world so broadly, there are some fields and economics and philosophy of economics, civility and philosophy of religion. Do you think those are some fields where philosophy actually has a much better connection to the real world than economics?

Tyler: I think of economics, of religion and philosophy. Of religion. And are very much as compliments and not as substitutes. So philosophy of religion is quite interesting, but it doesn't seem to me it's good at asking why are rabbis paid more than priests? Why do some churches go bankrupt?

Speaker 18: Yeah.

Tyler: Even issues like. Well, if you're religious, how does that affect your health and how do we separate out the causal relationship from the correlation kind of question economists now are working on, and philosophy just is not going to be good at doing those things. So it seems to me if we carve up the territory properly, which more or less I think we've done, we each have big comparative advantages. And what we're doing that to me is a relationship that seems pretty healthy and it's moving along pretty well.

Speaker 12: Do you think economic?

Speaker 19: Mathematized.

Tyler: Economics is a big beast, so the bigger it gets, the greater the variance of its parts. So simply with time you can find more parts which are too mathematized. That's true. So you can say it's becoming too mathematized and you're not wrong. But I think at its core, there's actually more interest in a lot of techniques which are not so super technical and it's possible to do very well known. Forms of empirical work which are actually relatively straightforward and simple. Steve Leavitt at Chicago would be a classic example of someone who, in terms of Frontier econometrics, is not publishing in *Econometrica*, but has done some massively influential pieces of empirical work that are pretty easy to understand. So I think on that the center of economics has moved away from theory. It's become more intelligible, it's become more intuitive, less big, think maybe too much small, think more proprietary data sets. Common sense is valued more now than I think it was 20 or 30 years ago, mostly good shifts on the empirical. By it I'm not a huge critic of my profession. I think it's in pretty good shape. We get some other things badly wrong, as I mentioned, but a lot of things we get right.

Speaker 20: I think it's been a lot of tonight talking about philosophy and mentioned earlier, but I guess my question is how do you read a book? Would you read that? Do you analyze it and there's an incentive models not to meet us or do you realize the individual feelings?

Speaker 12: Right.

Speaker 20: Special question is if the files, I think literature offers an interesting lens because things are fixed, they can't really be approved. You can't go with the world. You can't really build on the place and they.

Speaker 16: Thank you.

Speaker 20: And that's these things that's frozen in time. Maybe the way it's been worth checked it because we're not participants. It it it's. How do you do literature and what do you think of that?

Speaker 19: Yes.

Speaker 20: When you read a book, or do you? Just read books.

Agnes: Can I? Can I just sort of like add something to the question? I'm not going to answer it, but so one thing that I was struck by. We were all struck by in the study. Group is that. Like the economic way of thinking about a situation, a choice is to sort of. Try to think about it in more general terms as like something people do regularly or something like that, like to. Say, look, this isn't so idiosyncratic. It isn't just happening to you. It isn't. It's a kind of. There's a kind of generalizing of something like a decision as falling under a type. And you might think that literature, one thing that's distinctive about it is that you really focus in on the particularity of, say, a choice. Right and an action and a person. So that may be one way of getting at like. How does an economist? Face up to that.

Tyler: I've actually recently started a paper on how an economist might read Homer's Odyssey. It's not very far along, but at some point it will pop up on marginal revolution every spring. Well, now I teach the literature course long literature in my law school, and I've never taught Macbeth, but I've taught a lot of Shakespeare. I think I view Shakespeare as maybe. You're single smartest. Human mind about human beings. So putting aside Newton or Einstein, our deepest thinker, there is actually a lot of economics in Shakespeare, maybe less so. In Macbeth, there's some public choice than Macbeth. You need merchant of Venice. There's a lot more economics. I think you can become a better economist by reading literature. Gives you a richer sense of context, fleshes out human motivation, gives you a sense of how behavioral factors idiosyncrasies might matter. I think a lot of fictional works you can understand somewhat better by knowing economics a lot. But if you know like social psychology, cognitive psychology, and some economics, and your etrust, does it make more sense? Absolutely. A lot of science fiction is like very, very economics like that. There's a kind of model about how society works. Knowing some economics can be very useful. There a lot of Dickens makes a lot more sense if you know economic history and economic theory. So there are some synergies. But I think it's very important if you're an economist, to really steep yourself deeply and thoroughly in the humanities and it reading Shakespeare frequently and deeply is one of the very, very best ways of doing that. That's partly why I decided to teach this literature course, which I think I've now taught for 16 years.

Speaker 5: Yeah. So my parents both worked in public health. They constantly complained about hello. Nobody cares about their research because they do all this like. The. World would be healthier. If we did XYZ than building pairs. It's just more power like it is the fact that it's being used broadly. Is that indicative of a field score? Because economics is used by a. Lot more people.

Unknown Speaker: And.

Speaker 5: Given the fact that someone like an economist. Is saying oh. Yeah, based on like it's pretty simple world.

Speaker 14: I think.

Speaker 5: Working for a regime and kills millions of. People is bad. And they don't need. I guess like given there's so much more like value produced out of economics. Like how do you respond to?

Agnes: That so? I think it's related to. Nora's question actually about defending. Philosophy and. I'm not sure whether all value. Has to be understood in terms of promoting human welfare. I'm not sure about that. That is, it's actually a hard philosophical question, and I read a paper recently in which the author was arguing that, like certain things.

Unknown Speaker: Yeah.

