I begin with Smith's writing style, since I will contend throughout this book that scholars have persistently misread the Wealth of Nations (WN), and I'd like to show right off why it is easy to do that. WN tends to appear, in both scholarly and popular literature, by way of striking snippets. One can properly grasp its teachings, however, only by engaging in the painstaking exercise of reading the long, elaborate arguments from which the snippets get snipped. So I begin with some warnings about how not to read Smith and some suggestions about what can be gained by submitting to the discipline of reading Smith slowly, of treating him as the refined eighteenth-century belles-lettres that he set out to be.

By comparison with most philosophers, Adam Smith is easy to read. There is no abstract jargon, as in Kant or Hegel, no stilted syntax, as in Locke, and there are few passages with the subtle argumentation to be found in Descartes or Hume. Smith the economist is also easier to read than many other social scientists, abjuring technical coinages and mathematical algorithms in favor of historical narrative and explanations, laced with vivid examples drawn from ordinary life. Smith also organizes his material very clearly, announcing in the beginning of a chapter or section which two or three items he will be discussing and then proceeding to take up those items one by one, in the order in which he listed them. I suspect that many scholars are drawn to working on Smith by the ease and pleasure of reading him, and he has certainly thereby lent himself to quotation, by everyone from teachers of elementary economics to public intellectuals.

The clarity of these quotations can be misleading, however. This is partly because Smith is, even on the surface, a more complex writer than might appear from such famous lines as the one about appealing to the self-interest of butchers and bakers. In addition, Smith was well aware of the uses of rhetoric, and his seeming straightforwardness does not preclude him from making use of a variety of literary devices, either for polemical purposes or to add levels of suggested meaning to his literal one. Finally, the very project of writing philosophy and political economy in appealing, everyday language flows from a sophisticated theory about how human knowledge works, which itself needs to be grasped in order to make clear the full import of Smith's teachings. Let us take up each of these factors in turn.
1. Obstacles to Reading Smith

When I say that Smith's writing is more complex than it seems even on a surface level, I mean above all to draw attention to his irony and his prolixity, two features of his style that are not uncommon in eighteenth-century writers, but that are rather more pronounced, and carry more weight, in Smith than in many of his peers. Smith's conception of morality made the way one expresses one's emotions central to virtue, and he believed strongly that modes of literary expression could reflect character. In his lectures on rhetoric he told his students, "When the characters of a plain and a simple man are so different we may naturally expect that the stile they express themselves in will be far from being the same" (LRBL 38). Cicero's elegance and propriety make evident, he says, "that the author conceive[d] himself to be of importance, and dignity" (LRBL 159). Xenophon's style expresses his "simplicity and innocence of manners" (LRBL 169). We may, accordingly, expect the ironic and prolix features of Smith's style to express something about his character, or at least about the character he wished to present to his readers. And in any case we must be careful, as many readers have not been, to recognize Smith's irony when we see it, and to unpack his unhurried way of getting to a point, or we will misunderstand even the literal level of his meaning.

The irony is sometimes obvious: "The fortunate and the proud wonder at the insolence of human wretchedness, that it should dare to present itself before them, and with the loathsome aspect of its misery presume to disturb the serenity of their happiness" (TMS 51).

But on other occasions it can be hard to tell whether Smith is being ironic or not. About love, he says that "[t]he passion appears to every body, but the man who feels it, entirely disproportioned to the value of the object," and that "though a lover may be good company to his mistress, he is so to nobody else" (TMS 31). Is this simply supposed to describe a fact about love, or does it include some gentle mockery of that passion?

In pondering this question, we should bear in mind two points. First, Smith was a great admirer of Jonathan Swift, who was supremely gifted at stating the most outrageous of propositions in the most moderate of tones. Often, Smith emulates this tight-lipped way of conveying moral outrage. It fits well with his theory of how to express emotions, and especially anger, in The Theory of Moral Sentiments (TMS): to win the sympathy of our audience, he says, we must "lower [. . . our] passion to that pitch, in which the spectators are capable of going along with [us]" (TMS 22; on anger specifically, see 37–8). But Smith also differs from Swift in an important respect, and that brings us to a second reason for his understated tone. Swift, in part perhaps out of a gloomy disposition and in part, certainly, out of deep Pauline convictions, is willing to condemn human nature entirely. Smith's strongly naturalistic orientation, his belief that moral standards—the very standards we might use to condemn human nature—arise
out of human nature itself, leads him instead to try to understand what good purposes even bad features of human nature might serve. The difficulty of this commitment is something he worries about explicitly. He says, for instance, about our reaction to the consistently sorrowful person: “we . . . despise him; unjustly, perhaps, if any sentiment could be regarded as unjust, to which we are by nature irresistibly determined” (TMS 49). Knud Haakonssen nicely describes a passage in Smith on one of our natural tendencies as a “piece of teasing, double-edged scepticism” (SL 81), and that description captures Smith’s stance toward natural human impulses throughout his work. On the one hand, he sees some of them as foolish or dangerous, as leading us away from virtue and happiness. On the other hand, as something natural, they cannot simply be rejected. An ironic distance may enable us to moderate their force, or to see ways of acting against them, and he gently urges us to achieve such a distance. But he also wants us to recognize that our natural tendencies will not go away, even when we do achieve ironic distance from them, that we are “irresistibly determined” to be drawn by them. We need to reconcile ourselves to that fact even while trying to avoid the pitfalls to which they lead us. A Socratic irony—or, better, what Kierkegaard would later call “humor” as opposed to irony—can encourage this wry acceptance of what we cannot change. Rather than railing against human nature, Smith would have us adopt a humorous, unanxious attitude toward our own failings, a resolution to work against them where possible conjoined with a clear-eyed acceptance of the fact that they will never fully disappear, hence the odd ambiguity in passages like the remarks on love quoted above.

This ironic stance and tone pervade TMS, but show up to a significant extent in WN as well. There are some obviously ironic moments. “The laudable motive” of a series of mercantile regulations, Smith says, “is to extend our own manufactures, not by their own improvement, but by the depression of those of all our neighbours, and by putting an end, as much as possible, to the troublesome competition of such odious and disagreeable rivals” (WN 660; see also 555). Sometimes, as in this example, the irony is tinged with anger; at other times, it shades toward simple humor: “After all that has been said of the levity and inconstancy of human nature, it appears evidently from experience that a man is of all sorts of luggage the most difficult to be transported” (WN 92). There are also moments that partake of the ambiguity between irony and plain description entailed by Smith’s general outlook on the world. To mention three examples that will be important to us later on: First, to what degree should we hear an acid note in the word “wisest,” given what else Smith has to say about the foolishness of commercial regulations, when he tells us that the act of navigation “is, perhaps, the wisest of all the commercial regulations of England” (WN 465)? Second, given that TMS regards “tranquillity” as essential to happiness, what is Smith telling us about the restless desire to better our condition when he says that it “comes with us from the womb, and never leaves us till we go into the grave” (WN 341)? And third, is the entire “invisible hand” account
of social phenomena just a literal description of how things work, or is it also an ironic commentary on the corruption and foolishness involved in attempts to control society with a visible hand?

