

ADAM SMITH AND EQUALITY

Samuel Fleischacker

Samuel Fleischacker explores in this piece the central role that a norm of human equality plays in Smith's moral theory and political economy. He argues that it is essential to virtue, for Smith, that each of us acknowledge the equal worth of all other human beings. It is pointed out that Smith found the need to justify social and economic inequalities pressing in a way that few figures before him had done, and did not think they were justified in many cases. According to the author, Smith was therefore an unusually ardent champion of the rights of the poor, and was not unreasonably taken, later, as a source for leftwing as well as rightwing models of political economy. Thus the attempt to read Smith as an unambiguous ancestor of classical rather than progressive liberalism would be a mistake: indeed progressive liberalism —Fleischacker says— may have a rather stronger claim to his heritage.

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1. Introduction

Immanuel Kant is said to have considered Adam Smith his “darling” among the Scottish moral philosophers, and there are important traces of Smith’s influence on Kant’s moral and political writings.¹ What about Adam Smith so inspired Kant?

Part of the answer to that question is surely that Kant saw Smith as an ally in his struggle against the nascent utilitarianism that was beginning to creep into moral philosophy. Smith played up the importance of intention and played down the importance of consequences in our evaluation of our fellow human beings’ actions, denied that it was the proper task of human beings to try to bring about universal happiness (TMS VI.ii.3.6, p.237),² and did not believe that we could find a non-moral notion of “happiness” by which to judge the usefulness of moral principles and qualities. In all these ways he resisted the sort of program for morality that Jeremy Bentham came to espouse, by which morality is defined by the acts or norms that best promote our various pleasures.³

¹ See Fleischacker, “Philosophy and Moral Practice: Kant and Adam Smith,” *Kant-Studien* 1991 and “Values Behind the Market: Kant’s Response to the *Wealth of Nations*,” *History of Political Thought*, Autumn, 1996.

The connection between Smith and Kant is also central to Stephen Darwall’s writings on Smith (“Sympathetic liberalism: recent work on Adam Smith,” *Philosophy and Public Affairs*, 1999, and “Equal Dignity in Adam Smith,” *Adam Smith Review* volume I (2004)), and to Leon Montes’s *Adam Smith in Context*, (New York: Palgrave Macmillan, 2004), especially chapter 4, and Maria Alejandra Carrasco’s “Adam Smith’s Reconstruction of Practical Reason,” *Review of Metaphysics* 58 (September 2004). Darwall, Montes and Carrasco explore the Smith/Kant relationship profoundly, and bring out intriguingly different aspects of that relationship.

² I employ here the usual abbreviations for Smith’s works: TMS for *The Theory of Moral Sentiments*, ed. DD Raphael, AL Macfie, (Oxford: Oxford Univ. Press, 1976), WN for *An Inquiry into the Nature and Causes of the Wealth of Nations*, ed. RH Campbell, AS Skinner, WB Todd, (Oxford: Oxford Univ. Press, 1976), and LJ for the *Lectures on Jurisprudence*, ed. RL Meek, DD Raphael, PG Stein, (Oxford: Oxford Univ. Press, 1978).

³ See Fleischacker, “Adam Smith,” in the *Blackwell Companion to Eighteenth Century Philosophy*, ed. Steven Nadler, (Oxford: Blackwell, 2002), for an elaboration of these points.

Most Smith scholars in recent years have agreed that Smith is not a utilitarian. The main exception is James Otteson, who gives a rule-utilitarian reading of Smith. Otteson suggests that “utility is Smith’s meta-principle for the development and justification of moral standards” and argues that Smith’s impartial spectator represents a historical process by which societal norms for action evolve so as to maximize human happiness: “On Smith’s view our usual method of determining an action’s moral rightness or wrongness is whether it comports with what the impartial spectator would judge,

But another reason why Kant might have admired Smith is that he saw Smith as a strong egalitarian, a promoter of the dignity of all human beings—including and perhaps especially the poor. Kant said that he learned to honor all humanity from Jean-Jacques Rousseau,⁴ but he could also have learned that from Smith. If so, he joined a number of Smith's early readers, at the end of the eighteenth century, who regarded the Scottish political economist as a staunch ally in their commitment to improving the condition of the poor. Samuel Whitbread, who proposed minimum wage

but the impartial spectator's judgments are themselves informed by an evolutionary process that changes, slowly and gradually, over time." And this evolutionary process is structured so that the judgments of the spectator increasingly promote utility. (Quotations from Otteson, *Adam Smith's Marketplace of Life*, [Cambridge, 2002], p.251 and Otteson, review of *On Adam Smith's Wealth of Nations*, in *Mind*, forthcoming.)

This is not in itself an implausible moral view, but there at least two large problems in attributing it to Smith. The first is that nothing in Smith's own texts supports an evolutionary interpretation of the impartial spectator. Smith himself treats the impartial spectator in an entirely ahistorical way, and when he does give historical accounts of moral phenomena, he often characterizes the changes he describes as for the worse rather than for the better (civilized Europeans have less self-command than their primitive ancestors [TMS V.2.9, 205-6]; generosity has declined in the move from pastoral to commercial societies [WN II.ii.42, 349])—he does not accept the steadily progressive understanding of moral history that Otteson attributes to him.

The second problem with Otteson's interpretation is that it ignores the fact that happiness, for Smith, itself depends so heavily on the judgments of the impartial spectator that it can hardly serve as a useful criterion for what those judgments should be. "The chief part of human happiness arises from the consciousness of being beloved," says Smith (TMS I.ii.5.1, 41), but the chief way to be beloved, he also says, is to live up to the moral standards of one's society. Later Smith tells us that happiness is made up of "tranquillity and enjoyment," that tranquillity is far more important than enjoyment, and that taking up the view of the impartial spectator is the best way to achieve tranquillity (TMS III.3.30-40, 149-54). It follows that living up to the judgments of the impartial spectator is essential to being happy. But these two arguments suggest that it will be virtually impossible to use happiness as a means of determining whether the judgments of the impartial spectator, in any particular society, are in order or not. Happiness, in each society, will *consist* largely in a state to be attained by living up to that society's standards of morality. There will be no independent sort of happiness that we could use to show that one society has better moral standards than another.

