The Ethics of Growth in
Adam Smith's *Wealth of Nations*

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1. Introduction

This paper was written to address the question of why Adam Smith understood the growth of a nation's wealth to be a positive end. This question may seem to be of little interest to many of the readers of Smith's great treatise, *An Inquiry into the Nature and Causes of the Wealth of Nations*. Many would feel that it is "obvious" that the purpose of growth is to better mankind and to relieve the plight of the laboring classes. Yet a closer reading of *The Wealth of Nations* begins to shed doubt on this "obvious" conclusion.\(^1\) First, Smith's understanding of the inevitable arrival of a stationary state implies that, after this lengthy growth process, wages will again be reduced to subsistence for the vast majority of the people. Second, in book 5 of *The Wealth of Nations* and in his other major work, *The Theory of Moral Sentiments*, Smith reveals a distinctly antimaterialist bias which provokes a question as to the reason for this growth.\(^2\) It is important to note that *The Theory of Moral Sentiments* was written before *The Wealth of Nations* but then was extensively revised for the sixth edition in 1790, fourteen years after *The Wealth of Nations* was published. This then obliges us to understand *The Theory of Moral Sentiments* not as a minor earlier work that can safely be ignored, but rather as a work that Smith understood to be complementary and consistent with his ideas on political economy. Hence this inquiry into the ethics of growth in *The Wealth of Nations*.\(^3\)

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1. This point is developed in Heilbroner 1976. However, I differ from Heilbroner's conclusion that Smith's position represents a "paradox."

2. For a discussion of this aspect of *The Theory of Moral Sentiments* see Anspsuch 1972; Lindgren 1973, 84--85; Ginzberg 1934, 11--12; Gray 1948, 16; Grampp 1965, 2:7, 32.

3. One misunderstanding of my thesis maintains that I argue that *The Wealth of Nations* was not about the wealth of nations at all. I vigorously reject that conclusion. *The Wealth of Nations* is clearly about the accumulation of wealth. The question I want to raise is why would the author of *The Theory of Moral Sentiments* be interested in such a topic? This would be an "obvious" question to any interpreter who can substantiate an argument that Smith's ethical philosophy was essentially in agreement with the emergent theories of
This discussion assumes from the start that Smith was a capable and consistent author. I do not appeal to "lapses" or "errors" in his thinking to present a particular point of view. I also take as axiomatic the position that *The Wealth of Nations* and *The Theory of Moral Sentiments* provide a consistent system of moral philosophy. The reasoning behind this is derived from Smith's own statements regarding the qualities of good science as outlined in "The History of Astronomy." I also think that position is sustainable, as the bulk of opinion in the secondary literature sees these two books as forming a complete system of moral philosophy. Finally, it is recognized that the ethics of growth is not an issue that Smith directly addressed in his work. For this reason it is necessary to draw from a variety of places in his work in order to reconstruct a general attitude towards growth that we can then claim to be Smith's.

As the problem presented by the stationary state plays such a large role in motivating this question of growth, it is necessary to develop and analyze that concept at the outset. From thence we may explore the growth problem as it has been previously (and I maintain, incorrectly) handled in the literature. I conclude with a short exposition of the essential "vision" of Smith's that makes growth a meaningful idea which is consistent within his larger system of political economy and moral philosophy.

2. The Problem of the Stationary State

In the secondary literature it is generally understood that Smith had a developed idea of a stationary state towards which the economy must necessarily progress. However, upon a careful reading of *The Wealth of Nations* it becomes clear that he alluded to the stationary state more than he specifically developed it as such. For this reason his thoughts on the matter must be rigorously examined prior to any analysis of the meaning Smith attached to growth.

The stationary state is first discussed in his chapter on the wages of labor (book 1, chapter 8). In this chapter he describes and defines thriving, standing, and declining states. In particular, he discusses how, in a thriving place such as North America, the rapid increase in wealth means that capital accumulates quickly, thus forcing rival employers to compete with one another in order to obtain laborers. This raises the wage for workers in a given country above subsistence despite its low absolute wealth. Hence it is the rate of growth, not the absolute amount of wealth, that determines the level of wages in a country. For this reason, while growth is taking place, the position of the laboring classes is quite favorable. In such a case an ethical justification of this growth process would be quite straightforward.