By Smith’s prolixity I mean first the fact that Smith is given to long, complexly structured sentences. Here is a delightful example, which also exhibits the dry wit that Smith shared with Swift. Smith has just announced that “small vexations excite no sympathy”:

The man who is made uneasy by every little disagreeable incident, who is hurt if either the cook or the butler have failed in the least article of their duty, who feels every defect in the highest ceremonial of politeness, whether it be shewn to himself or to any other person, who takes it amiss that his intimate friend did not bid him good-morrow when they met in the forenoon, and that his brother hummed a tune all the time he himself was telling a story, who is put out of humour by the badness of the weather when in the country, by the badness of the roads when upon a journey, and by the want of company, and dulness of all the public diversions when in town; such a person, I say, though he should have some reason, will seldom meet with much sympathy. (TMS 42)

It is helpful to read this passage aloud. One then realizes just how much Smith is fond not merely of detailed visual images but of elaborate rhythmic patterns, with parallel clauses (“who is . . .,” “who feels . . .,” “who takes . . .”) interspersed with an occasional clause that has another clause nested within it, and with longish clauses at first yielding to shorter ones at the end, the whole being drawn together, and relieved of the tension built up by the long wait for the main verb, by the brief summary after the semicolon. Anglophone writing in the eighteenth century prized this kind of complex composition as the height of elegance. Today, clipped, ascetic prose is favored instead, and scholars tend to cut many of the subsidiary clauses and phrases when quoting Smith. I do this myself; I worry about my editors growling if I leave the original quotations intact. But the many clauses in Smith’s sentences are sometimes all needed for his philosophical purposes, and we may do him an injustice when we make these cuts. Take another example:

As ignorant and groundless praise can give no solid joy, no satisfaction that will bear any serious examination, so, on the contrary, it often gives real comfort to reflect, that though no praise should actually be bestowed upon us, our conduct, however, has been such as to deserve it, and has been in every respect suitable to those measures and rules by which praise and approbation are naturally and commonly bestowed. (TMS 115)

The length of this sentence can be explained in part by considerations of elegance. The second clause—“no satisfaction that will bear any serious examination”—is there mostly to balance “no solid joy,” or to emphasize it, to allow us to dwell longer upon it, and “on the contrary” and “however” are there simply to give the sentence a relaxed tempo. Yet “no satisfaction that will bear any serious examination” does not merely add a rhythmic element; it also does
something to clarify the word “solid” in “solid joy.” Even the apparent redundancy in the pairs that conclude the sentence—“measures and rules,” “praise and approbation,” “naturally and commonly”—is not there solely for rhythmic effect. By giving us two words, Smith encourages us to think about the difference between “measures” and “rules” and the similarity between what is “natural” and what is done “commonly.” Especially in TMS, we must always bear in mind the musical function of Smith’s mode of expression—most of the book is drawn from a lecture course, and Smith needed rhetorical virtuosity to keep his fourteen- to sixteen-year old students alert—but these concerns do not exhaust his reasons for writing as he does. If nothing else, the qualifying phrases in a sentence like the one above teach us to regard moral thought as something highly nuanced, something not easily reduced to simple categories or rules. It is clear, from many passages, that Smith did think of good moral judgment in precisely that way.

In addition, the length and complexity of Smith’s sentences teach patience to the reader, and patience, the self-command by which one withholds quick, passionate judgment, is again a high virtue for Smith. The point of many of Smith’s longer sentences does not come out at all until one has read through every clause carefully and then gone back to bring the whole thing together. Smith tends to help his readers through this process by introducing the more complex sentences with one or two short ones that give the long one’s gist. Here are two examples from WN:

The trade of Holland, it has been pretended by some people, is decaying, and it may perhaps be true that some particular branches of it are so. But . . . there is no general decay . . . . The great property which [the Dutch] possess both in the French and English funds, about forty millions, it is said, in the latter (in which I suspect, however, there is a considerable exaggeration); the great sums which they lend to private people in countries where the rate of interest is higher than in their own, are circumstances which no doubt demonstrate the redundancy of their own stock, or that it has increased beyond what they can employ with tolerable profit in the proper business of their own country: but they do not demonstrate that that business has decreased. (WN 108–9)

Entails are the natural consequences of the law of primogeniture. They were introduced to preserve a certain lineal succession, of which the law of primogeniture first gave the idea, and to hinder any part of the original estate from being carried out of the proposed line either by gift, or devise, or alienation; either by the folly, or by the misfortune of any of its successive owners. (WN 384)

In the first case, Smith incorporates a number of qualifications to his main point within the evidence he is giving for that point. His main point requires him to show that the Dutch have a large share of English funds, but he throws in some parenthetical skepticism about his evidence for the size of that share. He also gestures vaguely and intriguingly toward the end of the sentence at a notion of “redundancy” of stock and a related notion of a country’s “proper business,”
although neither of these notions is necessary for his overall argument. In the second case, Smith manages to pack both a survey of the legal terms to which entail is related and a theory of the psychological genealogy of entail within the confines of a single sentence. Without its introductory summary—“Entails are the natural consequences of the law of primogeniture”—the sentence would be practically impossible to follow.

By demanding patience and close attention of his reader in both TMS and WN, Smith teaches us that ethics and political economy are nuanced matters, in which one needs to qualify one’s evidence carefully and be willing to draw fine analytic, legal, and historical distinctions. But his complicated style also reflects another teaching: that in both philosophy and social science we need to enter fully into the arguments, or mental network, of our opponents in order to respond to them properly. The most recently cited passage from TMS implicitly does that, by elaborating the phrase “solid joy” so as to grant to a hypothetical objector that “ignorant and groundless praise” can indeed be momentarily satisfying. The first passage above from WN explicitly grants something to an imagined objector—the people who “pretend” that Dutch trade is decaying—and the second one lays out some of the logic behind an institution that Smith despises. As I have noted, the TMS and first WN passages also incorporate qualifications to Smith’s own position within his statement of that position. The complexity of Smith’s sentences thus reflects a deeper complexity: the feature of his thought that Vivienne Brown has nicely called “dialogic,” the fact that Smith often presents his views by way of an implicit or explicit dialogue with views he opposes.

This feature of Smith’s writing shapes more than just his sentences. As we move to larger and larger blocks of text—to paragraphs, chapters, and indeed whole works—we find Smith at each level setting forth a position in cursory form, then introducing an objection to it at some length, then responding to that objection, and finally re-instating his original position, sometimes with qualifications that reflect his treatment of the objection. Herein lies, I think, a major source of common misunderstandings of Smith. Instead of seeing the way each piece of Smith’s texts fits into a larger whole, readers get lost in the middle of an objection Smith has been presenting and assume that the objection represents Smith’s own view.

Take, for example, the account of justice in Book II, part ii, chapter 3 of TMS. The chapter begins by acknowledging that the maintenance of justice is essential for society to exist, and elaborating that point vividly: “if this principle did not stand up within [most human beings] in [every individual’s] defence, . . . they would, like wild beasts, be at all times ready to fly upon him; and a man would enter an assembly of men as he enters a den of lions” (TMS 86). Then comes a paragraph warning us that the fact that systems of justice are useful does not necessarily mean that they came about because people found them useful; we must be beware of “imagin[ing] that to be the wisdom of man, which in reality is the wisdom of God” (TMS 87). With that warning in place, Smith says “it has been thought” that justice comes about because people find it use-
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ful, and devotes a paragraph to the utilitarian account of why justice is consid-
ered a virtue, which he calls the account “commonly given” of that virtue (TMS
88). In the next two paragraphs (TMS 89–90), he gives two ways in which “this
account is undoubtedly true”: it describes accurately how we think about justice
when we need to steel ourselves to punish a criminal who has now “cease[d] to
be an object of fear” and become instead an object of pity, and how we defend
justice to “the young and licentious” when they come up with clever arguments
by which to sneer at the rules that seem sacred to us. Finally, after granting so
much to the utilitarian account, Smith begins the next paragraph with a “But”
and proceeds to make clear that he rejects the utilitarian view: “it is not a regard
to the preservation of society, which originally interests us in the punishment of
crimes committed against individuals” (TMS 89). Yet even here, in the midst of
his refutation, he throws in another concession, granting that the execution of
soldiers for dereliction of duty is carried out for utilitarian reasons, although he
quickly adds evidence to show that our approval of this policy “is far from
being founded upon the same principles” on which we normally think about
justice (TMS 90–91). So the chapter as a whole argues that our regard for
justice is based primarily on a regard for individuals, taken on their own; that
justice in fact serves the good of whole societies, but that our regard for it does
not arise out of a concern for this social utility; yet it qualifies that argument
with a sympathetic consideration of the opposing view and a series of conces-
sions to the partial truth contained in that view. The result, one would like to
think, is that readers come away with a great respect both for Smith’s own
thoughtfulness and impartiality and for the thoughtfulness of the moral philoso-
phers with whom he disagrees—come away themselves prepared to sift,
thoughtfully and impartially, for nuggets of truth in their opponents’ views even
as they affirm their own moral beliefs. The result in fact has often been that
readers suppose Smith himself to hold the utilitarian views he so carefully de-
lineates before rejecting.