For any utilitarian program to work, happiness needs to be pried far enough apart from morality that the latter can be seen as aiming at the former. Smith makes little room for such a separation.

⁴ "There was a time when I believed [that knowledge] constituted the honor of humanity, and I despised the people, who know nothing. Rousseau set me right about this. ... I learned to honor humanity, and I would find myself more useless than the common laborer if I did not believe that this attitude of mine can give worth to all others in establishing the rights of humanity." Ak 20:44, as translated in Immanuel Kant, *Practical Philosophy*, p. xvii.

regulations in the 1790s, John Millar, who promoted universal suffrage, Mary Wollstonecraft, Tom Paine, Thomas Jefferson, Condorcet, and the Abbé Siéyès all admired Smith and drew heavily on him.⁵ Indeed, until at least a decade or two after the French Revolution, it seems fair to speak of a “left-Smithian” as well as a “right-Smithian” stream of thought, a tradition that claimed Smith’s work on behalf of the equality of all human beings, and consequent need to improve the condition of those in inferior social and economic conditions, as well as a tradition that claimed him for the unfettered expansion of industry, and for a conception of governance in which liberty must always trump equality.

In this article, I will explore the egalitarian strain in Smith’s thought, and some of its political implications.

2. Smith’s Moral Egalitarianism

Smith’s moral philosophy centers, famously, on the “impartial spectator.” Our ability to sympathize with other people—which for Smith means to share their feelings, whether of joy or of sorrow—enables us to come into moral community with them, to form moral judgments of them and be morally judged by them. And the proper standard for moral judgment, for Smith, is the feeling that we think an impartial spectator would have about our own or other people’s feelings. If an impartial spectator would feel that I am excessively delighted about another person’s misfortune, or excessively peevish about my own, then it is wrong for me to feel that way; if an impartial spectator would feel that I am taking just the right pleasure or pain in a certain situation, or feeling just the right amount of confidence or fear, then that is the right feeling for me to have. The approval and disapproval of the impartial spectator define, according to Smith, what counts as right and wrong, good and bad, for us. This emphasis on impartiality brings with it an emphasis on equality.⁶ Smith characterizes the position of impar-

⁵ See Donald Winch, *Riches and Poverty*, (Cambridge: Cambridge UP, 1996), chapter 5, Gertrude Himmelfarb, *The Idea of Poverty*, (New York: Alfred A. Knopf, 1984), chapter 3, and Emma Rothschild, *Economic Sentiments*, (Cambridge: Harvard UP, 2001), chapter 2.

⁶ See Darwall, “Equal Dignity in Adam Smith,” p.132:

For Smith, when we judge an agent’s motive, we do so from the agent’s own perspective, viewing the practical situation as we imagine it to confront her in deliberation. And when we judge someone’s feeling or reaction, we do so from her patient’s perspective, viewing the situation as we imagine it to confront her as someone responding to it. Both judgments involve an implicit identifica-

tiality as one in which other people's interests appear equal in value to our own:

[T]o the selfish and original passions of human nature, the loss or gain of a very small interest of our own, appears to be of vastly more importance ... than the greatest concern of another with whom we have no particular connexion. His interests, as long as they are surveyed from this station, can never be put into the balance with our own ... Before we can make any proper comparison of those opposite interests, we must change our position. We must view them, neither from our own place nor yet from his, neither with our own eyes nor yet with his, but from the place and with the eyes of a third person, who has no particular connexion with either, and who judges with impartiality between us. (TMS III.3.3, 135; cf. III.1.2, 109-110, VI.ii.2.2, 228, and material appended to III.2.31 on p.129)

Impartiality brings with it a view of others as equal. Indeed, the main *reason* for taking up an impartial stance seems to be that we can then see others as equals: what we gain, when we overcome self-love, is that we see the “balance” of other people's interests with our own, the equality of all human interests. When our selfish passions are checked, says Smith a few paragraphs later, we realize “that we are but one of the multitude, in no respect better than any other in it.” (TMS III.3.4, 137) We learn “the real littleness of ourselves,” he says, and he uses similar language over and over to make the point that our greatest moral mistakes come when we try to assert superiority over other people. In the race for wealth, no-one is allowed to “juttle, or throw down” any of his competitors: “This man is to [the spectators of that race], in every respect, as good as he: they do not enter into that self-love by which he prefers himself so much to this other.” (TMS II.ii.2.1, 83) Again:

What chiefly enrages us against the man who injures or insults us, is the little account which he seems to make of us, the unreasonable preference which he gives to himself above

tion with, and thus respect for, the other as having an independent point of view. ...

For Smith, therefore, the implied framework of judgments of ... propriety is a moral community among independent equal persons. Judgments of [propriety] involve an implicit inter-subjectivity, a projection into the standpoints of independent individuals that is disciplined by a standard of one among equals, as ‘one of the multitude, in no respect better than any other in it.’ (TMS III.3.4, 137)

us, and that absurd self-love, by which he seems to imagine, that other people may be sacrificed at any time, to his conveniency or his humour. (TMS II.iii.1.5, 96)

“Injury” and “insult” are Smith’s technical terms for the harms inflicted by injustice, and here, as in the previous passage, Smith is characterizing the resentment, on our own behalf or on behalf of others, that underlies the virtue of justice. The point of the passage is to explain why even small acts of injustice seem to deserve punishment, and the argument is that even where the material harm done is slight, an act of injustice suggests that the victim is somehow less worthy than the agent, and thereby constitutes an important symbolic harm. The anger that boils out of the passage indeed captures wonderfully how we feel when another person seems to imagine that we “may be sacrificed at any time, to his conveniency or his humour,” how bitterly we resent such a symbolic degradation below the equal worth that we think we share with all other human beings.