Agnes: Like say, philosophy or art are not valuable because they make our lives better. Rather, they make our lives better because they're valuable. So they can't be sort of like measured in terms of our welfare or satisfaction. You could say our level of welfare satisfaction can be measured in terms of whether it includes them. I'm not sure whether I agree with that. That's one philosopher thinking about this kind of problem, right? But it at least seems to me. To be worth. Keeping in mind as a conceptual possibility. That something like maximizing and aggregating welfare is only one way to think about value. And it's maybe a way that you're inclined to think about value if you don't want to think a lot about what value is, but you kind of want a system to plug into. It's like a good system to plug into, right? That's why I say it's related to the thing I said to nor, which is like. But so one thing you might want to do is find a system that's pretty plausible, plug into that, and then and then you can start maximizing another thing you might want to do is try to understand what value. And what it would be to live a good life. And philosophers, I think, are pretty selfish in that we just want to know those things and. I'm not. I don't want to say that we're not interested in helping people, but maybe we're not interested in, like, a certain kind of help, right? That is, we want to help people who also help us, like our students, right? Where when you're teaching them and they're asking you questions. You're also understanding the thing better. That's a particular. Kind of helping, right? There's a particular kind of relationship there and there's another kind of helping that you can do where you're helping people who are really far away, who you're never going to get to know, and you're giving them necessary but not sufficient conditions on. Happiness, and I think it's OK that there are people of who do different kinds of helping.

Tyler: Can I try answering that even though it's for you? As an economist, I always want to say disaggregate, disaggregate, disaggregate. So this biomedical ethics, I don't actually personally now how much it helps people, but it's there, it has a big role in the real world. We're probably going to need it a lot more. So the question. Of what should we allow from genetic engineering? It won't just be shaped by philosophers, but it could be one of the very biggest, most important questions before us. And philosophers should and maybe well have a big voice and it business ethics is a field where philosophy, in my view, has not done very well and not been influential. But I could imagine a world where that would be different. I would like to see such a world. Then it would have really a bigger impact, but just the general notion. What's special about life in the West is we have a particular tradition. Greek, Roman, Christian, Judaic, whatever, the Enlightenment, whatever else you put into the mix, and that that's arguably the single most important thing we have. So the notion that you would hire a set of people. Who, whose main job is just to keep on reexamining and updating what that tradition means. And that actually is highly useful, even though we never see the use that both symbolically and practically speaking, if we stopped hiring people to think at the deepest level, what do all those things? What are they actually about? It could just be we'd be shooting ourselves in the foot in a massive way. And when we have them around, they look kind of like. What are you doing? But like compared to the world when they're not there, maybe it's pretty awesome.

Speaker 14: So also on like how to value things. So I just want. To bring up the context, video games Caribbean games. So you want Candy Crush. And so the way they're like free to play first, but then you have to download more. Content that features and people choose you.

Speaker 9: So.

Speaker 14: Know in sports. And you like download Candy credit now.

Speaker 21: 0 go away.

Speaker 14: Whereas I think the philosopher might. Print out some sort of treasure about it with kids or it's not a good use of your time and money.

Speaker 5: Yes.

Speaker 15: And so I.

Speaker 14: Want to ask if economists are two inclined to say that because someone chooses to description, they're sort of nothing to say about if that is good or bad, and like if there's a way for blockers to pass judgment for even, like useful judgment on that or like.

Speaker 20: For clusters to influence.

Tyler: Oh, that's for you, Agnes.

Agnes: I'm just going to say that there's actually a kind of really interesting paradox here that David's pointing out, which is that philosophers have all this like, you know, I don't know, they've they've done all this work to try to have moral theories and to be in a position to moralize. But they don't actually moralize very much, right? I mean, they don't go out in public and say it's immoral to download Candy Crush or

don't download Candy Crush, right? They're not. There isn't that much public philosophy, and then economists right, who have no place making these sorts of judgments, are the ones making them. So in the in the sense that they're not, you know, they don't take themselves as a matter of professional competence to be in possession of. Ethical principles they they met. They have ethical principles, but they're not. That's not as a professional matter, right? They're not. That's not an expertise. And so it's it's interesting that like that, that distribution is interesting and kind of paradoxical. And I wonder, I mean, you know, I don't know the most moralizing moralist of all time was maybe Emmanuel Kant. Right. And then. And the second, I think it's the big. It's been like a long time since I read. I think it's the. Beginning of the second part of the groundwork. He says. Like and he's already talked to you all about how like you know, you can't ever tell a lie even if there's a murder. All that kind of stuff. Right? So. But so you already have a taste of his, like, very rigorous, static and demanding ethical system. And he basically tells you that you can never judge anyone. You can never morally assess. Any other person because you don't really know their motives. In fact, you can't really assess yourself because you can never know that you were following the moral law from rather than from some kind of incentive. And those kinds of those forms of self knowledge are basically. You know, there are two subject to self deception, conflicts, conflicts. You have to do the right thing. You have to follow the moral law. But judging people, including yourself is just incredibly hard, right? So maybe philosophers are still we've we've we've inherited that either we've inherited it or. It's just there's something in. There's something in the philosophical approach to a situation or problem or whatever, where we see, like we, we are, we're just not going to jump to the conclusion that's the problem. We we take a million steps to the conclusion instead of jumping to it right. And moralizing usually involves kind of making that jump that philosophers are unwilling to make.

Tyler: I would. I can't address those specific aims because I don't know. But there is some work in economics that has looked at harmful addictions. And there are striking demographic features where one part of the United States population has many fewer harmful addictions than in the past. I think education is the single best predictor, but not the only and another part of the US prediction US population seems to have more harmful addictions than in the past, so the economic contribution. There may be would be to figure out empirically what is predicting a greater resilience against harmful addictions. Again, not knowing if this addiction is harmful or not, and then through public policy trying to address. How much of that is causal, and then to the extent it's causal, how can we spread more of the positive features to more of the population in general? It's not clear to me that gamification is a bad thing. It may help us educate people much better. I suspect we're learning a lot from computer games and video games. It's hardly something I know much. About. But very often my sympathies are with gamification, not against it.