Similarly, in the very beginning of TMS, Smith lays out an account of sympa-
thetic feelings as arising when we place ourselves imaginatively in the situation
of others, but then goes on to address an alternative account by which emotions
are passed along infectiously when we observe that emotion in others. In this
connection, he grants that there are occasions on which “sympathy may seem
to arise merely from the view of a certain emotion in another person” (TMS 11, my
emphasis). Again, he concedes that the “sympathy-as-infection” theory ac-
counts well for certain cases of sympathy. But the next few paragraphs go on to
criticize the infection view, arguing, first, that it does not hold at all for many
passions—the behavior of a furious person does not inspire us to join him in
his fury—and, second, that even when an emotion does seem to be passed
along infectiously, the best explanation of what is going on is that the other
person’s expressions of grief or joy suggest to us that they have met with good
or bad fortune, and we feel grief or joy because we imagine ourselves meeting
with similar fortune. Even in these cases, therefore, we are really projecting
ourselves into other people’s situations, rather than merely adopting the emo-
tion they seem to be experiencing. The pericope concludes with a paragraph whose topic sentence is: "Sympathy, therefore, does not arise so much from the view of the passion, as from that of the situation which excites it." We could not have a clearer indication that Smith's consideration of the sympathy-as-infection theory is merely part of his case for his opposing sympathy-as-imaginative-projection theory. Yet readers frequently take Smith himself to hold the sympathy-as-infection view. 5

The same roundabout, qualified way of making points runs through WN and has often led to the same sorts of mistakes in interpretation. Book II, chapter iii devotes three pages to showing that prodigality and misconduct can take away from the public wealth—concluding with the declaration that "every prodigal appears to be a publick enemy"—before going on to argue that on the whole a nation can never be "much affected either by the prodigality or misconduct of individuals" (WN 340–41). But the initial warning against prodigality tends to get quoted without the wider context. 6 Part V, chapter i has a section on the military which criticizes the effectiveness of militias vis-à-vis standing armies, but a later section of that chapter concedes that militias serve some useful purposes. It also has a section on education that criticizes public universities but recommends that the public should help support educational institutions for the poor, and a section on religion that first defends complete separation of church and state, and then, conceding that establishment is inevitable, shows how some forms of establishment are better than others. Right from WN's initial publication, Smith's readers have tended to see one part of these complex views without the other, complaining that he gives no role to militias because they read the initial section on the military and overlooked the later discussion, or focusing on the good things he says about churches while ignoring the fact that his ideal is disestablishment. 7

Something similar happens with other important passages. Book IV, chapter ii moves from the well-known argument for relying on the "invisible hand" rather than government intervention to a series of cases that may constitute exceptions to this general rule. One of these possible exceptions arises when an industry is needed for a country's defense and Smith uses this as an excuse to discuss Britain's Navigation Laws, which were justified in part on a defense basis. The discussion consists primarily of an attack on the economic value of these laws, but Smith concludes by conceding that "as defence is much more important than opulence," the Navigation Acts represent the most acceptable kind of interventionism (WN 465). The paragraph that ends with this line begins with the sentence, "The act of navigation is not favourable to foreign commerce, or to the growth of that opulence which can arise from it." To people who thought the Navigation Acts enhanced commerce—and they had been justified for economic reasons as much as military ones—Smith's defense of those laws will not be at all satisfying. It is as though one said to a spouse who proposes a vacation on the grounds that it will be both delightful and healthy, "Well, actually it will make us miserable. But since health is more important than happiness, let's go anyway." Rhetorically, this response functions as a way of discouraging the pro-
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posal, not supporting it. But from the fame of the little tag about defence being more important than opulence, one would never guess that it occurs within a context in which Smith is concerned mostly to criticize measures taken in the name of defense.⁸

From the fame of the “pin factory” example in the beginning of WN, one might also never guess that Smith says very little about factories. Smith illustrates the importance of the division of labor with an account of a pin factory, but describes this example—four times! (three times in ¶2 and once in ¶4)—as a “trifling” one, before going on to explain its point in detail. At the end of the chapter, he turns to what he clearly considers a better paradigm of the division of labor: the many independent trades that are needed to make a laborer’s coat. Why is the initial example there at all? Because it was the standard example for writers before Smith, and because it enables Smith to make his point clearly; Smith concedes that the division is especially “obvious” in this case (¶2). Here, as in TMS, Smith grants something to a view he rejects before turning to his own view. The effect of his concession, however, has been to lead many readers to suppose that Smith considers factory work to be paradigmatic of an advanced division of labor. His real point is precisely the opposite: that advanced economies are marked by a plethora of small, independent trades that fit into one another without deliberate organization (22–4).

Finally, Smith follows a winding route to his conclusions in his works taken as a whole. Not only does TMS raise and respond to possible objections all along the way, but it concludes with an entire division on the prior history of moral philosophy, in which Smith takes the opportunity to incorporate everything useful he can find in his predecessors, while rejecting those aspects of their systems that are incompatible with his views. WN has a similar section—part IV—devoted to opposing views, although it finds little to like about them. More importantly, the structure of WN as a whole proceeds from a general view about how human beings “naturally” increase their production of goods (parts I and II) to an explanation of why European history has not followed this natural course (part III), to a diagnosis and refutation of other views about how production works (part IV), and only then, when the opposing views have been thoroughly dismantled, does Smith say that “the obvious and simple system of natural liberty establishes itself of its own accord” (WN 687). Thus a view is set up, obstacles to that view are surveyed and overcome, and the original view returns as if “of its own accord” once the obstacles are cleared away. The method here, perhaps not accidentally, recalls that of Aristotle, who also tended to raise common objections to his own proposed view, incorporate some truth from them while on the whole criticizing them, and then take the somewhat altered view that resulted from this passage via objections to be justified primarily because it had survived that passage. For both Smith and Aristotle, argument for one’s own view consists in taking up and responding to objections; the view is defended indirectly, by way of showing that alternatives to it will not work. But it is crucial, if this method is to work, that the reader not confuse the view being defended with its alternatives.
2. Rhetoric

I have spent so long on Smith’s winding route to his conclusions because it has been little discussed. I can be briefer with Smith’s more sophisticated rhetorical techniques, since they are now the subject of a considerable literature.

Smith taught rhetoric and belles-lettres before he taught moral philosophy; he has indeed been called the first professor of English. Recent scholars have tried to apply several distinctions that Smith draws in those lectures to his own writings, with mixed results. Jerry Muller has usefully brought out ways in which Smith’s presentation of certain policy proposals in WN may be informed by his remark to his rhetoric students that people who urgently want to persuade someone of something need to “magnif[y] all the arguments on . . . one side,” and “diminish” or “conceal” those on the other. For example, when Smith says that “unless government takes some pains to prevent it,” the laboring poor in every advanced society become “as stupid and ignorant as it is possible for a human being to become,” Muller suggests that Smith is painting a particularly gloomy picture of the poor’s condition in order to inspire political agents to alleviate that condition. On the other hand, Vivienne Brown has persuasively argued that a crucial distinction drawn by Smith between “didactic” and “rhetorical” discourse, between the objective narration of facts and the attempt to persuade, does little or nothing to illuminate Smith’s own work (ASD 16–19, 24).