Now there are strands in Smith’s writing that suggest a different picture, in which a few people manage to be virtuous while the bulk of humanity lives out an inferior, second-rate, sort of life. But even when he says things like this, he describes the most admirable people as those most inclined to see others as their equals. According to Smith, the perfect sage, the person who most fully tries to live up to the ideal model of humanity within himself, may be aware that he is superior to “the approximation to this idea which is commonly attained in the world,” but

as his principal attention is always directed towards the [ideal] standard, he is necessarily much more humbled by the one comparison, than he ever can be elevated by the other. He is never so elated as to look down with insolence even upon those who are really below him. He feels so well his own imperfection, he knows so well the difficulty with which he attained his own distant approximation to rectitude, that he cannot regard with contempt the still greater imperfection of other people. (TMS VI.iii.25, 248)

For Aristotle, the fully virtuous man both is superior to other people and has a feeling of his own superiority; that feeling is indeed part of his virtue. For Smith, even insofar as there are “superior” and “inferior” people, one mark of the superior kind is that *they do not regard the others as inferior*; one part of their virtue is humility, which entails recognizing the insignificance of the differences among people. They are superior, in good part, because they don’t consider themselves superior. Virtuous people

take up the position of conscience, the stance of the impartial spectator, from which vantage point they see “the real littleness of themselves,” the fact that they are but “one of the multitude, in no respect better than any other in it.”

There is thus a strong endorsement of human equality as a normative principle in Smith, of the notion that all people ought to be regarded as equal, and indeed a strong suggestion that the moral point-of-view—the point-of-view of the impartial spectator—*requires* us to see all human beings as equal. Of course this “equality” is some sort of “equality in principle,” some sort of fundamental equality in worth, and does not directly presuppose that people are equal in virtue or intelligence, or entail that they be made equal in wealth, political and social status, or happiness. Yet the normative principle puts pressure on how we view the facts about human beings. It is difficult to believe that people really have equal worth in principle if they seem in fact to be irremediably unequal in worthy qualities, and it is difficult to see how great inequalities in goods can be justified if human equality is our basic norm. Why should I see myself “as in no respect better than any other” human being if many others are in fact obviously less intelligent or virtuous than I am? How, on the other hand, if we do regard all people as equally worthy, can we tolerate great differences in the quality of life they enjoy? Normative egalitarians must grapple with two kinds of factual inequality: inequalities in human characteristics, which challenge the justification for saying that people are equal, and inequalities in human reward.⁷ Smith offers responses to both these problems.

That people are in fact equal, in at least the capacity for virtue and intelligence, is a theme that runs through both TMS and WN. The most explicit passage in this regard is WN I.ii.4 (28-9):

The difference of natural talents in different men is, in reality, much less than we are aware of; and the very different genius which appears to distinguish men of different professions, when grown up to maturity, is not upon many occasions so much the cause, as the effect of the division of labour. The difference between the most dissimilar characters, between a philosopher and a common street porter, for example, seems to arise not so much from nature, as from habit, custom, and education. When they came into the world, and for the first six or eight years of their existence, they were, perhaps, very

⁷ The distinction between these two sets of issues is not a sharp one, since one important way in which human rewards differ is that some people receive, from childhood onwards, better *means for developing* intelligence and virtue than others do.

much alike, and neither their parents nor play-fellows could perceive any remarkable difference. About that age, or soon after, they come to be employed in very different occupations. The difference of talents comes then to be taken notice of, and widens by degrees, till at last the vanity of the philosopher is willing to acknowledge scarce any resemblance.

Three comments on this passage. First, Smith's use of a "philosopher" —his own profession— in this example is no accident. In a number of other places, he uses philosophers when he wants to show the universality of some psychological or social feature of human beings (see, e.g., TMS I.ii.2.4, 34 or LJ A.vi.49, 349). It is important to Smith to show that he himself is no exception to general humanity, and to prick his own vanity first when urging his reader to do so. Smith thus enacts his normative commitment to human equality in the very course of preaching it.

Second, the passage serves to buttress Smith's argument that the division of labor does not reflect natural divisions of talent among human beings, but is merely a way by which people can most productively use their talents for the greater good of everybody. Smith consistently plays down the importance of inborn differences in talent: in WN he tells us that difference in talents is a matter of difference in training, not difference in native endowment (I.vi.3, 65). Indeed, this line of argument really begins right at the start of the book, where the value of dividing up labor is introduced without so much as a mention of differences in human talent. That differences among human talents are unimportant, and that the division of labor creates such differences more than the other way around, is one of Smith's most controversial claims. Plato already maintained that a division of labor is essential to economic productivity (*Republic* 369e-370b), but he argued for a division that reflected the natural differences in human talents, and many writers, both before and after Smith, have followed Plato rather than Smith in this regard. Even the socialist Karl Polanyi agrees with Plato more than with Smith: "Division of labor ... springs from differences inherent in the facts of sex, geography, and individual endowment."⁸ Yet Smith appears to have been committed to a remarkably strong version of the claim that people are essentially equal in abilities. One of his most implausible claims — hat "a great part" of the machines used in manufacturing are invented by the workmen (WN I.i.9, 21)— reflects, in its very implausibility, his strong desire to see the humblest of people as ingenious. Smith indeed hints several times in his writings that he took a special interest in conver-

⁸ Polanyi, *The Great Transformation* (Boston: Beacon, 1944), p. 44.

sing with poor people.⁹ At one point, he indicates that he made efforts to converse with a yet more often despised class of people. “[W]hoever has taken the trouble to examine” the mentally retarded, he says, knows that they are far more capable than they think they are, and he then details what conversations with mentally retarded people are like (TMS VI.iii.49, 260-1). Both the content of this claim and the indication that he sought out such conversations suggest that Smith had an unusual degree of respect for a class of people who are generally overlooked even today. So the claim about the similarities between philosophers and street porters should be seen as part of a larger, energetic attempt to minimize differences in human ability.