Yet the ultimate result of a stationary state removes this defense of the growth process. If a country "acquired its full complement of riches" (1976, 1:91) it is thought to be in a stationary state. Here, there is just enough capital to employ the existing labor force. In such a case the competition among laborers reduces wages to subsistence or to the "lowest rate which is consistent with common humanity" (1:80).

It follows that a declining state implies a wage below subsistence, which in turn results in deprivation, misery, and possibly starvation for the great bulk of the laborers. Under such conditions the labor force cannot and will not reproduce itself. The quantity of labor is reduced until a balance between capital and labor has been reestablished. The dynamics of this probably unpleasant reduction in the labor force is not discussed in the text.

We can see from the above that Smith recognizes and discusses various states of the economy. This is not unusual among economists, then or now. However, to find an answer to the question raised in this paper, it is first necessary to discover whether he understands these states as necessary and inevitable phases of the economy. That is, does the logic of accumulation end in a stationary state, or is it simply an externally imposed condition through poor management and human error? It is my contention that both positions are correct.

On the one hand the stationary and declining states that Smith discusses are due to human mismanagement. He definitely believes that mismanagement has arrested the development of many nations below their full potential. Nevertheless he also holds that the idea of a full potential to the development process is a sensible one and that capital accumulation is, in principle, limited. With regard to decline, he does not see the possibility of an economy in recession except from human mismanagement.

Smith began by exploring the cases of economies that were in exis-

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7. For a similar argument see Meek 1971.
tence in his day. In particular, with regard to the stationary state that he perceived in the plight of the Chinese economy, he argues that it was because China "had perhaps, even long before this time, acquired that full complement of riches which the nature of its laws and institutions permits it to acquire" (1:80). The implication is that a change in these laws and institutions could generate further accumulation and growth. This is true despite his acknowledgment that "China has been long one of the richest, that is, of the most fertile, best cultivated, most industrious, and most populous countries in the world" (1:80). It would seem that this advanced state of population and cultivation in no way represents an extensive or intensive margin to expansion. If we are to demonstrate a limit to growth in the Smithian system, we must look elsewhere for it.

In the introductory chapter to the third book of The Wealth of Nations, "Of the Different Progress of Opulence in Different Nations," Smith states that "the town, in which there neither is nor can be any reproduction of substances, may very properly be said to gain its whole wealth and subsistence from the country" (1:401). To further press this idea, he states on the next page: "The cultivation and improvement of the country, therefore, which affords subsistence, must, necessarily be prior to the increase of the town, which furnishes only the means of convenience and luxury. It is the surplus produce of the country only, or what is over and above the maintenance of the cultivators, that constitutes the subsistence of the town, which can therefore increase only with the increase of this surplus produce" (1:402).

It is important that he goes on to point out that this subsistence does not have to be provided locally but can come from very large distances, including distant countries (1:402). Nevertheless this establishes the primacy of the agricultural sector and the emphasis that it is the surplus of this sector that provides the livelihood of the cities and towns. It follows that Smith, like the Physiocrats who preceded him, found that any natural limit to agriculture and agricultural products from foreign trade must then be understood to limit the potential growth of the economy. It is, however, the case that Smith did not view this limit as being very imminent. Perhaps, with the continuing explorations of the American landmass, he was confident that the extensive margin of production was very distant. Furthermore, he was convinced that the town contributed to the growth of the country's productiveness in many intangible ways by gradually introducing "order and good government"

(1:433). As we have seen earlier in his discussion of China, this legal and institutional framework was critical to the allowance of growth. For this reason the cities played a crucial role in the process of development by pushing back the intensive margin of production.

In demonstrating that the stationary state is not pressing or even very clear in these initial arguments in Smith, I must draw attention to the passages from "Of the Different Employment of Capitals" (1:387–89). Here he has outlined the three potential types of trade which may be pursued: the domestic, foreign, and carrying trades. We are then told that "the country, indeed, which has not capital sufficient for all those three purposes, has not arrived at that degree of opulence for which it seems naturally destined" (1:387). This destiny is obviously the full development of a country's potential wealth. While this passage does not explore the full impact of a stationary state upon the theoretical meaning of accumulation, it does point to its definite existence in Smith's mind.