Better results have come from attending, not to Smith’s analysis of literary style, but to the way he himself writes. Brown has provided a brilliant and exhaustive study of the “dialogic” quality of Smith’s moral writings, of the way in which Smith not only sees moral judgment as reached by a process of dialogue but includes such dialogues himself in TMS, and of the contrasting, “monologic” style of WN (ASD 23–54). She argues that the sharply different styles represent sharply different notions of the way morality and economics ought to be conducted. As I indicated in the preceding section, I endorse the general mode of analysis here but I see more dialogue in WN than Brown does, albeit, in this case, a dialogue in which Smith treats his opponents with less respect than he did in TMS.

Charles Griswold and David Marshall have drawn attention to Smith’s declared fondness for the theater and suggested that TMS itself ought to be seen as in some measure a theatrical performance. Setting the theater, specifically, aside for the moment, it is clear that Smith gives literature a remarkably prominent role in his moral philosophy. TMS frequently brings in examples from poetry and drama to explain or give evidence for its points (e.g., TMS 30, 32–3, 34, 177, 227), and recommends “Racine and Voltaire; Richardson, Maurivaux, and Riccoboni” as “instructors” in the nature of love and friendship (TMS 143). There are deep philosophical reasons for this merging of moral philosophy with literature. Since moral judgment is rooted in sympathy, for Smith, and since he understands sympathy as an act of the imagination, rather than of the senses...
alone, imaginative writing can quite directly enliven or enrich our capacity for moral judgment. Indeed Smith seems to see moral philosophy itself as something of a work of the imagination, a project that needs to draw on imaginative resources and that aims at extending the moral imaginations of its readers. In addition to drawing on literary resources, he fashions his own examples into vivid little stories (e.g., TMS 84, 149–50, 177–8). WN is also filled with memorable little stories, and, as we will see later on, it also aims to expand our moral imaginations in important respects.

Let us return now to Griswold’s and Marshall’s suggestion that we treat Smith’s writings like works of theater, specifically. Smith explicitly says that we should issue moral judgments from the standpoint of an “impartial spectator,” and he implicitly urges us to be “spectators” as we go through his study of moral judgments. Marshall says that “for Adam Smith, moral philosophy has entered the theater,” and notes, rightly, that Smith understands both our relation to others and our relation to ourselves in a thoroughly theatrical way: we are “constantly imagining ourselves appearing before the eyes of other people.”

Griswold stresses more the theatrical nature of Smith’s books. In the beginning of TMS, “the curtain goes up,” Griswold says, “and the play begins” (AVE 44). Griswold notes “the strong sense of audience . . . throughout TMS” (49, 51), Smith’s presentation of human life as a “spectacle” to be observed (62, 65, 68–70), Smith’s suggestion that the proper model for doing ethics is the literary critic, perhaps specifically the theater critic (65), and the fact that one meaning of the Greek word theoria, of which the “theory” of moral sentiments is an instance, is a “viewing,” like the viewing by which audiences and critics watch a play (69–70). Citing Marshall, Griswold also finds a “theatrical” conception of the self within TMS, in that it seems from Smith’s account that we constantly adopt one or another type of mask, and thereby distance ourselves both from ourselves and from other people (AVE 110 and n37). Griswold indicates that his points about theatricality can be extended to WN (67, 70), and he notes that in the “History of Astronomy” Smith describes all “philosophical systems”—which here includes systems of natural philosophy or what today we call “science”—as “inventions of the imagination.” Smith also, in that essay, and in a brief passage at the beginning of WN, characterizes speculative or philosophical thought as a matter of “observ[ing] every thing” and then “combining together the powers of the most distant and dissimilar objects” (WN 21). The philosopher sits in the audience, putting the whole together while others participate in this or that piece of the whole. The philosopher is a spectator of a drama—only this time of the theatrum mundi, the drama of the entire universe, if he is a natural philosopher like Newton, or at least of the entire social universe, if he is a social philosopher like Adam Smith.

Griswold’s interpretation gives us a useful way of looking at WN. WN presents us with the spectacle that is political economy, calling out explicitly “Observe” at the end of its first chapter, ending that same chapter, and many others, with dramatic flourishes that look like the exit lines of heroic theatrical characters, and surveying the entirety of economic life, and its roots in and effects on
society and politics, in a way that no participant will normally do. It is even structured as something of a drama, in which the noble, free “system of natural liberty” gets introduced to us in Acts I and II, grapples with a variety of obstacles and opponents in Acts III and IV, and triumphs over them gloriously—or shows us what it would look like if it triumphed gloriously—in the fifth and final act. As is proper for tragedy, the climax comes at the end of the fourth act, when “all systems, either of preference or of restraint” are “completely taken away,” and our hero is thereby released to “establish itself of its own accord” (WN 687).

The considerations in this section should encourage at least the presumption that a passage in WN need not mean only what it might in a work of social science today. To the extent that Smith engages in political persuasion, uses a dialogic style or represses dialogue with a monologic voice, or employs dramatic and other forms from fictional literature to illustrate or structure his writings on political economy, we need to read him more carefully than we might read Milton Friedman or Kenneth Arrow. I will not dwell on these concerns very much, but they lie in the background of much that I will say. In Smith’s case, the recent scholarly attention to literary effects is not just a reflection of a faddish preoccupation with finding such effects everywhere. Smith described himself in a late letter as “a slow a very slow workman, who do and undo everything I write at least half a dozen of times before I can be tolerably pleased with it” (Corr 311). And a glance at the footnotes to the Glasgow edition of TMS shows that much of what Smith “did and redid,” when revising his major moral work for new editions, was to change a word here or a bit of phrasing there. One thing we know he “did and redid” many times was the opening chapter of WN (see LJ 338–49, 489–92 and ED 562–70)—yet all that really changed, over thirteen years, was the presentation of his argument and evidence, the rhetorical structure with which he put together the pin factory, the three reasons for the usefulness of the division of labor, the different tasks that go into the worker’s coat, and the comparison between a poor laborer and an Amerindian or African king. Even aside from his early interest in rhetoric, therefore, we have good reason to think that Smith himself considered the proper literary presentation of his arguments to be essential to what he was doing.

A brief word, now, on esotericism. A number of scholars see Smith as in some way disguising his true beliefs throughout his work: presenting himself disingenuously as a believer in natural benevolence, or suppressing his true atheism or deep moral skepticism. Although I endorse the notion that Smith sometimes shades his views in one direction or another for political effect, and that he leaves out of WN discussions that he thought might irritate or lose the interest of the merchants, aristocrats, and politicians whom he hoped would read the book, I am disinclined to accept the more thoroughgoing hunts for an “esoteric” teaching in Smith that conflicts with what he says on the surface. To those—Straussian and others—who see Smith as suppressing atheist convictions, in particular, out of a fear of persecution, I would respond simply that (1) Smith
in fact expresses enough heresy in both TMS and WN, and publicly showed
enough fondness for heretics like Hume and Voltaire, to bring on himself the
wrath of the religious establishment, and that he indeed was disliked by much
of that establishment; (2) Smith had little reason to fear punishment for
expressing such views after he resigned his chair in Glasgow in 1764; and (3)
there is no avowal of atheism, or of Hobbesian egoism, or of moral skepticism,
anywhere in Smith’s published or unpublished writings, or in any report of his
private remarks. The last of these points is particularly important. Smith is
reputed to have privately expressed highly unorthodox opinions on certain sub-
jects—he is reported to have said “Bravo!” about John Wilkes, claimed that “the
Christian Religion debased the human mind,” and called sodomy “a thing in
itself indifferent”—but there is no report of his ever avowing atheism, egoism,
or moral skepticism. Nor does Smith ever suggest in his writings that there
might be a difference between “common life” beliefs and the views of philoso-
phers, as his friend David Hume had done. So I regard the hunt for Smith’s
esoteric doctrines, or the dismissal of what he says about, for instance, the
importance and irreducibility of benevolence, as simply a projection of certain
scholars’ own preoccupations, an attempt to pull Smith into a framework that
these scholars feel must fit him, whether it in fact does or not.