Third, Smith often appeals to the importance of early childhood education in shaping human character, and this too is a mark of an attempt to show that people are much more equal, in fact, than they are generally taken to be. If fully achieving virtue is possible only via the kind of sophisticated education that Plato and Aristotle prescribe, an education that may require, as it does for Plato, mathematical and logical skills that not every human being has, and that in any case demands an investment of time that ordinary laborers are unlikely to be able to afford, then the virtuous will necessarily make up only a small elite in every society. For Plato and Aristotle, unabashed elitists both, this was unproblematic. Yet even modern egalitarians have often believed that an extensive higher education in literature and philosophy is necessary to develop human capacities to their fullest (Kant, Schiller, and John Stuart Mill are good examples). These thinkers have had to struggle mightily to reconcile the egalitarianism they hold in principle with the elitism implicit in their view of education. Since Smith takes the education necessary for virtue to be something all human beings receive in early childhood, he faces no such problem. He tells us that what philosophers like Plato prescribed as the only route to virtue—an “artificial and refined education” in “the severest, [and] profoundest philosophy,” in which one engages in “the abstruse syllogisms of a quibbling dialectic” (TMS III.3.8, 139; III.3.21, 145)—is unnecessary and in fact far inferior to “that great discipline which Nature has established for the acquisition of ... virtue.” (TMS III.3.21, 145) And the discipline of nature turns out to be the sort of thing that practically all children learn in their families. Smith describes how the nurse or the parents of a baby teach it some degree of “self-command” when they require it to restrain its anger, and how it learns that central virtue to an even greater degree when, as an older child, it must

⁹ See Fleischacker, *On Adam Smith's Wealth of Nations: A Philosophical Companion*, (Princeton: Princeton Univ. Press, 2004), pp. 39-40.

“moderat[e], not only its anger, but all its other passions, to the degree which its play-fellows and companions are likely to be pleased with.” (TMS III.3.22, 145; see also LJ A.iii.5-7, 142-3) This playing with children outside the home is, Smith says, the beginning of “the great school of self-command.” (TMS III.3.22, 145) The other main component of moral education is what children learn by interacting with their parents and siblings:

Do you wish to educate your children to be dutiful to their parents, to be kind and affectionate to their brothers and sisters? put them under the necessity of being dutiful children, of being kind and affectionate brothers and sisters: educate them in your own house. From their parent’s house they may, with propriety and advantage, go out every day to attend public schools: but let their dwelling be always at home. Respect for you must always impose a very useful restraint upon their conduct. (TMS VI.ii.1.10, 222)

Smith makes out moral teaching out to consist most importantly of being in circumstances that train one’s emotions, receiving certain kinds of emotional reactions to one’s behavior, and trying to follow moral examples—not of receiving any explicit instruction or grasping philosophical principles. All the childhood teaching he endorses is inexplicit: the parents are not told to read uplifting books to their children, nor to teach them moral or spiritual truths, and the explicit learning children receive in school is played down. Similarly, in WN, Smith describes the Greek belief that an education in the arts¹⁰ can “humanize the mind, ... soften the temper, and ... dispose it for performing ... social and moral duties,” notes that the Romans held no such belief, and then drily remarks that “[t]he morals of the Romans ... seem to have been, not only equal, but upon the whole, a good deal superior to those of the Greeks.” (WN V.i.f.40, 774). Smith puts the non-philosophical “teaching” of parents and play-mates ahead of what we can learn from literature and philosophical systems, in developing moral character, and thereby suggests that the achievement of virtue is open to everyone with a decent family, not something that only a formally educated elite can attain. Indeed, it is far from clear that an educated elite will be particularly good at achieving virtue. They may rather, like the Greeks who put such an emphasis on the arts, excel in certain kinds of learning while *lacking* the proper emotional structure for virtue altogether.

As against this egalitarian strain in Smith, one might mention his references to the undiscerning eyes of “the mob” (e.g. TMS VI.ii.1.20, 226),

¹⁰ The word he uses is “musick,” but for the Greeks this included all the arts: “music” is that over which the Muses watch.

the contrast he sometimes draws between this mob and people of wisdom and virtue, especially his remark that “They are the wise and the virtuous chiefly, a select, though, I am afraid, but a small party who are the real and steady admirers of wisdom and virtue” (TMS I.iii.3.2, 62). But it is not clear how significant these passages are. In the first place, language deriding “the mob” is eighteenth century boilerplate, something Smith may have included as part of the rhetorical conventions of his time. In the second place, “wise,” for Smith, is almost always coupled with “virtuous,” and seems to consist mostly in the recognition that one should not expect too much from life. Thus Smith’s “select, . . . small party” is not a party of those with special, well-cultivated intellectual skills, just of people who attend closely enough to the beauty of virtue that being decent rather than being rich or famous is their goal in life. Not every human being *does* achieve this wisdom and virtue —only “a select . . . [and] small party” does— but any human being, regardless of class or formal education, *can* achieve it, and in principle everyone could.

In the third place, therefore, Smith’s relegation of virtue to a select and small party is more a comment on social conditions than on human nature. That people are equally *capable* of virtue and intelligence does not mean that they will in fact develop equal virtue and intelligence. All sorts of social conditions and institutions may get in the way of their doing that. Smith believes that the advancement of the division of labor “obliterate[s] and extinguishe[s]” the nobler parts of human character in the vast bulk of the population (WN V.i.f.50, 784). He also believes that lavish churches, in which clergy live sumptuously, set up the wrong sort of role models for our emulation, and that churches like his own Scottish Presbyterian one, in which the clergy are paid poorly and therefore gain dignity only by “the most exemplary morals” (WN V.i.g.38, 810, also V.i.g.37, 809-10, and V.i.g.42, 814), can help inspire modesty and decency. Social arrangements can therefore help or hinder people in making use of their equal capacities. If everyone begins on an equal level, but then is shaped so as to become unequal in mental or moral abilities, it will be possible to have a “mob” that gets confused, or follows blind passions, or in many other ways fails to live up to what they could be doing. But better social arrangements might eliminate such a mob.