Speaker 22: So first of all. I just thank you for being. Then I had a different question before, but I was really interested by this discussion about like things being

intrinsically valuable besides welfare, and I was wondering if you could expand on that and. Like how that could be.

Agnes: I can send you the paper. It's not my, it's just a paper I read a couple days ago. Susan Wolfe, the author. One here's one way. Here's a way that like. GE, Moore thought. About that, he said. We'll do the following thought experiment. Just imagine a world with nothing in it. OK. And then stick something in there like a chair or something and then think like is that better? So like imagine a wheel with nothing in it and then now put like put like a chair in there and then is that is that better anything not not really and that's my tuition you have to ask her. This is an intuitive question. Right and then. Now you can ask like, well, what about if there was like a work of art there? I think it's not obvious. In fact it's. It's just the work of art without anyone to appreciate it. It's not. It's not obvious to me that it's not worse, but you can try the test, I guess with a bunch of different things and then try to think about like, what else do you need to put in right in order to construct?

Speaker 16: OK.

Agnes: Value. How much do we need to stick into the story to get value and? You know more thought in any rate, that this is a kind of test for what is intrinsically valuable, that if if, if just adding it to a world makes that world more valuable than that thing is intrinsically valuable, so that that that's one philosopher's approach to this sort of problem. I I guess I personally don't think it's great because it's not it. It leaves unclear the relations when you have to add more than one thing. Like suppose that in order to make the work of art valuable you have to add a person in there. It's still not obvious that the work of art is only valuable instrumentally to contribute to the person's welfare, so it it it works less well when you have to put more things. It doesn't tell you about the relationship between the things in the world. To have more than one thing basically but but off the top of my head, that's the thing that occurred to me to add.

Tyler: To it, I I would stress 2 points in response to that. First how we measure human welfare. Is quite ambiguous and I think a lot of the ambiguities are conceptual and not just practical. So the very notion of human welfare requires that we at some point bring in some external values which are themselves not reducible to human welfare. I'm not sure I always know what those values are, but if someone says, well, all that matters is that which relates to human welfare and external values can't matter. The concept of human welfare is probably in some way parasitic on some external value. I think also the economic modeling technique of social choice theory is useful for thinking through some issues of aesthetics. So probably I think if there's only a painting and no sentient beings in the universe, the painting has no value. But that doesn't mean if there are sentient beings, the value of the painting is reducible. To his welfare effects for those beings, I suspect that is not the case. The relationship there is not an additive one that something greater is added and the aesthetic in that situation takes on some value, not just reducible to the preference of the preferences of the individuals.

Speaker 17: Would have been the best or most thoughtful criticisms of your of both of your respective most recent.

Tyler: Criticism of mine and it's online. Google I book was called stubborn attachments Google stubborn attachments. Fantastic essay. It was even featured on the browser, so how can I not give you that answer?

Agnes: Best criticism so my there haven't been that many criticisms like published of my book, but. Let's see. There was one recently. I guess I would say my best criticism. I've received so many great criticisms, but they aren't. They don't tend to be. They haven't mostly been like written criticisms of my work. Mostly the good criticisms that I get are when I give a talk or something and then people. And the audience ask questions. And then I can't answer them. And then I. Know that there's a problem. Or I I think I can answer it, but then later like eats away at me. So that one of those criticisms produced my book. Actually, I was giving a talk that was based on my dissertation at MIT and A grad, and it was a theory of weakness of will that I was putting forward. And a grad student asked just gave this counterexample of a case of weakness of will that did not fit. Model and I was of course my response was like, no, no, I can make it work. I can make it work and then, you know, I said that. And then she came back and then I'm like, yeah, but, you know, and I I, I I put it into caveats and a bunch of I was like, I was really trying. I was really fighting and. But then I knew I hadn't really answered it, so I emailed her. And I'm like, OK, here's my better answer. And she writes back like she's still just write eventually. I mean, it took me like weeks to realize she was just right and I was wrong. And she'd refuted my theory because it was not a good theory of weakness of, well, there were just cases of weakness of will that it didn't capture. And there were cases cases. Of non weakness of will that it did. And what I then the thing was, my theory was still good. Somehow it seemed still good to me, even though it was not a good theory about the thing it was supposed to be a theory of. And So what I did was actually switch the topic of my theory. Like I kept the theory, but just shifted it over onto a different object. And that object was aspiration, and that made me realize that I had been. I have been trying to talk about something without knowing that I was trying to talk about it. I wouldn't have realized that if I had gotten that criticism. So I would say that's the best criticism in relation to my book. That's. Not a criticism of the book.

Speaker 21: This is for Professor Kaler. I was wondering. If you could elaborate on your being sort of against public philosophy, because when you said you were against it, you said you were against it because like you don't like the idea of like preaching to the public.

Speaker 5: I'm wondering if.

Speaker 21: Support like that was more of an open.

Speaker 5: Discussion between many people as possible.

Agnes: Kind of like. This.

Speaker 21: Like this so like as possible.

Speaker 5: But people.

Speaker 6: So.

Unknown Speaker: Yeah.

Agnes: Maybe I think that the best thing that I do for public philosophy is being director of undergraduate studies. Actually I think that's my best role as a public philosopher. And it's because like it's because I can be close to the good that I'm doing and I think in philosophy it's very hard to do good from far away. Unlike it's not that kind of philanthropy. It's not the kind of philanthropy that works at a really big distance. But now distance is much harder concept when we have. The Internet, right? You know, one worry about like, say, Twitter is that it's a very inegalitarian space in the sense that people have different numbers of followers and that actually really affects how people interact with one another. And you might think, well. I mean when I interact with my students, I'm not like on par with them because I'm the teacher. But. Oddly, there's there's a really egalitarian quality, I think, to a classroom that is very hard to replicate in other circuit and and not only to a classroom, but like even to an environment like this. Like, we don't even. We just don't appreciate. We're not even like we're, we're we so swim in egalitarian waters here that we don't even like. Feel it? But I think when you give a talk like anyone can just speak up and if they have a good point like I have to respond to it and like that, you know, the woman who made this objection to my like paper, I would never have thought like, you know, at the time like, well, you're only a graduate student. I'm a professor or something like, no, that, that, that sort of thing. Just doesn't matter at all it, but it's it's actually really hard. There's a you need to put a lot of work into creating an environment in which that doesn't matter, and that's one of the things the universe. As.