3. Genre

A literary issue that raises particularly acute problems for WN is the question of
what genre Smith takes himself to be employing. An uneasy hybrid of polemical
tract and historical survey, WN also contains a bundle of political recommenda-
tions, some striking observations about human nature, and, of course, a set of
foundational principles for economic science. How are these various pieces sup-
posed to fit together? How, in the light of its appearance within such a mixture,
are we to understand Smith’s conception of economic analysis? How might his
political recommendations be colored by their historical and polemical context?
And why did a moral philosopher, famous at the time for his treatise on moral
sentiments, write a book in which moral considerations are given such oblique
and cursory treatment? WN presents what literary scholars call a “genre” prob-
lem, of which its political and moral ambiguities are but symptoms.

Some of these issues will haunt us throughout this book. Right now I shall
focus on just one: the tension between Smith’s scientific and polemical pur-
poses. WN is on the one hand a massive analysis of how economies work in
general, supposed to hold good across historical time periods and capable of
serving as a textbook, for many generations, on economic analysis. On the other
hand, it is a work directed to the making of a historically specific, polemical
point: that mercantilist and Physiocratic attempts to have the state control or
guide economic production are misguided. We might say: The book is simulta-
neously a “treatise“ and a “tract,” an heir both to Montesquieu’s Spirit of the
Laws or Hutcheson’s System and to the many little pamphlets on corn or money
by now-forgotten writers like John Law or Thomas Mun, which it often has occasion to quote. Compare WN with John Locke’s *Second Treatise on Government*. A. J. Simmons has pointed out that Locke took his *Treatise* to be not merely “an occasional tract in favor of the Glorious Revolution,” but a general theory of politics comparable in scope to Aristotle’s *Politics* or the jurisprudential systems of Grotius and Pufendorf. Nevertheless, Locke’s little book has often been read as either a tract or a treatise; it is hard to hold the two things together. The fact that Locke is trying to justify a particular event raises some suspicions, after all, about just how general his political principles can possibly be, whereas if his principles really are so general, one wonders how they could be as helpful as they were for justifying the positions of one side in a particular political struggle. The common scholarly verdict at the moment seems to be that Locke’s work is supremely successful as a tract, and somewhat less so as a treatise. With Smith, the judgment tends to be reversed. The mere length and comprehensiveness of WN makes it read most obviously as a treatise, and it has been set aside summarily as too “theoretical,” by many politicians, whenever its conclusions do not fit their current projects. Nevertheless, the enormous WN is as much a polemical tract as Locke’s little book is a treatise. They are, indeed, quite similar in this respect (as in the fact that they look back to Aristotle, Grotius, and Pufendorf); they both try, uneasily, to straddle the gap between polemics and philosophy.

I have argued elsewhere that this feature of WN is one of its great attractions—that political philosophers cannot afford to stay above the actual political fray if they want to say something significant. Politics always deals with specific situations, and political principles must be applied to specific cases if they are to serve as an exemplar for further political decision-making. Thus we can say that when Smith refused to listen to admonitions that his remarks on the American controversy at the end of WN made the book too “topical,” it was really he rather than his critics who understood the proper nature of political philosophy, who understood that commentary on a specific issue gave his principles clearer, more specific meaning. But we can also say precisely the opposite: that including such specific political issues takes away from his book’s ability to speak across generations. Moreover, WN does not merely engage in polemics here and there about issues like the American crisis. At almost every point, it can be read either as tract or as treatise, and the “tract” reading is often easier to make out than the “treatise” one. A full fifth of the book (Book IV) is given over explicitly to polemics—and that is really an underestimate, since polemics against various mercantilist measures and attitudes also pervade much of Books I and V—while the seemingly “neutral,” purely theoretical opening two books can easily be seen as merely paving the way for the polemical payoff to come.

Let me elaborate this last suggestion a little. Smith’s main polemical target in WN is the mercantilists. The mercantilist system rested, he believed, on an exaggerated emphasis on the importance of money—of the precious metals “for which every thing is readily given in exchange” (WN 438). Often mercantilists
would write as if these metals were wealth; although they themselves were aware that wealth and money are not the same thing, they appealed to a popular confusion between the two to help make their position plausible. But in any case they believed that governments needed large stocks of precious metals on hand, and that nations could gain an advantage in foreign trade if such currency was readily available. Now since the supply of precious metals was limited, on this view nations would forever be locked in a zero-sum competition for them, and each nation would need constantly to take measures ensuring that its own stock of money, or command over sources of money, was superior to that of its neighbors. The mercantilists recommended several such measures, above all (1) sending out national expeditions to secure gold and silver mines, and (2) encouraging manufacturing over agriculture, and giving local industries as much of an edge as possible over the industries of other countries. They promoted the second because they believed that foreign coin could be more readily obtained in exchange for manufactured goods than for agricultural goods. They promoted the first because they believed that the value of silver and gold was bound to decline over time, as the amount of silver and gold increased in wealthy nations, hence that each nation would need more and more silver and gold to retain the same level of purchasing power. Both types of measure meant that nations had to be always prepared for war and often engaged in it. To control gold and silver mines, one needs to conquer lands where such mines are plentiful. To get an advantage in trade over one's neighbors, one needs to expand one's own markets and restrict theirs; it helps enormously, in doing that, if one can protect one's shipping militarily. The mercantilist economic program went, therefore, with colonialism, nationalism, and a strong belief in the value of military adventures.

Smith takes on every part of this program in WN. His own views are opposed to colonialism, to the hunt for national glory, and to military adventures (see § 60 in chapter 12), and he does not think that international relations, in either the economic or the political realm, need be a zero-sum game. The system of free trade that he sets in opposition to mercantilism is supposed to result in a lessening of international tensions and a reduction in the use of war to further national interests (WN 493); free trade will replace conquest as the primary mode by which one nation relates to another. But these subjects appear explicitly only in Books IV and V, so one might suppose that WN, to the extent that it is a tract, becomes one after it has first laid out a neutral portrait of the facts about how economies work. It is unclear that this is true, however. The supposedly neutral discussions of Book I seem directed throughout to the polemic that Smith will be making against the mercantilists later on. Smith devotes a long and astute chapter in Book I to debunking the mercantilist myth that precious metals will inevitably slide in price (I.xi). Earlier in Book I, one chapter directly attacks restrictions on trade promoted by “the clamour and sophistry of merchants and manufacturers” (WN 144), and another ends with a complaint about the way “merchants and master manufacturers” dishonestly represent economic facts (WN 115)—here, not coincidentally, facts about what
makes a nation’s goods competitive on the world market. The polemic against mercantilists is only slightly less obvious when chapters I.vii, I.ix, and I.xi address themselves to the relationship between wages, profit, or rent and the overall wealth of a national economy. Given the way that chapters I.i–I.vii slowly develop the elements of economic analysis, one would have expected that I.viii–I.xi would treat the components of price on their own, leaving the matter of how to assess an entire economy until a later chapter. Instead, each component of price is considered in relation to the wealth of the entire society, as if to say that the economic analysis in this book is all directed toward the single question of what furthers and what hinders “the wealth of nations.”