3. The Practical Implications of Smith’s Moral Egalitarianism

This brings us to the other half of the problem, for a normative egalitarian, with the actual inequalities among people. How can the equal

worth of all human beings be reconciled with the inequality in the material conditions people face, across practically all societies? Smith offers three sorts of response to this problem: 1) he minimizes the importance of material inequalities, 2) he regards them as outweighed, even for those who get the short end of the stick, by other goods, and 3) he advocates greater equality. We will look quickly at the first two of these strategies, then examine the third in some depth, and its important implications for Smith's politics.

Smith claims that people can be happy in most of the "permanent situations" of human life, which makes differences in material goods and social status appear relatively unimportant. Happiness, he says, consists primarily in tranquillity, the ability to adapt to whatever fate throws one's way. But in that case the difference between one material or social situation and another will be small. There is room here to acknowledge that some situations are truly awful, and nothing Smith says here is meant to minimize the suffering of the poor and oppressed. He is not bothered, however, by the inequality between middle-class people and those with great wealth. To exaggerate the difference that more goods or a higher social status makes to one's happiness is, for Smith, a great moral mistake and the source of much unhappiness.

Smith also argues that inequalities in social status can be for the benefit of all, including the worst off. In the first chapter of WN, he shows how the unequal socio-economic order of the commercial world leads to levels of productivity that enable even the worst-off person in that world to be better off than the king of a more egalitarian hunter-gatherer society. (Among hunters, he says, "[u]niversal poverty establishes ... universal equality" (WN V.i.b.7, 712)). He also says that socio-economic inequality helps underwrite the stability of political orders and thereby contributes to a strong and fair system of administering justice (WN V.i.b.3-12, 710-15; see also TMS VI.ii.1.20, 226). But there is nothing more important to the poor themselves than a strong and fair system of justice, so social hierarchy again serves the interests of those at the bottom of the hierarchy.

That said, Smith's response to the inequality in human reward is in large part to urge movement towards greater political, economic, and social equality. He was bitterly opposed to slavery —used as such by many eighteenth and nineteenth century abolitionists¹¹ — although he was also pes-

¹¹ See David Brion Davis, *Slavery and Human Progress*, (New York: Oxford Univ. Press, 1986), pp. 180, 282 and Seymour Drescher, *The Mighty Experiment: Free Labor Versus Slavery in British Emancipation*, (Oxford: Oxford UP, 2002), *passim*. Drescher notes that some *pro*-slavery activists also appealed to Smith's writings (p.247, note 39), however, and that the abolitionist movement "first pounced on and then virtually abandoned the bold affirmation of the inferiority of slave labor in *Wealth of Nations*." (p. 33)

simistic that it would ever be abolished. (LJ A.iii.101-117, 181-187) On this issue, and as regards disputes between “masters” and workers, Smith sees government as properly a champion of the weakest in society (WN I.x.c.61, 157-8), but fears that it will often not live up to that role. His emphasis on the importance of justice is itself a way of urging the importance of equality: as we have seen, the rules of justice express the equality of human beings in a particularly strong way. When Smith insists, as he does over and over again, that the sovereign must ensure justice for all citizens, he is insisting on a legal framework that expresses the equality of all citizens: a policy that “hurt[s] in any degree the interest of any one order of citizens, for no purpose but to promote that of some other, is evidently contrary to that *justice and equality of treatment* which the sovereign owes to all the different orders of his subjects.” (WN IV.viii.30, 654, emphasis added). The equality to which Smith here refers is political equality, but he also makes proposals to reduce socio-economic equality. He urges the abolition of primogeniture and entail, which maintained unearned gluts of wealth over centuries, and makes a number of proposals which he believes will make it easier for the poor to rise socially: the abolition of apprenticeship requirements and the laws of settlement, and the reform of a number of tax policies (WN I.x.c, 135-59; V.ii.c.10-19, 830-4; V.ii.e.6, 842).

More radically —and contrary to the claims of many who rely on Smith today— Smith supports the re-distribution of wealth, albeit in a modest way. Wealth can be re-distributed either by a direct transfer of property from the rich to the poor, or by taxing the rich at a higher rate than the poor, or by using tax revenues, gathered from rich and poor equally, to provide public resources that will mostly benefit the poor. Smith makes proposals that fall under both the second and the third headings.

The most important of these is the advocacy of public schooling. In both LJ and WN, Smith cites the mind-numbing nature of certain kinds of labor as one of the greatest dangers of an advanced economy, and says that the state should take steps to insure that the labouring poor have an education fostering in them the capacity for moral and political judgment (WN V.i.f.50-61, 781-8), and giving them “ideas with which [they] can amuse [themselves]” (LJ B.330, 540). Building on institutions that already existed in Scotland, he recommends that all states underwrite local schools that teach reading, writing, and “the elementary parts of geometry and mechanics.” (WN V.i.f.55, 785)

In addition to this proposal, Smith suggests that luxury vehicles pay a higher road toll than freight vehicles, so that “the indolence and vanity of the rich [can be] made to contribute in a very easy manner to the relief of

the poor” (WN V.i.d.5, 725). He also advocates a tax on house-rents, in part because it will fall heaviest on the rich: “It is not very unreasonable that the rich should contribute to the publick expence, not only in proportion to their revenue, but something more than in that proportion.” (WN V.ii.e.6, 842) Finally, as Gertrude Himmelfarb has pointed out, Smith “conspicuously did not ... challenge” the English Poor Law —the most significant government program to help the poor in his day, and one that came under criticism, then and later, as too expensive and as sapping the incentives of the poor to labor.¹²

4. Smith’s Picture of the Poor

This is about all one can find in Smith in the way of positive programs to help the poor, but even this much was radical in Smith’s time. We should remember that Smith was writing at a time when common wisdom held that the poor needed to be kept poor, else they would not work, that only necessity prevented the poor from wasting their time in drink and debauchery. Most writers also held that poor people needed to be restrained from luxury spending, and taught habits of deference so that they remained in their proper social place and did not ape their superiors. In this context, to propose *any* government programs that would allow wages to rise, and poor people to aspire to the goods and learning of the middle and upper classes, was to swim mightily upstream.