Tyler: As an economist, you know I often draw the distinction between talk and action, so this is a public event. I'm glad it's a public event. There's a camera here, not my doing. I'm happy the camera's here, and whoever put the camera here, I would say is for public. Philosophy so we could investigate, you know, in the coming weeks, who put the camera here, who organized the event? I'm not really sure. But I think the public out there is hungry and they are hungry for much smarter material than virtually anyone had ever imagined. Doesn't mean that all of it will be smart and someone is going to fill that void. I would like to see it be philosophers much more than is the case now. And I would just strongly heartily with the fullest of my enthusiasms, applaud whoever it might have been who organized this event. Put the camera here. We'll release the video with some great amount of distance to that person, wherever you may be, I say bravo.

Speaker 23: For Professor Cohen, you made a distinction earlier between the value neutrality of economics at its core and the non value neutrality of what I think you characterized as all economists or.

Speaker 12: Balance.

Speaker 23: Of them most and I wonder what? You think the value? The distinction is. Because, for example, students who get masters degrees in public policy learn how to do cost benefit analysis and the way that's usually done in like many

papers these days is that you kind of add up the costs and the benefits you compare these two numbers. But it's only recently that it almost becomes to think more about things like distributional effects and. I guess like what I'm asking is that there's always a value judgment in what economists believe is a valuable question to study, and this is especially saying recently now that the profession is having, like, a reckoning with gender discrimination in the profession. I think that there's a time earlier that many economists would think that either there's, like insufficient evidence to show that economists.

Tyler: Yes.

Speaker 23: Tend to be sexist, like even within the profession or they would say that it's. Just like not interesting. And it seems to me like the claim that economics is value neutral is more often used as a bludgeoning tool to kind of dismiss those sorts of concerns and. And yet economist seems to like really cling to that idea. Maybe we'll see for that reason. And I wonder what the value.

Tyler: I agree with all of that. I would stress the coming of interest and concerns of distribution. That's a very old thing. It's not recent. We've always struggled with that. Economics is best understood as a bunch of value laden people making a lot of normative mistakes. But that said, if someone insists to you, well, the proposition, if the price of tomatoes goes up, people buy fewer tomatoes.

Speaker 19: So.

Tyler: That is value free. So there. One has to recognize there's a value free core or people just think you don't understand what economics is. But again, I public behavior is pretty bad, and we cite the value freedom of that court as a defense of that. And that's almost always all I agree.

Agnes: Can can I just ask you about that? The claim you just made about how it's. Free to say if the price of tomatoes go up, people buy fruit. Tomatoes so. I mean, it seems to me that the basic principle there is that people are optimizing in a certain way, right? So they're they they want the good and they want more of it. If they can have more. And to the extent that you see people? Not doing what seems bad to for them. You are inclined to think, well, maybe I've misunderstood this situation. Maybe there is a hidden good here, or maybe they're self deceived or something like that. You have to start to invoke more theory, right? To understand why people do things where they don't seem to be getting more of the good. But that idea that. Like the idea that everyone desires the good, I mean that dates back to at least Socrates, right? A lot of the Socratic dialogues, and I don't see it as value neutral. I see it as a claim about the value orientation of human being.

Tyler: Gary Becker, who before he passed away Todd here for many decades. He published a paper, I think in 1961 more or less showing that downward sloping demand curves would be the regularity even in a world where people were irrational. Because if your demand curve sloped upwards, you would exhaust your budget constraint. And you would get to the point where it had to slope. Downwards. Now you could argue how, a priori, an argument is that, but I don't think you need value judgments about

people doing the right or wrong thing to say if the price of tomatoes goes up dot, dot, dot, whatever effect you're going to predict. There may be an empirical precept as just presupposition that people value. Something, but again, that's a factual claim. It could be factually wrong. I don't think it is a value laden claim itself. So I do want to hold on to the value neutral nature of the core while basically granting the broader points you're making.

Agnes: I mean maybe, maybe it's not so much a value claim as something like. A basic principle of something like action theory, where to see what people are doing as buying right as opposed to something more incoherent. Like throwing away money, we might say, right? And to see them as making choices is to see those choices as rationalizable, at least from their point of view, in terms of something that seems in some way good to them.

Tyler: Some kind of anthropology is needed, but one thing striking to me, you know, as the decades have passed, is how rare the unusual results turn out to be. So sometimes you'll hear it said, well, there are some goods when the price goes up, people buy more of them because it's a status good to have paid more. And that is logically entirely coherent. But it's very, very hard to find such cases, even backward bending labor supply curves, which are fully consistent with all theory. Well, you're paid so much your wage, you end up working less. It's not nearly as easy to find as you would think, though there are some cases of it. So the strict group 1st order substitution effect. With time and more empirical studies has actually ended up looking more convincing than we used to think a few decades ago.

Speaker 21: So how can?

Speaker 20: We use economics and philosophy to think about whether plugging in moderate knows experience machine would be a good idea. It seems to me like, at least on the surface, that you know, the Economist would say yes, it's just like. And because of maximizing utility and the philosophers that you know should plug it in because you know there's more lighting, there's utility. Letters. Authenticity or, you know, maybe dive Danny Cohn, who say it's about maximizing our satisfaction as opposed to our happiness. So is this just a really damning hypothetical for for economists, or how should I?