Indeed, this question can really be traced back to the very beginning of the book. The first chapter of Book I sets up the division of labor, as opposed to any sort of natural resource, as the basis of wealth, and the second chapter shows, against the mercantilist conception of trade as a zero-sum game, that human beings mutually gain in trade. Chapter iii explains how the spread of trade naturally makes possible increases in the division of labor, and therefore in total wealth, and chapters iv and v provide Smith with a crucial tool—the distinction between “real” and “nominal” prices—for his later analysis of how the price of precious metals tends to rise rather than fall (consider the use of “real price” at WN 205–9, 219, 236, or 253–5). And chapter vii lays out the basic argument that Smith will use many times later on for the claim that free markets need no government help to find the “natural price” that enables as much of a commodity to be produced as there is demand for. So the whole of Book I is implicitly directed against mercantilist arguments (and, to a lesser extent, Physiocratic ones) even where it is not explicitly so directed. The same goes for the succeeding two books. Book II continues the polemic against exaggerating the importance of money, making clear that an increase in stock, not in money, is what leads to national wealth and greatness, and Book III shows in detail how economies were diverted for centuries from their natural course, and thereby from the wealth they could have achieved, by misguided laws.

It is thus no surprise that the explicit critique of mercantilism and Physiocracy, in Book IV, flows directly out of the earlier theoretical analysis. This provokes a difficult question: Are Smith’s polemics but the logical consequence of his theoretical commitments, or did he construct his theory to fit his polemical purposes? After studying Smith for more than a decade, I still feel incapable of answering that question. What I can say with confidence is that there are good reasons why people generally separate “theory” from “polemic”—recent critiques of this distinction notwithstanding—and that the time-bound, context-dependent nature of a polemic will normally stand in some tension with the broad, transhistorical concerns that a philosophical or scientific theory is supposed to address. This tension pervades WN, and I do not believe that Smith ever resolves it, leaving us without a clear indication whether, or to what extent, the theory of WN is supposed to apply in historical periods other than his own, the extent to which it should remain relevant once Physiocracy and mercantilism have been defeated. To take an important example of why this
matters: Physiocracy and mercantilism are systems prescribing how governments can improve the production of goods, and Smith's concern throughout the book is almost exclusively with production. Beginning almost immediately after Smith died, however, and continuing through to the present day, political economy turned much of its attention to distribution rather than production. What can we infer, from Smith's teaching that governments should not try to direct production (the overall size of a nation's "pie"), about how he might have regarded government attempts to control distribution (how that pie is to be cut up)? Not much, as I shall argue later in this book. Smith's general views can be and have been used to support both "left" and "right" views of government programs that redistribute wealth. Both uses of Smith are plausible, and both require considerable extrapolation from what he actually said. A more abstract organization of the topics to be covered by WN might perhaps have led Smith to address this issue explicitly, and thereby given him a clearer, stronger voice in the debates of the generations to come.

4. Style and Philosophical Method

Let us now turn away from the complexities, subtle literary effects, and questions of genre in Smith's writing, and return to the clarity, the seeming transparency, for which he has been most praised. Even this clarity, this simplicity, has a philosophical justification, and philosophical implications, that are not at all simple.

Take up WN and reread its first three paragraphs or so. What do you find? The first thing that appears is one of the most important claims of the entire book—that the division of labor, far more than natural resources, is primarily responsible for increases in economic production. How is this important claim defended? We are given an example, supposedly drawn from life, of what happens in a pin factory. The paragraph containing that example begins by describing how many pins a worker "not educated to pin-making is likely to make in a day, thereby inviting the reader, who most likely belongs among those not educated to this business, to imagine how many pins he himself might make. Smith guesses, I think rightly, what most readers will say: that, even if we put our "utmost industry" into it, we could scarcely make "one pin in a day, and certainly could not make twenty." Then he details the many different processes that go into the making of pins once it becomes "a peculiar trade," and this list—drawing out the wire, straightening it, cutting it, grinding it at the top to receive the head: in all about "eighteen distinct operations"—serves to reinforce our original impression that pin-making is a difficult business and that we could make few pins on our own. Next Smith tells us that he has himself seen a pin factory in which only ten people worked, so the division of labor was not carried as far as it can be. Now comes the punch line: Even in this poor case, where the division of labor was divided among ten people rather than the eighteen or so that would be optimal, the factory produced "upwards of forty-eight
thousand pins in a day”—thus over four thousand eight hundred pins per person. The number is staggering. The difference between the number of pins we thought we could make by ourselves and the number we could make if we were part of even a ten-person team is so overwhelming that we would not believe Smith had he not assured us that he had seen this himself. As it is, we are instantaneously brought over to his view of the importance of the division of labor. Nothing more needs to be said on the subject. Although he does go on to say a little more, he has already won his point. Three paragraphs in, and one of the main argumentative battles of the book is over.

But what has happened here? We have been given one piece of evidence, one datum, for a major point—far from enough to establish it in the eyes of any self-respecting empiricist. We might have expected a flurry of cases, drawn from history or from Smith’s own observations, or perhaps a derivation of the power of the division of labor from more fundamental psychological or biological or physical laws. Instead a brilliant rhetorical presentation transforms a single example into the complete case for a theoretical principle. Smith draws on our imaginations, which he considers essential both to good science and to good moral philosophy, rather than giving us a substantial body of evidence or deriving his conclusion from general laws or principles. He will proceed to do some of both in the ensuing paragraphs, pointing us, in paragraph 4, to the difference between the degree of divided labor in “rude” and “improved” countries, and their proportional differences in productivity, and sketching, in paragraphs 6 to 8, a few reasons why the division of labor might improve productivity. But these remarks—which themselves are persuasive because they appeal to common-sense observation (“A man commonly saunters a little in turning his hand from one sort of employment to another”), not because they reflect an exhaustive survey of history—come after the main work of getting us to see the importance of the division of labor has already been done. The pin factory is one of the most famous passages in WN, and understandably so: It is a rhetorical masterpiece, which Smith carefully honed, pruning and reshaping the paragraph from its first appearance in his lecture courses in the 1760s to the 1776 version in the book. And the central purpose Smith’s rhetoric serves here is clarity: He sets up the point of his example with an imaginative exercise drawing on the reader’s own experience, strips the example down to the one feature he most needs in it, emphasizes the contrast between what the example shows and what we expected as a result of the imaginative exercise, and then drives the conclusion home. The brief compass within which all this takes place, moreover, ensures that the reader can hold the whole thing together easily in his or her imagination. This simplification and concentration of a point, and this way of connecting it to the reader’s own experiences, will run through the book, making abstruse economic phenomena appear familiar and easy to understand.