These passages in The Wealth of Nations are the closest he comes to the foundation of a definite theory of the process that leads to the end of the accumulation of wealth. In piecing the parts together, a picture can be formulated of the limits to growth in Smith's theory. It almost appears that he is reluctant to broach the issue. Later on, he again explores the possibility that China and ancient Egypt may have come closest to a stationary state, but he dismisses these cases because of their lack of a foreign trade (1:521). However, in principle, it establishes the idea of a limit to accumulation as a fact of life for each and every economy and country.

Yet again, no sooner do we reach this conclusion than we are obliged to reconsider a passage that contradicts it: "It is this effort [of the gradual accumulation of capital], protected by law and allowed by liberty to exert itself in the manner that is most advantageous, which has maintained the progress of England towards wealth and improvement in almost all former times, and which, it is hoped, will do so in all future times" (1:367, emphasis mine). In this passage England is heading "towards wealth and improvement." However, a careful reading of the wording might translate "wealth and improvement" as a goal or endpoint rather than a continuing process. Still, Smith hopes that England will head that way for "all future times." How is this possible? Clearly it is not. The only conclusion to be inferred is that the stationary state exists, but that Smith sees its existence only as a logical possibility, much as we think of infinity in mathematical logic.9

8. It is important to reemphasize the discussion of the nature of the "laws and institutions" as a conditional to this stationary state. Smith most certainly understood the market economy as an institution that can exist only within a legal framework. For this reason a halt could be put on accumulation before the absolute limit of growth is reached. Notice that in the example of the Chinese economy, this absolute limit is absent.

9. In commenting on this paper Ralph Anspach has argued that the stationary state served Smith as a political tool. It represented a frightening future which could arise should his prescriptions fail to result in enlightened legislation. As such, his articulation of...
Nevertheless our goal has been achieved. We have discovered that, in principle, Smith felt that the accumulation process has limits. In practice they do not seem to be a pressing problem for a market economy with the appropriate "laws and institutions." But the existence of these limits forces us to deal with the problem of the stationary state in judging Smith's notion of the ethics of growth. Its necessity as the inevitable endpoint of the capitalistic process of competition forces us to evaluate the adequacy of accumulation, and the market economy, as a social force.

3. Important but Secondary Results of "Progress"

As with his many and elusive references to the stationary state, Smith initially presents us with a variety of purposes for growth, including consumption, wealth and power, and civilization. Yet these goals are not individually exclusive and in fact are subsidiary to his overriding concern—the bringing of civilization—understood as the system of "natural liberty." We shall see that the existence or possibility of a stationary state is not an important issue for Smith if civilization is the ultimate end of the process of accumulation and the creation of wealth. Whether or not the stationary state comes into being cannot affect the beneficial character of this result. This explanation provides a basis for Smith's neglecting to fully explore the characteristics of the stationary state.

Before proceeding, it is first necessary to investigate the other motives for growth, since they have been frequently misunderstood by commentators to be the final purpose of economic growth. These common errors over Smith's intentions are the reason that his writings have been subject to a variety of false or inadequate interpretations. This approach also allows us to see how these other subsidiary ends fit into the larger role of civilization as the end result of the accumulation process.

Consumption

On a number of occasions Smith explicitly and unambiguously states that the purpose of the economy is to provide for consumption. Since this goal is so frequently focused upon by later writers in the Austrian and neoclassical traditions, it is worthwhile to develop and criticize the idea that Smith felt that consumption was the justification of economic life. He raises this issue in three passages:

To maintain and augment the stock which may be reserved for immediate consumption, is the sole end and purpose both of the fixed and circulating capitals. (1:299)

Though the whole annual produce of the land and labour of every country, is, no doubt, ultimately destined for supplying the consumption of its inhabitants, and for procuring a revenue to them... (1:353)

Consumption is the sole end and purpose of all production; and the interest of the producer ought to be attended to, only so far as it may be necessary for promoting that of the consumer. The maxim is so perfectly self-evident, that it would be absurd to prove it. (2:179)

These statements are very strongly worded, and it would be a short step to attempt to demonstrate that Smith was simply an unrecognized early contributor to welfare economics in the tradition of Pigou. This position has indeed been argued. 10

This is not to claim that Smith was unconcerned with the individual. On the contrary, these passages clearly reinforce his concerns for the dignity and meaning of individual life. It was for this that he espoused his defense of "natural liberty." This judicial system was explicitly deduced from the psychology of the individual as understood by Smith in The Theory of Moral Sentiments and defended in all of his work. This is really the subject matter of a different paper, but it is relevant to point out here that Smith was not a utilitarian. In fact he understood his role within the field of moral philosophy as playing down the role of self-interest as the end or purpose of individual action and society in general. 11 His theory of ethics was in part formulated as a rebuttal to authors such as Mandeville and others who portrayed man as a creature of opportunity in a Hobbesian world. 12