Tyler: Well, in first order of group economics. The simplest form. Utility is ordinal utility, so if most people want to do it, which was nose expostulate, then it doesn't maximize their utility. Maybe tautology. I'm not sure most people don't want to do it. By the way. I think the better approach is to ask you what margin. So if I'm 83 years old and dying of terminal cancer and I'm told that they can slow down, time for me and I'll get 300 years of the experience machine. I mean, I'm gonna have to do that. So at some margins, it makes a lot of sense. And I think people will do it so. The younger you are, the less likely you are to want to do it. It's not real life, but don't assume it's always a mistake to plug into the experience machine. A correct theory ought to tell you when it makes sense, when it doesn't. Economics by focusing us on the margin, it won't give you a complete normative theory, but at least you can begin

to address. Whether or not rather than just no way, that's awful. It's not real, right? You go see movies. There are two, three hours long. They're getting longer. 3 view, 17 minutes. My. Goodness. People are more plugging into the experience machines, so you can actually use economics to treat this as a marginal.

Agnes: So I don't actually think philosophers would just say don't plug into it. Philosophers saying, oh, that's an interesting question and then they want to they. Want an argument? For why you should or shouldn't plug into it. When I present this to my students, here's one way that I present the at least the case for not plugging into it. Imagine that, like you had a best friend, right? Since you were a young child, you had a best friend and you know this person grew up with you and you were very close to them and. And now, like as a matter of fact, this person has always hated you. But when they were child, their parents were paid to, like, sort of make them hang out with. You and then. As they got older like they were paid themselves to pretend to be your friend. They were really good actors, so they were sort of convincing.

Speaker 3: And.

Agnes: The question is. Like the the thought of. Discovering that is so horrifying right that this person you thought was your friend. Was not your friend. I guess harnessing that horror is a way to get a grip on what's problematic about the experience machine, and then you might ask, well, at what margin. So let's say you could just make that friend when you were old, like at the age of 70, there could be this person who pretends to be your friend. And. And I don't know it might matter like your level of cognitive decline or something at that point cause like maybe you're you're 70 or 80 and you're living in a nursing home and you actually do have, like, false beliefs about, like, when the people in the nursing home are like your close friends as opposed to being paid to. Take care of you, right? So I actually think I think cognitive decline makes a big difference here. Setting aside cognitive decline, assuming like, say, I'm 80 and I'm like, cognitively, totally fine, would I want? Because I only have a few years left? Would I then want, you know, it to be the case that I'm going to? It's to me there was somebody who pretended to be my friend. I just think. I would never want that.

Speaker 5: Excuse me.

Speaker 24: It might be just the kind of narrow while, like, let's just say, economists focus more on the like money and the cost benefit of the like side whatsoever. And maybe philosophers will focus more on the so-called value or like more moral.

Speaker 15: So.

Speaker 24: Everyone whatsoever it's it's a question for both sides. So I'm interested in how an economy.

Speaker 18 Also. Hey.

Speaker 24: Based view the benefit of philosophical values and how would a philosopher view the philosophical philosophical value of the money and the like cost benefit? Which economists are always present? It's like how you view each other's work from your own.

Agnes: Yes. Maybe I'll start and say. I I really didn't know much about economics before like our study group and one of the papers that we read. Was put forward this. This theory it's called the cost theorem, says that you know if, say you and I are in a position where we are in conflict over some say some resource. So an example is like I I'm a confectioner and I have loud equipment and you're a doctor. And you have an office next door. And so my loud banging is preventing you from doing your medical practice. Right. And then there's a question. Well, who has the right to do right. So. So do I have the right to operate my equipment or do you have the right to sign? In your office and like you know, the way I was inclined to think about this was, well, the court has to determine who has the right, right. So what? Cos argues in this paper is like, actually, it doesn't matter who has the right, because whoever can make more use of the factor of production, which I guess here's sort of the space. Is going to pay off the. The person right? So like, suppose I have the right, but you can make so much money doing your medical practice that you'll say. Yeah, but I'll just give you some of my money to let me run it. Right. It'll be worth it to you if you can make more than I can make. And so the essentially the, the, the, the, the distribution of the resource is going to be efficient. It's going to go to the person who can use it better, no matter what the courts say about who has the right. OK, so. That just blew my mind. I read that paper like it's it's amazing. It's an amazing to me. It's an amazing result if you think about it it once you start thinking about in the abstract, it's like, OK, all it really says is that like, people will sort of negotiate in a way that makes everybody better off. I mean, some on some abstract level, but that was just wasn't a way that I had of thinking. About the question about mutual harm, you know it was sort of a just an amazingly, I don't know, detached. And kind of enlightening way of thinking about that kind of transaction and and and and kind of pushed me away from, let's say, a legalistic way that I would. Have thought about it? Otherwise, so that's just an example of something where I feel like I think differently. About a certain kind of interaction, because I've read something and it. Comes.

Tyler: One thing I've gotten from philosophy is just an understanding of how bad the wrong economists tend to go on normative issues. What an economist might say about ethics, it's just a sight an equity efficiency trade off and not even appreciate. There might be other normative issues to consider, which is just a primitive mistake and probably not understanding either equity or efficiency very well. So I read a good deal in philosophy. Most of all, in the area of ethics, just to try to improve how I would use my economics and it's a very hard thing to do. I think philosophers themselves would tell you they have not figured out. Ethics. But just like the best argument for economics is to talk to someone who doesn't know any. The best argument for philosophy, in particular ethics, is to talk to someone who's never studied any. And once you view it in those terms, like what would it be like if you took this knowledge away? It seems pretty obvious to me that it's valuable.