WN has always been praised for its clarity. When it first appeared, Edward Gibbon said that WN expressed “the most profound ideas . . . in the most perspicuous language,” and Hugh Blair said that all other writers on political
economy had only puzzled him, while Smith's style was "clear and distinct to the last degree."20 Lord Shelburne remarked that he owed to a conversation on political economy with Smith, on a journey from Edinburgh to London, "the difference between light and darkness through the best part of my life."21 In the twentieth century, Joseph Schumpeter, who accused WN of not containing a single original idea, also acknowledged the clarity and systematicity with which Smith presented his material.22 Recently, Jerry Muller has written that the impact of WN "lay in its synthesis of ideas clearly articulated, conceptually linked, and forcefully impressed on the minds of its readers."23

This praise is unquestionably merited. For all his use of theatrical tropes, and for all the ambiguity one might find in his tone, Smith conducts his analyses of economic systems with great precision and masterly organization. The precision is particularly striking. Much of the book looks as if it had been written on a word processor, with certain phrases programmed into the function keys, or block-copied from place to place, so that similar ideas are given similar wording across vast stretches of the text.24 Although inelegant, this precision is perhaps Smith's most philosophical characteristic, ensuring that his abstract modes of classification are carried along consistently, so that one can see at a glance how one point or piece of evidence fits together with the others. He also lays out the main thesis of many chapters in a short introductory paragraph at the head of the chapter (see, for example, 13, 25, 105), offers brief recapitulations of long arguments whenever he fears the reader might have gotten lost (e.g., 288, ¶11) or forgotten them (e.g., 286, ¶11), numbers his points whenever he has several of them ("First, . . . ," "Secondly, . . ."); and follows up every implied or explicit statement that a particular argument comprises two or three points with two or three paragraphs making exactly those points, in the order in which they were introduced (e.g., 17–20 or 294). The clarity of presentation he achieves in all these ways is very important to him. "I am always willing to run some hazard of being tedious in order to be sure that I am perspicuous," he says, avowing that he "take[s] the utmost pains to be perspicuous" (WN 46; see also 309, 354, 449).

Now of course most writers aim to be perspicuous, but I suggest that for Smith perspicuity is the overriding object of his work, especially in WN. He does not claim to have discovered any new economic facts or forces—nor did he do so, if Schumpeter is right—nor to have found, like an economic Newton, fundamental mathematical laws for all economic systems. Rather, he arranges fairly familiar ideas about society and economics, ideas that are latent in our ordinary understandings, and by so arranging them, tries to clarify them and their relations to one another—tries to put them into a system. In the "History of Astronomy," he makes clear what a system is: "all philosophical systems [are] inventions of the imagination, to connect together the otherwise disjointed and discordant phaenomena of nature" (EPS 105).

Behind this emphasis on perspicuity and concomitant conception of systems lies, I believe, a sophisticated epistemological theory. Smith's work belongs chronologically just after that of the sceptical philosopher Hume and just before...
CHAPTER ONE

that of the common-sense philosopher Thomas Reid (Smith’s successor at Glasgow), and I think it belongs between them philosophically as well. Hume and Reid are themselves not so far apart. Hume is typically represented as a sceptic who undermined our ordinary beliefs in personal identity, causation, and independent reality, while Reid is supposed to have responded to Hume by insisting that common sense undermines Hume’s philosophical method. But this characterization of the two underestimates Hume’s regard for what he called “common life” beliefs and exaggerates Reid’s success in restoring those beliefs. As the nineteenth-century Edinburgh philosopher Thomas Brown remarked:

“Yes,” Reid bawled out, “We must believe in an external world”; but added in a whisper, “We can give no reason for our belief.” Hume cries out, “We can give no reason for such a notion”; but whispers, “I own we cannot get rid of it.”

Of course, Hume and Reid do differ in many ways. Reid buttressed his rejection of Hume’s scepticism with a diagnosis of the “way of ideas” that he considered, rightly, to underlie the Humean position. And Hume believed, contra Reid, that we can at least momentarily suspend the beliefs of common life, that philosophy, therefore, need not be entirely “root[ed in] the principles of Common Sense,” as Reid would have had it, and that our common beliefs do not in any case form a coherent, systematic body. For Hume, we can take up a philosophical perspective somewhat independent of our common-life beliefs, even if we cannot and should not try to carry out our lives from that perspective. For Reid, any philosophical perspective itself is and must be rooted in common sense. These are important philosophical differences, even if they issue in similar practical conclusions. But the fact remains that both Hume and Reid call upon us to return from philosophy to common sense. Smith, who goes along with this call, does not make clear where he stands on the issues that divided Reid from Hume. We do have one passage in which Smith, in an apparently Reidian vein, describes moral philosophy as the science that “pretends to investigate and explain [the] connecting principles by which the maxims of common life can be brought together in a methodical order” (WN 769). But on the whole Smith simply finesses the differences between Hume and Reid. Hume at one point defines philosophy as “the reflections of common life, methodized and corrected” (E 162), and we may see Smith as following this definition more strictly than Hume himself did. Hume’s endorsement of common life comes generally with something of a wink and a nod, and with a scepticism in reserve that pops up periodically to remind us of the hollowness of our common beliefs. Some recent scholars read Smith as similarly sceptical, but there is no good evidence for this. Smith never endorses Hume’s sceptical arguments, nor constructs any such arguments of his own, and he rarely peeks above or beyond common-life beliefs to remind us of their ultimate insubstantiality from a philosophical perspective. Unlike Reid, on the other hand, Smith never declares a proud faith in common sense vis-à-vis philosophy. Smith neither affirms nor denies the ultimate truth of common-sense beliefs; he merely works within them.
Now one could read this silence on the question that divides Hume from Reid as a sign that Smith was ignorant of or insensitive to the issues that might lead one to question the reliability of common sense, or one can read it, as seems more reasonable given Smith’s thorough knowledge of the history of philosophy, and of Hume’s work in particular, as a sophisticated realization that the very attempt to defend common sense suggests, wrongly, that common sense needs defense. One can, that is, read Smith as an anticipator of Wittgenstein, who, in On Certainty, pointed out that his colleague G. E. Moore’s Reidian attempts to provide a philosophical defense for common sense simply raised issues that need not be raised at all, but that, once raised, cannot be resolved with common sense’s own tools. If common sense is truly self-sufficient, can truly provide the proper foundation for all our beliefs, then it should just be allowed to do that, to bring forward its claims and arguments in its own way. One who truly understands and trusts the workings of common sense will neither criticize nor praise it in the light of some “further” philosophical perspective—a perspective that, ex hypothesi, cannot really be “further,” must be either unintelligible or yet another product of common sense itself.

Smith never lays out any such argument for how to regard common sense. Of course, on my account of what he is doing, he really should not lay out any such argument, should not defend even his unwillingness to defend common-sense. But I don’t want to rest my case for Smith’s common sense methodology on such a tricky “argument from silence.” Rather, I ascribe to Smith a proto-Wittgensteinian attitude toward common sense for three reasons: (1) because nearly all his arguments, both in TMS and in WN, begin from common-sense observations and draw on examples from ordinary life for evidence; (2) because he often either talks of “real philosophy” as some sort of wisdom about what to expect from life, implying that the sort of philosophy that Descartes or Hume did is somehow “unreal” (“language on holiday,” as Wittgenstein would say) or contrasts the “refinement[s] of philosophy” unfavorably with the views we come to “by nature” (TMS 287; see also 299); and, above all, (3) because it fits well with a central commitment, running through all his work, to vindicating ordinary people’s judgments, and fending off attempts by philosophers and policymakers to replace those judgments with the supposedly better “systems” invented by intellectuals. In one of Smith’s earliest writings, he is concerned to refute the notion that the ordinary person objectifies secondary qualities (EPS 141–2); in the “History of Astronomy,” he characterizes philosophy as a discipline that attempts to connect and regularize the data of everyday experience (EPS 44–7); in TMS, he criticizes several philosophical theories of morality for not attending properly to the way moral sentiments are actually experienced (TMS 89, 291–3, 303) and condemns those entranced by “the love of system” (185, 232–4); and in WN he directs a central polemic against the notion that governments must guide the economic decisions of ordinary people. He also remarks several times that one need turn only to “plain,” “simple,” or “obvious” observations for evidence of his points, rather than to “tedious or doubtful calculation[s]” (WN 91, 142, 374). Similarly, he often clarifies complex points
about the workings of large national economies by way of a comparison with
the workings of ordinary household economies. For instance:

The capital of all the individuals of a nation, has its limits in the same manner as that
of a single individual, and is capable of executing only certain purposes. The capital of
all the individuals of a nation is increased in the same manner as that of a single
individual, by their continually accumulating and adding to it whatever they save out
of their revenue. (WN 366)

Or:

It is the maxim of every prudent master of a family, never to attempt to make at home
what it will cost him more to make than to buy. The taylor does not attempt to make
his own shoes, but buys them of the shoemaker. . . What is prudence in the conduct
of every private family, can scarce be folly in that of a great kingdom. If a foreign
country can supply us with a commodity cheaper than we ourselves can make it,
better buy it of them. (WN 456–7)

Smith wants economics to make ready sense to us; he wants to show how its
fundamental principles are but extrapolations of what we already ordinarily
believe. It seems methodologically important to him that the reader be able to
verify his arguments without going beyond common sense, as it is politically
important to him that the three duties he attributes to the sovereign are “plain
and intelligible to common understandings” (WN 449, 687). In the light of all
this, it seems reasonable to see Smith as a forerunner of “common-sense philos-
ophy,” and, relatedly, as one of the first modern philosophers to be suspicious of
philosophy itself—at least of philosophy as conducted from a foundationalist
standpoint, a position outside the modes of thought and practice it examines.