Thus in Smith we do not have a theory which states that happiness or desires of the individual are the end concern of society. The closest that

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11. This argument is developed in Anspach 1972; Myers 1972; and Lindgren 1973, 35.
12. See, for instance, Smith's "Letter to the Edinburgh Review" (Smith 1980, 250–51). Also The Theory of Moral Sentiments (1969), pt. VII, sec. II, ch. 4, "Of Licentious Systems." "It is the great fallacy of Dr. Mandeville's book to represent every passion as wholly vicious, which is so in any degree and in any direction. It is thus that he treats everything as vanity which has any reference either to what are, or to what ought to be, the sentiments of others; and it is by means of this sophistry that he establishes his favorite conclusion, that private vices are public benefits" (493–94).
we arrive to that point is his statement that “no society can be flourishing and happy, of which the far greater part of the members are poor and miserable” (1:88). He also states on the same page that it is equitable that those who produce the goods for the whole body of the people should themselves have adequate food, clothing, and lodging. However, having said this, he then develops a lengthy argument that describes how higher wages add to the population of the land by increasing the rate of reproduction and lowering the child mortality rate. Finally, high wages encourage “industry” among the laboring classes (1:91)—he is emphatic on this point. This is likewise emphasized in the “Introduction and Plan of the Work,” where we are told that in civilized and thriving nations “a workman, even of the lowest and poorest order, if he is frugal and industrious, may enjoy a greater share of the necessaries and conveniences of life than it is possible for any savage to acquire” (1:2, emphasis mine). The important part of this statement is the conditional. In civilized society we not only have more consumption goods, but the greater part of the people enjoy being industrious, frugal, and living under the rule of enlightened law. This means that human dignity or virtue, not simple self-interest or consumption, is upheld under civilized society. In this state of “natural liberty” people have more control over their own lives and are not required to submit to the authority of some feudal landlord or other figure to obtain their subsistence. This issue of dignity will become more clear below. I emphasize at this point that the final result of a stationary state, with its consequent subsistence wages, will provide an ominous end to any theory of growth that depends on high levels of consumption as its justification.

It is also the case that Smith, in rejecting utilitarianism, accepted the notion that people behave in a manner that modern neoclassical economists would view as fundamentally “irrational.” To develop this point it is worthwhile to quote at some length from The Theory of Moral Sentiments:

How many people ruin themselves by laying out money on trinkets of frivolous utility? . . . The poor man’s son, whom heaven in its anger has visited with ambition, when he begins to look around him, admires the condition of the rich. (1969, 299)

13. This passage appears to have been appropriated from John Locke’s Two Treatises of Government, ch. 5: “And a king of a large and fruitful territory there in North America feeds, lodges, and is clad worse than a day labourer in England.”

14. In fact one reviewer (Crussey 1957, esp. ch. 3) argues that freedom from ecclesiastical authority was a major justification for Smith’s vision of economic growth.

15. I am aware that this subsistence level is socially determined. However, it is perceived by all members of society in each period as the minimum amount that is adequate to sustain life in the community, and it is this fact that calls forth the label of “subsistence.” This strongly implies no gain in the perceived happiness of these individuals, even if we could make such interpersonal comparisons.

To obtain the conveniences which these [wealth and greatness] afford, he [the ambitious man] submits in the first year, nay, in the first month of his application, to more fatigue of body and more uneasiness of mind, than he could have suffered through the whole of his life from want of them. He studies to distinguish himself in some laborious profession. . . . It is then, in the last dregs of life . . . he begins at last to find that wealth and greatness are mere trinkets of frivolous utility. (300–301)

These passages as well as a number of others in The Theory of Moral Sentiments make it clear that the increase of consumption cannot stand as a justification for economic growth. Clearly the desire for riches provides us with a means to another unintended outcome. In fact Smith continues in the same manner: “And it is well that nature imposes upon us in this manner. It is this deception which arouses and keeps in continual motion the industry of mankind” (303).