Speaker 25: Yeah. So I had a question. We've been talking about ethics and morality. I had a question about our league like our legal, like the legality of certain economic

decisions or markets in terms of our federal law dictates that whether directly or indirectly. You can't set up a system that kills someone or psychologically or physically harms them, and whether that's direct murder or firing an assassin, or locking in the room and letting starvation take care of them. And so if you were to premeditatedly set up the system, and when we change, we have the capacity to change our status quo. So each time we keep the status quo, we're creating a new system. If we were to create a system that leads to tons of Americans suffering from starvation or from lack of clean water. Or from lack of access to healthcare, which currently is the case, is that not illegal according to our current legal system?

Tyler: That's a philosopher's question. I don't think it's illegal. To have people who end up dying because of bad institutions, it may be unwise or wrong, but it seems to me quite far from illegal and various levels of courts have ruled on the fact that America allows people to die through various ways. I say die die sooner than they otherwise would die, right? They're all going to. Die. It seems to me that's very clearly. Legal. But maybe I misunderstood the question.

Agnes: Yeah, I mean, I guess you'll distinction to bring in would be like an expected versus an intended effect. So, like if we outlawed motorcycles, there would be fewer deaths, right? And we don't do that and we do it. We don't do it in the knowledge like in the expectation. That these people will die. But that's not the same thing as intending for people to die. And so, like, what's like? And of course there's issue of negligence, right. So that's that's where it gets right. So that distinction is going to take care of everything but.

Unknown Speaker: Hi.

Agnes: Just because there's negligence, it doesn't follow that there aren't, like, simply expected, but unintended effects, right? And so in in, in some like. That's going to cover some territory, I think, and it seems to me it's going to cover most of the cases that you're thinking of. But again, I think it's going to. How much liability? Say the government has or something like that? Maybe relative to time and place and resources, right. There's question what we owe people, how much safety, how much well-being how much protection we owe people and and if so, if you think about, well, look, we owe them this much and we're not doing it, then that's gonna be negligence.

Speaker 20: OK.

Speaker 26: So I think my question concerns exactly how rivalrous economics flossing really are, so I like to think they're rather complementary. But are there any kind of dramatic inconsistencies or major points of contentions that you see in? I guess the methodologies of economics and philosophy, and then maybe particularly around.

Unknown Speaker: So.

Speaker 26: Notions of value, and I think maybe an emergent question also is is how is it that the economics isn't simply a kind of subsection of philosophy?

Agnes: Maybe everything is. Umm. I think that, like maybe Tyler and I have quite different approaches to this problem, like Tyler wants to make peace and I want to make war. And I think that he's more successful than I am like he has been more

successful in this conversation in making peace than I have been in making war. So maybe that's like an indication that they're not. As incompatible as I would like them to be because it would be wonderful if there were an enemy and then we could fight them and then we could learn so much because that's how philosophers learn is by trying to refute. People, and often we learn by trying to refute other philosophers. But Tyler has been encouraging me to branch out, so I'm trying to refute an economist, but it's actually really interesting that people don't. I don't know. They don't tend to want to fight. They don't tend to want to frame things in a way in which a fight. Will be the natural way to structure the interaction, right? And and perhaps just because that's the wrong way to frame it. Like perhaps that you know, like like the the philosophy of religion point that time where it's like. Well, look, the economists are asking one question. The philosophers are asking another question. And it's like it would be quite a lot of work to somehow move that conversation into. Yeah, but you guys are asking the wrong question, and this is the right question. This is the question you have to ask. We're not allowed to ask your question, right? That's what we would have to do. And I guess I would, I would be sort of prepared to do that, but it would almost be like, well, in a philosophy class, I would do it in a philosophy class. I would defend. These are the questions. They're not just questions. We're asking because we happen to be in a philosophy class. They're. The right questions to be asking. Yeah, I don't know. There's some rambles on that.

Tyler: I tend to be a philosophical nominalist, so when you say economics philosophy, those are not ontological entities. It's not like. You know Godzilla and Mothra and King Kong with their fighting or their friends. I so often prefer the anthropological approach, and I tend to see anthropology as a one of the more fundamental disciplines. What are economists actually like? You can measure that. What are philosophers actually like? You know, I actually gave my accounts of where we're. Similar where we're different. I don't know that anyone is are in paper is measuring those things, but I think you could. It would be interesting to me personally, at least the sociological differences are the ones important for understanding what's actually going on. I would want to say.

Speaker 5: Would you cooperate or defect?

Tyler: How many periods?

Speaker 24: 1.

Tyler: I cooperate.

Speaker 2: Right.

Speaker 25: And.

Agnes: Asking what you would do is like it's like that contain question I predict.

Tyler: Number one doctor for the new paradox, and some people have even argued this is isomorphic for background information.

Agnes: So. I guess I think that. I can imagine thinking about my situation in two different ways. I can imagine thinking about it from the point of view of like. Immediate self-interest, right? Which would, I think, lead me to the outcome that will be worse for

me and my partner, right. So that is I think a kind of like selfish, myopic maximization of utility thinking to myself. Well, look. Whatever he does, I'll be better off if I do X right and then that's one way I could think about it. Or I could think like, look, let me not think about this in terms of utility at all. Let me just think about it. In terms of moral principle. What ought I to do morally? And and there I think we'd end up in the situation that's better for both of us, so. And I think there I'm not thinking about utility or welfare at all. I'm just thinking about a principle and acting in accordance with the principle. And so the question for me is which of those two modes of thought I would be implying in that situation and. I think I've noticed in my own life that I sometimes employ the one mode of thought and I sometimes employ the other. And it depends on contingent features of the circumstance that make that more thought seem appropriate. And so I think I just don't know enough to know which of those two ways I would. Be thinking about the problem.

Speaker 14: Yeah, yeah.