Which brings us to the most important consequence of Smith’s egalitarianism: almost single-handedly, Smith *changed the attitudes towards the poor* that underwrote the restrictive, disdainful policies by which the poor were kept poor. “More important than this or that policy [in Smith],” Himmelfarb rightly says, “was the image of the poor implicit in those policies.” And she sums up a consensus among scholars when she writes, “if the *Wealth of Nations* was less than novel in its theories of money, trade, or value, it was genuinely revolutionary in its view of poverty and its attitude towards the poor.”¹³

¹² Himmelfarb, *Idea*, 61. Himmelfarb notes that commentators often confuse Smith’s attack on the laws of settlement with an attack on the Poor Law.

Smith’s contemporary Joseph Townsend attacked the Poor Law for (among other things) sapping the incentive of the poor to work in his 1786 *Dissertation on the Poor Laws*.

¹³ *Idea*, 62, 46. See also Daniel A. Baugh, “Poverty, Protestantism and Political Economy: English Attitudes Toward The Poor, 1660-1800,” in *England’s Rise to Greatness*, ed. Stephen Baxter, (Berkeley: Univ. of California Press, 1983), p. 86).

Smith's picture of the poor may be one we take for granted now, but that is in good part the effect of his work. Smith has indeed changed our notion of what "the poverty problem" *is*; his predecessors regarded it as the problem, primarily, of how to cope with the vice and criminality of the lower classes. On the whole, they did not think the world should, much less could, do without a class of poor people. Until the late eighteenth century, most people in Christian countries believed that God had ordained a hierarchical organization for society, with the truly virtuous people occupying positions of wealth, or power, at the top, and "the poor and inferior sort" at the bottom.¹⁴ Of course, the people at the top were supposed to help those at the bottom—but not enough to raise them above their proper place. Alms-giving was understood as a means to redemption, in Christianity as in many other religions, and the existence of the poor was seen as an integral part of God's plan for human life: "God could have made all men rich, but He wanted there to be poor people in this world, that the rich might be able to redeem their sins."¹⁵ This teaching was virtually unquestioned in medieval times, but as late as in 1728, the common wisdom about the social order was expressed in these words of Isaac Watts, a renowned advocate for the poor: "Great God has wisely ordained ... that among Mankind there should be some Rich, and some Poor: and the same Providence hath allotted to the Poor the meaner Services."¹⁶ Daniel Baugh sums up the situation in the mid-eighteenth century:

In ... 1750, ... there were two widely held attitudes toward the poor existing side by side. ... The dominant one supposed that the poor should never have misery lifted from them, nor their children be encouraged to look beyond the plough or loom. It reflected traditional notions of social hierarchy and was reinforced by economic theories about labor and motivation. The other attitude was derived chiefly from Christian ethics. It held that the duty of the rich was to treat the poor with kindness and compassion, and to aid them in times of distress. This benevolent attitude did not provide a suitable basis for policy-making; rather it was a reminder of conscience, of the fact that the ill-clad, filthy laboring masses habitually viewed with contempt by their betters, were equally God's

¹⁴ Walter Trattner, *From Poor Law to Welfare State*, fifth edition, (New York: The Free Press, 1994), p. 18

¹⁵ Bronislaw Geremek, *Poverty: A History*, trans. Agnieszka Kolakowska, (Blackwell, 1994), p. 20.

¹⁶ Baugh, "Poverty, Protestantism..." p. 80.

creatures, whom a Christian community could neither exclude nor ignore.¹⁷

And the major breakthrough in getting beyond both of these attitudes, says Baugh, “came in 1776, when a philosopher of great learning, penetration, and literary persuasiveness published his *Inquiry into the Nature and Causes of the Wealth of Nations*.”¹⁸ Smith combated both the explicit condescension of the first view and the implicit condescension of the second one. He was a virulent opponent of the notion that the poor are inferior in any way to the well-off. Over and over again, Smith pricks the balloon of vanity upholding a contemptuous picture of the virtues and skills of the poor. He presents the poor as people with the same native abilities as everyone else: “The difference in natural talents in different men is, in reality, much less than we are aware of.” Habit and education make for most of the supposedly great gap between the philosopher and the common street porter, even though “the vanity of the philosopher is willing to acknowledge scarce any resemblance” between the two (WN I.ii.4, 29). To those who complain that the poor are naturally lazy,¹⁹ Smith declares that, on the contrary, they are “very apt to over-work themselves” (WN I.viii.44,

¹⁷ Baugh, p. 83.

¹⁸ Baugh, p. 85.