Finally, if Smith were to take seriously the idea of consumption as the goal of accumulation, it would seem reasonable for him to promote the idea of some restrictions on trade so that we could approach the stationary state more slowly. This policy would result in the consumption of the great bulk of the people being maintained at an amount higher than minimum while society still continues to progress. This would lengthen the period of increased consumption and would presumably be a desirable policy end. Yet we do not see this or any such discussion in Smith. Its absence would indicate a lack of concern for the problem of declining consumption and the potential plight of the laborers once the stationary state is achieved. There is no doubt about the economic status of the laborer in the stationary state as it is discussed in The Wealth of Nations: “In a country which had acquired that full complement of riches which the nature of its soil and climate, and its situation with respect to other countries, had permitted it to acquire; which could, therefore, advance no further, and which was not going backwards, both the wages of labour and the profits of stock would probably be very low” (1976, 1:106).

As stated above, this is not to conclude that Smith was callous in his attitude towards the laboring classes. Obviously not; and this is why, among other reasons, he defended the interest of the consumer so vehemently and brought to our attention the importance of consumption. We can even attribute the elusive nature of the necessary economic endpoint of the stationary state to this concern for the working man.

16. Notice that Smith in this passage is able to assign a degree of utility, “frivolous,” to the value of a goal, “wealth and greatness,” without contradicting himself. This could only be the case if he felt that the degree of utility of something could be objectively discussed. In other words, this passage implicitly rejects utilitarian or subjective theories of value.
Nevertheless the stationary state and its necessity force the conclusion that higher consumption is not the end result and purpose of the growth of the economic system as Smith understood it.

Wealth and Power

At other points in the text, wealth, riches, opulence, and power are all described as the goals of progress. In particular, riches are associated with power, and together these are seen to be desirable ends: "But the great object of the political oeconomy of every country, is to increase the riches and power of that country" (1761, 1:394). Earlier he discusses "the natural progress of England towards wealth and improvement" (1:367). He further states that "what encourages the progress of population and improvement, encourages that of real wealth and greatness" (2:77). A number of other statements around his major texts reiterate this subtheme associating wealth with power and both of these with the goals of progress. In defense of this conception, that Smith viewed wealth and power as the ends of economic activity, at least two arguments can be raised.

First, the title of the book, An Inquiry into the Nature and Causes of the Wealth of Nations, as well as his lengthy tracts about the mercantilists' confusion with regard to the formation of wealth, lends credence to the view that he shared the mercantilists' goals, namely the development of England's wealth and power as a policy goal. Reviewing book 4 of The Wealth of Nations, one finds that Smith never raises issue with the mercantilists' policy goals, only with their attempts to achieve them. He attributes to the mercantilists the related policies of creating a favorable balance of trade and the consequent hoarding of precious metals. While he disagrees with their method, he does propose his system of free trade and natural liberty as a means to promote the greatness of England, both in its economic strength and in its ability to sustain an army overseas.

As a second argument that Smith viewed greater wealth and power as the goal of the economy, let us return to a passage cited above: "What encourages the progress of population and improvement, encourages that of real wealth and greatness" (2:77). Consumption of more, not fewer, of the necessities has already been established as a cause of greater population, and here it is presented as a secondary goal in the service of an even larger one: national greatness.

Where does this leave us? On the one hand we are told that consump-

17. "It is not always necessary to accumulate gold and silver, in order to enable a country to carry on foreign wars, and to maintain fleets and armies in distant countries" (1:462). See also Lindgren 1973, esp. 81-83.
18. See also 1:106.

19. I emphasize the membership in the Scottish Enlightenment in order to maintain Smith's fundamental differences with its Anglo-French version. My thinking in this matter is in agreement with Jan Pelt (1988), who draws heavily from Glenn Morris (1923).
"invisible hand." This invisible hand represented a force of reason that provided an intrinsic and natural logic to the social order, much as Newton's Laws demonstrated an organizing principle for the natural order.

The process of capital accumulation is thus at heart a process which compels the rationalization of the "rustic" world which precedes it: "commerce and manufactures gradually introduced order and good government, and with them, the liberty and security of individuals, among the inhabitants of the country, who had before lived in a continual state of war with their neighbors, and of servile dependency upon their superiors. This, though it has been the least observed, is by far the most important of all their effects" (1766, 1:433, emphasis mine). In the next few pages Smith describes the historical process by which "the silent and insensible operation of foreign commerce and manufactures" gradually changed the power structures of the feudal world. Great lords dismissed their retainers and gave more liberties to their tenant farmers, in exchange for the products of foreign trade (1:437–38). He sums up with the following statement: "It is thus that through the greater part of Europe the commerce and manufactures of cities, instead of being the effect, have been the cause and occasion of the improvement and cultivation of the country" (1:440).