Speaker 16: One of the objections I was raised to Felicity is that it's unclear if historically it's made progress in any concrete way or or even it's making progress. Right now, my question is if. Do you think that is the case that policy has or hasn't made progress or that has reached some sort of fundamental barrier? And if it is the case that it can't progress any further, how big of a problem is that for philosophy and academic discipline, and for the perception of philosophy and one following the real world?

Agnes: So one thing I can report is that I don't seem to make progress in thinking about that question. I think about it a lot. And I and I kind of bounce back and forth and. Sometimes I'm like we've made tons of progress. Human rights. I think that is philosophical progress. And but a lot of the what I would call the progress of philosophy is more like philosophy filter. Coming in and trickling down into a whole bunch of different areas of human life, such that those categories and concepts and judgments become second nature to people, and they don't even realize that it came from philosophy. And I mean that can that can it. They can inform other disciplines, or it can just inform like ordinary intuitions. Like the way that we talk about things in their proper. These it's just indebted to Aristotle in deep ways that none of us ever think about, and so there's a way in which we make progress because of philosophy, right. But if you think about has philosophy made progress in the sense that, like, do we still need to read Aristotle and try to understand what is the basis of the distinction between a thing and its properties like today? On a class in which we talked about the difference between a mere property like a quality of something like being blue or, you know hot and then a property like the form where that's what it is to be the thing, and that the the significance of that distinction. And I don't think we're done trying to understand it. I think we are still grappling with that distinction, even though it has trickled down into our minds. So that you know the world has made progress because of philosophy, I think that I think that philosophers don't ever seem to get beyond get to a point of thinking where it's no longer relevant to them to think about even the most

initial and basic ways of putting our problems. Maybe some of that is just that we have to keep starting over with new people like and because philosophy involves a kind of appropriating of everything for yourself, such that you have to really understand it on your own terms and you can't delegate any of it. It's like it's like pressing the restart button. And so I feel very differently about. The prospects of humanity, if we could all live like a whole lot like hundreds or thousands of years longer. I don't think. I guess I I worry less that we would be stuck in a rut. Or maybe some of us would, but I think it would actually offer like incredible philosophical opportunity. Because we could just do philosophy for a lot longer inside of one mind.

Tyler: I would stress optimistically and the number of people, many more people today, understand play DoH. Shakespeare. You pick it than ever before in human history. That's huge progress. But also to go back to my nominalism, just ask the simple question. Can human beings in virtually all fields of endeavor ask better questions today than they could 50 years ago? Obviously, overwhelmingly yes, and that has to mean a huge win for philosophy, whether or not it's all under that academic department.

Speaker 18 Yeah. So building on the like public primary like that, it seems like this is for both of you for your kindness. There's a good spread between like in terms of like. Due to there be things, there better be a sitting goal for like the losers were there in years.

Speaker 5: Chief.

Agnes: What issue there is like who are we calling? Philosophers like Tyler gave a list of people, you know, Jordan Peterson, intellectual Dark Web, effective altruism, like where you could call them. Some of them are professional philosophers and maybe more of them would call themselves. Course there's a real question about who gets called the philosopher and like so. One thing about philosophy like that you may have noticed if you're a philosophy major is that we have we're maybe alone among the departments in how strict we are about counting a course taught in another department as credit for your major namely. Never ever do it. We just won't. Even if it's like in some sense, obviously philosophy class, we won't do it, right. So we're like, very heavily credentialed, right? You might wonder why. And the answer is that, like we can't be policing. Who are the philosophers and who aren't. And so we just have to use what's taught in our department as being what we're just going to call that philosophy. And that's what gives you credit for philosophy major and anything else in the university may well be philosophy, but we're not going to put ourselves in the position of judging whether it is or isn't. And like I noticed in in a previous lifetime, I was a classicist and classicists are much less that way, like they don't care, like they don't care as much like that you got a certain degree or whatever in classics, because they can just test you on the languages or whatever, and then they know that you know what you have to know to be a classicist, right. And with philosophy, it's just. A lot harder to do that so it's a lot harder to say who the philosophers are, and certainly there are going to be some groups of people willing to call themselves philosophers who want to do that. But if then if you want to ask, well, what about academic philosophers, right. You

know, like, are we gonna get people in universities who have PHD's and philosophy and who are like on tenure track and have tenure where you can get those people to do this? That's gonna be harder because they already have jobs. And their jobs contain like value systems of what it is to succeed in their world. Right. And the thing you're describing doesn't fit that well in in that it wouldn't make them feel like they were a success at what they're doing. So it it might be hard to to get them to do it. Maybe you could get something. That's just a question about motivation. Whether it would be good or not. I'm like inclined to think in terms of would it be good for them? And my thought is like probably not, but would it be good for the world? I think I just don't know.

Tyler: Kierkegaard came along today and submitted either org as his doctoral dissertation. I asked this question at Michigan. I was at Ann Arbor week ago. I asked the philosophers there. Would it be approved? They said no. If that were his admission essay, we wouldn't even let him study here. So it's possible philosophy is applying a filter which is too strict, undercutting its own greatest previous achievements. If you ask the question who's the most influential philosopher today, I'll give you my answer. Then I'll ask Agnes. But you know it might be Peter Thiel. Peter Thiel was an undergraduate major in philosophy. He studied with Renee. Gerard at Stanford when Mark Zuckerberg came along with Facebook, Peter basically was the guy who funded him, he said. I read Renee Gerard. I know about him at a desire this is going to be a big hit. I'm going to give money to fund Facebook. Facebook takes off. That's influence, that's philosophy. Whether you like it or not, Peter Thiel right now may well be the most influential philosopher in America for that. In addition to other reasons. But Agnes, you tell us, who was the most influential philosopher, both within academia and for the general public?