This is not to say that Smith is uncritical of ordinary modes of thought and
practice. But it is important that he almost always calls the notions he opposes
“absurdities,” “follies,” “delusions,” or “prejudices” and not mere errors. It is
the nature of an absurdity or folly to require, not so much refutation, as clari-
fication: When brought out into the clear light of day, its absurdity should
become apparent, and it should simply dissolve. Absurdities and follies are not
just falsehoods but falsehoods so glaring that, once they are pointed out, no
reasonable person can go on believing them. Delusions are diseased percep-
tions, fancies or fantasies that ought simply to vanish if one’s senses can be
cured. And prejudices are unconscious commitments that block or pre-empt
judgment. All these are the sort of problems that characteristically plague com-
mon sense, not the sort of cognitive error characteristic of philosophers or sci-
entific experts, such as a mistake in argumentation or ignorance of a crucial
piece of empirical evidence. (If you are at the point where you can appreciate
arguments and evidence, you are beyond the point at which you can be fooled
by cognitive illusions.) Now the way one would expect to dispose of obstacles
to common sense is simply to point them out, and to clarify the context that
produced them. And this is exactly what Smith does. He repeatedly shows, for
instance, that “the real wealth and revenue of a country” consist in the produce
of land and labor rather than in the quantity of precious metals in the country, and he describes the first view as what “plain reason seems to dictate” and the second as what “vulgar prejudices suppose” (WN 340). Later, he calls the latter a “popular notion” enshrined by “common language,” which if properly thought through reveals itself as an “absurdity” (WN 449). Thoughts couched in common language can, here, correct the mistakes of common language. Smith shows the foolishness of protectionism by way of an amusing example:

By means of glasses, hotbeds, and hotwalls, very good grapes can be raised in Scotland, and very good wine too can be made of them at about thirty times the expense for which at least equally good can be brought from foreign countries. Would it be a reasonable law to prohibit the importation of all foreign wines, merely to encourage the making of claret and burgundy in Scotland? (WN 458)

But the “manifest absurdity” of this example, Smith says, should just bring out the equal, if more hidden, absurdity of all protectionist measures. This pericope displays Smith’s general method very well. By way of an example drawn on our ordinary experience, he shows that a principle we are ordinarily attached to is absurd.

To say that Smith gives common sense, or ordinary experience, priority over philosophical principles is therefore not to say that Smith merely lists common-sense beliefs, or arranges them in an attractive order. An important objection to any sort of common-sense philosophy is that it may leave us with no room for criticizing our ordinary views, that it can collapse into uncritical faith in whatever dogmas happen to be abroad in our society. No such objection holds good of Smith, who criticizes many aspects of our ordinary moral attitudes in TMS and who devotes WN to a thoroughgoing critique of the standard views of political economy in his day (and of many contemporary institutions, from the laws of settlement to primogeniture and slavery). But Smith locates his critical stance within the common-sense beliefs and attitudes that he criticizes. Stanley Cavell has described the task he sets for himself in philosophy as “a convening of my culture’s criteria, in order to confront them with my words and life as I pursue them and as I may imagine them.” Smith shares this conception of philosophy, I believe, and shares in particular what Cavell declares as his goal: “to confront my culture with itself, along the lines in which it meets in me.”

Laying out the common sense of one’s culture can be a critical project, insofar as it provokes the culture to face contradictions in its beliefs, or half-buried prejudices or follies that it does not like to acknowledge. And indeed common sense, viewed as Cavell and Smith view it, is itself a critical mode of thinking, not a collection of dogmas. Our common way of looking at things is fluid and self-corrective—criticizing our own and each other’s beliefs is a large part of what we do in ordinary life—and Smith will use one aspect of our common views against other common views that he thinks represent superstitions or fanaticism. Alternatively, he will bring the comprehensive picture he has constructed out of ordinary beliefs to bear on a particular belief here or there, showing how it does not fit into the whole, how our beliefs taken as a whole tend to under-
mine it. This is what philosophers are supposed to do, according to both the “History of Astronomy” and WN (WN 21–2): help our thinking by providing us with a view of the whole, by connecting many different beliefs in a clear “system” or “theory.” Thus the comprehensive picture in TMS of how religious principles grow out of our moral sentiments is supposed to help make clear the absurdity in believing that God prefers the fulfillment of rituals to the performance of moral duties, and thus Smith’s lucid explanation, in the light of WN’s general economic system, of how “engrossing and forestalling” helps prevent famines is supposed to dispel common prejudices against corn merchants.

In the latter case, Smith explicitly compares the “popular fear of engrossing and forestalling . . . to the popular terrors and suspicions of witchcraft” (534), and claims that government policy is capable of either supporting or eliminating such fears. Elsewhere, he claims that the advantages of free trade are “so manifest” that no-one would ever have questioned that policy “had not the interested sophistry of merchants and manufacturers confounded the common sense of mankind” (494). These claims suggest a theory of how common life beliefs, the beliefs of ordinary people, can go wrong: powerful figures—politicians and merchants, in these cases, and religious leaders elsewhere (TMS 133–4, 177–8)—prop up what might otherwise have been a passing fancy with the authority of law or religious sanction, give credibility to abstract and unnatural “systems” that justify this fancy, and thereby insert into the self-correcting flow of common sense a clog, something that blocks judgment rather than being informed by and yielding to it, a “prejudice” in the literal sense of that word. And the proper response to this clog is to dissolve it with other, more freely flowing thought, to bring our daily observations and modes of reasoning to bear on it. Smith is aware of the ability of a few well-spoken people to “lead and direct,” and sometimes to mislead and misdirect, the common sense of many other people (TMS 336, LJ 202, 211–12, WN 651); he tries by his own work to provide facts and clear explanations that will correct for that influence. What Smith does not do, in response to prejudices or other errors, is construct a mathematical model to show that ordinary people’s intuitions are wrong, nor does he develop abstract moral principles on which to base proofs of counterintuitive moral conclusions, as Benthamites and Kantians would do over the ensuing two centuries. Smith is a critic of our ordinary beliefs, but he is an immanent critic, not a transcendental one, bringing out the rationality already inherent in ordinary life, mapping it from within and correcting it, where necessary, with its own tools, rather than trying either to justify or to criticize it from a “higher” standpoint. This intellectual aim is not unconnected with, and no less important than, his political interest in guaranteeing to ordinary individuals the “natural liberty” of thought and action that he believes they rightly possess.

Even if we set aside the ways in which Smith’s writing is more complex than it seems, therefore, its very simplicity reflects a sophisticated view of how human knowledge is grounded and how it may be corrected—and, consequently, of the proper task of the philosopher. We turn in the next chapter to a more detailed investigation of how Smith understood this task.