To illustrate this idea of commerce as a civilizing force Smith provided us with the third book to The Wealth of Nations (see 1:399–445). This short book is nothing less than a history of the accumulation process as it took place in the various localities of Europe and North America. Although it is ostensibly about the progress of opulence in different nations, at every turn the argument pivots on the conclusion that it was the force of commerce and capital accumulation, not the actions of any person or government, that brought Europe to a state of natural liberty. In this historical discussion commerce is the force of rationalization. Commerce brings us to a regime of natural liberty and a more civilized world. This civilized world, embodied in the victory of natural liberty, is the purpose of growth and progress; it provides the answer to the ethical purpose of the economy in Smith’s system of political economy.

The view that commerce and the division of labor was a force of civilization placed Smith within an important tradition which characterized the Scottish Enlightenment. John Pocock has observed that "Hume, Robertson, Smith, Millar—we may add Gibbon—had all isolated the growth of exchange, production and diversified labour as the motor force which created the growth of manners, culture and enlightenment." I would like to take this point somewhat further and argue that the promotion of virtue was the result of the new commercial culture. This new culture, by eliminating arbitrary authority, could allow everyone to participate in the system of "natural liberty" in a way that would bring out the positive potential latent within each. This positive potential consists of a life with a structure and meaning that is in accord with the best national sentiments. Let me emphasize that there is implicit here a positive notion of human freedom in Smith's work. A society organized in such a way that "every man is in some measure a merchant" would provide a position for everyone with links to the community through the personal contact fostered by repeated trade and regulated by moral sentiments. People would find their own niches and develop their abilities and their connections simultaneously with each other through their own self-interest. The potential for a Hobbesian world would be tempered by the regulating sentiments of prudence and benevolence.

This vision of "civil society" is implicit in the system of natural liberty as initially delineated by the "Author of Nature": "Nature, however, when she implanted the seeds of this irregularity in the human breast, seems, as upon all other occasions, to have intended the happiness and perfection of the species" (1769, 194, emphasis mine). Notice that happiness and perfection are both the intention of "Nature." This implies that they are separate ideals: human perfection is related to human happiness but is not synonymous with it. A system of "natural liberty" allows the moral sentiments to be exercised freely, and this constitutes the nature of a virtuous person. A person who is forced to be good is not virtuous, since that is not a result of his own will. This provides an ethical reason to limit state authority. Smith’s classical concern with virtue was tied to his hope that the sentiment of gain could be balanced by the sentiments of prudence and benevolence. His desire to ensure this balance of sentiments led to his promotion of the government’s role in education and the arts.

That Smith was distressed at the possibility of moral disintegration under a system of completely un fettered commerce is well documented (see 1776, 2:302–3). The point is that while he optimistically embraced commercial culture, he was not an apologist for it. For this reason he proposed many modifications to the unbridled free-enterprise system. However, I believe that it would be misleading to confuse these modest

21. In the next line, Smith refers readers to David Hume’s essays on this same theme: see “Of Commerce” and “Of Luxury” in Hume 1998.

22. Pocock 1985, 199.

institutional supplements with a rejection of the commercial system or a dampening of enthusiasm for the new era. This imagery of a world-historical role for the capitalist economy was picked up and developed by many later economists, including John Stuart Mill and Karl Marx, which makes Smith an important innovator in this visionary form of thinking.

It is the purpose or end of the economic system to build the type of society that allows for "the perfection and happiness" of the human species. To this end, Smith shares the goals and views of classical political theory, which sees the role of society as one which actively promotes the virtue of its individual members. Simultaneously he finds this possibility as an unintended outcome of individuals themselves acting through their own morally tempered volition in a system of natural liberty. History, acting through the commercial society of his day, had latent within it the possibility of bringing about this virtue without the arbitrary and possibly corrupting influence of a forceful government.

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References


24. Evensky (1989) argues that late in life Smith began to lose faith in the ability of commerce to overcome the particular interests in Parliament and began to hope for a renewal of civic humanism which would set aside these interests for the greater good of all. I take Evensky’s paper to be a confirmation of my thesis.