¹⁹ The lower sort, said Mandeville, “have nothing to stir them up to be servicable but their Wants, which it is Prudence to relieve but Folly to cure” (quoted in Baugh, note 53). Want is necessary to motivate the poor: “if nobody did Want nobody would work.” Mandeville here echoes William Petty, who thought the poor should be kept busy even if they merely moved “stones at Stonehenge to Tower-Hill, or the like; for at worst this would keep their mindes to discipline and obedience, and their bodies to a patience of more profitable labours when need shall require it,” (Baugh, 77) and anticipates Arthur Young, who declared in 1771 that “every one but an idiot knows, that the lower classes must be kept poor, or they will never be industrious.” So wages must be capped, and leisure hours restricted. The poor should work long hours, for low wages, else they would lose the habit of working altogether. The common practice of “work[ing] for four days in order to drink for three, Saturday, Sunday and good St Monday being devoted to pleasure” was an evil one (Neil McKendrick, “Home Demand and Economic Growth,” in McKendrick (ed.), *Historical Perspectives: Studies in English Thought and Society*, [London: Europa Publications, 1974], p. 183).

Smith says, about this last practice specifically and about the notion, generally, that the poor are idle: “Excessive application during four days of the week is frequently the real cause of the idleness of the other three, so much and so loudly complained of. Great labour, either of mind or body, continued for several days together, is in most men naturally followed by a great desire of relaxation, which ... is almost irresistible. ... If it is not complied with, the consequences are often dangerous, and sometimes fatal ... If masters would always listen to the dictates of reason and humanity, they have frequently occasion rather to moderate, than to animate, the application of many of their workmen.” (WN I.viii.44, 100)

100). To those —and these were legion, even among advocates of the poor— who saw indulgence in drink as a vice characteristic of poor people, Smith replied that “Man is an anxious animal and must have his care swept off by something that can exhilarate the spirits.” (LJ B.231, 497). To those who complained that the poor were affecting the manners of their “betters” and should in any case be restrained from buying luxury goods,²⁰ Smith says that it is “but equity” for the lower ranks of society to have a good share in the food, clothes, and housing they themselves produce (WN I.viii.36, 96), and that it is “the highest impertinence and presumption, ... in kings and ministers, to pretend to watch over the economy of private people.” He adds, about these kings and ministers: “They are themselves, always, and without any exception, the greatest spendthrifts in the society.” (WN II.iii.36, 346) The poor, he believes, tend to be frugal rather than prodigal: practically everyone, including practically every poor person, saves in order to rise in social standing (WN II.iii.28, 341-2).

This is not the end of the list. Smith defends the religious choices of poor people against the contempt and fear of his Enlightenment colleagues, pointing out that the religious sects that poor people tend to join, while sometimes “disagreeably rigorous and unsocial,” provide laborers in a vast and anonymous urban setting with community and moral guidance (WN V.i.g.10-12, 794-6). He repeatedly demonstrates that it is better for poor workers to be independent rather than dependent on their “superiors” (WN I.x.c.14, 139; III.i.5, 378-9; III.iv.4-15, 412-21). He even offers an excuse for

²⁰ Henry Fielding was but one of many writers who worried about the blurring of ranks consequent on the lower order’s consuming luxury goods: “the very Dregs of the People,” he wrote in 1750, “aspire ... to a degree beyond that which belongs to them.” Neil McKendrick says that Smith’s contemporaries “complained that those becoming marks of distinction between the classes were being obliterated by the extravagance of the lower ranks; that working girls wore inappropriate finery, even silk dresses.” (McKendrick, “Home Demand,” p. 168)

Others, nominally at least, worried about the effect of luxury on the poor’s own well-being. Here is Daniel Defoe:

[I]f such Acts of Parliament may be made as may effectually cure the Sloth and Luxury of our Poor, that shall make Drunkards take care of Wife and Children, spendthrifts, lay up for a wet Day; Idle, Lazy Fellows Diligent; and Thoughtless Sottish Men, Careful and Provident ... there will soon be less Poverty among us. (“Giving Alms no Charity,” in *The Shortest Way with the Dissenters and Other Pamphlets*, [Oxford, 1927], pp. 186-8)

Similarly, Sir Frederick Eden’s famous 1797 report “constantly complained of the mis-spending of the poor on unnecessary luxuries and inessential fripperies.” Even Elizabeth Gaskell, writing in the mid-nineteenth century, felt compelled “to offer some explanation of the extravagance of ... working class wives” who indulged in ham, eggs, butter, and cream. (McKendrick, pp.167-8, 191-2).

the mob violence characteristic of struggles between workers and their masters (WN I.viii.13, 84-5).

In the context of the eighteenth century, then, Smith presents a remarkably dignified picture of the poor, a picture in which they make choices every bit as respectable as those of their social superiors — a picture, therefore, in which there really are no “inferiors” and “superiors” at all. Individual people may be good or bad, of course, but Smith urges his readers to see the average poor person as much like themselves: equal in intelligence, virtue, ambition, and interests with every other human being, hence equal in rights and desert, in dignity. It is this picture of the poor as equal in dignity to everyone else, and as deserving, therefore, of whatever we would give to our friends or expect for ourselves, that sets up the possibility of seeing poverty itself as a harm, as something that, since we would not have it inflicted on anyone we loved or respected, we should not be willing to have inflicted on anyone. Seeing the poor as like one’s friends and oneself invites the question, “don’t they deserve not to *be* poor?” One would rather one’s friends and acquaintances work from choice rather than need, that they have a buffer against hunger or homelessness should they lose their jobs, and that they have enough education, health, and financial resources to be able to lift themselves out of a miserable social condition if they try. So once we come to see the poor as our equals, it is but a small step to ask, “should there not be education, health care, unemployment protection, etc. for *everyone*?” The difficult step is coming to see the poor as our equals. It is essential to the modern notion of distributive justice that one believe the poor *deserve* certain kinds of aid, but one is unlikely to believe that if one takes the poor to be naturally or divinely appointed to the bottom of a social hierarchy, or to be inherently vicious and indolent. The possibility that people might have a right not to be poor, that the state, in the course of enforcing human rights, should attempt to abolish poverty, is one that could open up only once Smith’s dignified portrayal of the poor replaced the views, which had reigned unquestioned for centuries, by which poverty went with a difference in kinds of people, not merely a difference in luck.