Agnes: I'm just going to answer 1 so. I think maybe. Maybe someone like Nigel Warburton, who is a big champion of the public philosophy that I feel conflicted about. So he's somebody who is spreading the idea of philosophy and of philosophy being beneficial to everyone and of philosophers. Operating outside the Academy, often in ways that I find questionable, but he's spreading that more than anyone else. And so like like like my son listened to an audio tape of the history of Western philosophy that was like, done by him. Right. That's that's the philosophy that my son has encountered. I think a lot of a lot of people, if they're going to encounter philosophy, will be through him, so I think. He's hugely influential.

Speaker 17: I think relatively late his career. Gary Becker was big on the idea of. Consistent utility functions talked about how maybe the only way we get an extended utility functions to view all of life as a continuing choice. As what about what person you're going to be? So I'm curious how you think that gets into current economics and philosophy, that idea all voice and voice.

Speaker 24: Awesome.

Speaker 17: Perfect.

Tyler: The idea that there is an expressive value to choice, it also comes from George Akerlof, but it's a much, much older idea actually coming from philosophy. I think it could help integrate economics and political science and charitable giving and voting behavior, and a lot of consumption behavior. That's not obviously. Just begin without or buying a car. So I'm a fan of that general. I think it's often hard to make it testable empirically that it either doesn't have any specific content or you give it too much specific content and then you're not testing the idea itself, you're just testing some very narrow auxiliary hypothesis. But I think Becker was on the right track. He's one of the smartest economists of the 20th century. And mostly I think we all ought to do more. Work in that area.

Speaker 19: Economists used to be more philosophical as Smith growth has become more philosophy professor power, who just published the book on No Philosophy. But most modern economists are kind of naive philosophically. Should they be trying to be more like Adam Smith versus division of Labor?

Speaker 12: Right.

Speaker 19: Like being fondled dreadful down all of the lines.

Agnes: Oh, wait, hold on. Can I? Can I rephrase? Suppose that Adam Smith tried to submit his works for getting an economics PhD. Would he get one?

Tyler: I would take Adam Smith into my graduate program to stipend. This gets back to what's economics and what's philosophy. Most of wealth of nations is a work of history, actually. Or it's the kind of humanitarian work, or even the theory of politics, the theory of what a nation can be. A lot of it, I read, is a response to Plato and Plato's Republic. It's an alternative view of how the pieces should be arranged. I would give that work at PhD in philosophy now for sure.

Speaker 19: Uh.

Tyler: The best parts in economics have been replicated and wouldn't be new, so we couldn't give it a PhD in economics. I don't think he father should write a moral philosophy. He's more or less retired. Anyway, I do think you know principal economic economists should be much broader. I strongly believe that and I put a lot of effort into trying to achieve that end. But that said, the combination of rising salaries, stronger pressures for specialization, just the demand that papers be much longer, it used to be the average journal paper you submit, like 17 pages now. It's 40 very, very commonly. There are working papers, 8090 pages you send to the AR and they cut down what they published. But you're basically right. In an 80 page paper, I think we're not properly balancing, you know, type one versus Type 2 error. There are fewer explicit errors, but in some ways are less creative and we have overshot on that. And in both economics and philosophy, I'd rather have more open environments.

Speaker 13: OK.

Tyler: Where you didn't have to do so much to respond to all the referees and we were more willing to let mistakes get published, but we'd also have more advances and maybe more grants, but I don't. I don't really see the clock coming backwards. I think what's happening is you get so much specialization. It's opening up these huge

gaping holes for kind of maybe. Generalist and my point of that's how I've made my career and the more and more there's people specialized like part of these, like during them that can do that. And the other part of me said, yeah, you know, let me keep my monopolies. This is great. So.

Speaker 19: Doctor donor.

Unknown Speaker: So.

Tyler: That's how I think it stands. We're going to fix the problem by having a few more mega generalists with very broad audiences, rather than reversing this irreversible trend.

Unknown Speaker: I.

Agnes: I don't know whether I would have accepted cured guard into my grant program, but I think maybe like. I thought we should accept people on basis of some weird writing samples.

Tyler: Except or let them finish.

Agnes: I I meant well, you said accept into the grant program, right?

Tyler: Yes, the philosophy with the funnier notion of progress and originality, I think you should let him finish with either or, whereas I don't think we can let Adam Smith finish with the now no longer original wealth of nations.

Agnes: Like Alexa. Yeah, I mean, I karigar and I would have if he had been my graduate student, we would have had some some hard conversations about Socrates, cuz I think he's really wrong on Socrates. So the work wouldn't have been the same, I would hope. I think in philosophy there's a really big problem and I don't know how to think about it, which is that the increase of specialization means that people can't talk to each other that well anymore. And in economics, that might not matter. But in philosophy it matters a lot. Somehow in philosophy it's just really important that everybody be able to, that there be a community of people who can all talk to each other. And in a way, we're more interested in that than we are in talking to the outside world, but maybe maybe the increase of public philosophy kind of corresponds to the sort of downfall of philosophy as a community of people who can talk to each other. Maybe that's the part of it making me think that's like, that's part of what bothers me about it. It's like it's a sign of that. It's like I should be talking. To other philosophers, but there's so many other philosophers. Who just really have no interest in? Like any of the things that I work on and you know, so we're, but we're supposed to be in the same field and like, it's not just that in philosophy it's. Supposed to be a certain kind of community. So but I have no idea how you how you fix that problem, how you create something where you can still have a conversation when there's so many more people, and there's such a pressure to yes to specialize because you have to be adding something. You have to be publishing. You have to be adding some new thing. And the way that goes is through specialization.

Should we stop? Yeah, let's, let's, let's stop there. Because we're past our time. Thank you guys so much. Thank you for sticking around.

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Agnes Callard
Economics vs Philosophy with Tyler Cowen
Mar 23, 2019

Night Owls. <www.youtube.com/watch?v=Y2jqm7dRCEw>

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