5. Bringing Smith’s Egalitarianism to the Modern Day

What implications might all this have for the use of Smith in politics today? Well, one thing that does not follow is a straightforward endorsement of state socialism, or of any other heavy reliance on government to solve the problems of the poor. Smith’s libertarian followers rightly stress

his critique of the ineffectiveness and corruption of government; that government officials cannot possibly know enough to run an economy is a central theme of WN, and both WN and TMS suggest that government attracts less than admirable people to its service.²¹ To counteract these problems with government, Smith limited the sphere of proper government action, urged that governments act as much as possible through general, standing laws rather than through complex bureaucracies—which give individual officials excessive amounts of discretionary power—and warned against all political programs that call for sweeping, rapid social change. Politics should on the whole provide only very general guidance to the intricate ways by which societies run, and improve, themselves; only on rare occasions can governments directly help solve social problems.

That said, there is nothing in Smith to oppose government aid to the poor, as long as that can be done through simple, general laws and in a slow, gradual way. Smith would have been appalled by a “survival of the fittest” model of the economy, along the lines of the later free marketeer Herbert Spencer, who thought it was a good thing for the rich to prosper and the poor to die out. And Smith would have been repulsed by the contemporary right’s tendency to blame the poor’s problems on themselves. Casual invocations of “tough love,” where that means that poor people should work their own way out of any suffering, are alien to Smith’s writings. Smith went to great lengths to get his readers to imagine in detail how poor workers are driven to desperation when their pay is inadequate (WN I.viii.13, 84-5) or why poor workers tend to suffer more than the rich from the anonymity of cities (WN V.i.g.12, 795). It is difficult to imagine him being anything but angered by the insensitivity displayed when a writer like George Gilder, himself prominent and well-off, proclaims that “in order to succeed, the poor need most of all the spur of poverty.”²² Certainly, no-one who had really tried to imagine himself into the situation of poor people would ever write something like that.

Where does that leave us, as regards contemporary issues in political economy? Well, it is easy to imagine Smith approving of negative income taxes, which can be instituted by general, easily administered laws, while having his doubts about complex bureaucracies that distribute welfare checks. We might similarly picture him approving of housing vouchers while criticizing public housing programs, or welcoming a high tax on inheritance—perhaps even the elimination of inheritance²³—while having nothing

²¹ See Fleischacker, *On Adam Smith’s Wealth of Nations*, pp. 299-36.

²² Quoted in Trattner, *op. cit.*, p. 363.

²³ See Fleischacker, *On Adam Smith’s Wealth of Nations*, pp. 197-200 and “Why Capitalists Should Like Estate Taxes,” *Salon.com*, 02/15/01.

good to say about a progressive but bewilderingly complicated tax code. (A complicated tax code, for one thing, burdens the lower and middle classes heavily, while favoring those with the money to hire a clever lawyer.)

Smith might also favor ways of helping the poor that avoid government action. Labor unions were preceded in Britain by worker groups called “Friendly Societies,” which provided health and life insurance of a sort to their members, and were in addition pleasant, well-loved sources of community. As late as 1874, these societies enrolled 2,250,000 members —as compared with the 60,000 who bought health insurance from private companies.²⁴ One can imagine Smith preferring this sort of self-help effort over a government program to achieve the same ends, although his view of politics would also allow governments to aid such groups where they can.

As these examples indicate, what marks a policy as “Smithian” is its form at least as much as its content: the way it is implemented at least as much as its ends. Smith’s argument for keeping governments largely out of the economic sphere is focused overwhelmingly on the *how* of government action, on the incapacity of government for the ends it tries to pursue. It is a mistake to see this concern as supporting a right- rather than a left-wing conception of the *why* of government action, of its proper ends. If my reading of Smith is correct, he would have shared the left’s belief that governments, to the extent they can, ought to help the weak and the poor in their struggles with the strong and the rich, and on almost any reading of Smith, he opposed two other ends that have been central to right-wing conceptions of government: the pursuit of national glory, or the use of government to promote religion. So the idea that Smith’s writings might be a useful source for those on the left of the political spectrum is by no means a far-fetched one.

But there is also something chastening about Smith to those on the left. His limited conception of what governments can successfully do provides a healthy dose of realism to people who suppose, as soon as they see oppression or suffering, that the state should cure it. His confidence in the everyday workings of society, and the judgments of ordinary people, are a healthy counter-weight to the trust that many on the left put in academic theorists. These are things that one will not learn from Karl Marx or John Rawls, and they follow too from Smith’s belief in the equality of human beings: theorists, as well as politicians, need to avoid exaggerating the superiority of their talents and knowledge over those of ordinary people.

²⁴ Barry Supple, “Working-class Self-help and the State,” in McKendrick (ed.), *Historical Perspectives*, 216-7

Charles Griswold has rightly said that it is “impossible to see Smith as either ‘conservative’ or ‘liberal,’ ‘right’ or ‘left,’ in the contemporary ... sense of these terms.”²⁵ Smith is by no means a clear ancestor of the hardline pro-free market ideology that would abolish governmental programs on behalf of the poor, but neither is he a good source for those who believe governments can simply solve the problem of poverty. The “rightist” reading of Smith picks up on Smith’s suspicion of radical change of any kind, and of government intervention in society, especially when that intervention requires a large bureaucracy. The “leftist” reading picks up on his strong and consistent sympathy for the poor, and the many indications in his work that government favoritism for this section of society is just and equitable. These views follow from his egalitarianism. One cannot truly enter into sympathy with a person one regards as inferior to oneself, nor is one likely to emerge from a thorough imaginative projection into the shoes of another without feeling that that other is one’s equal. Hence Smith’s moral method teaches us the fundamental importance of human equality, and the egalitarianism of his moral thought carries over into his politics. A feeling of equality with everyone else in society, a feeling by which we see the fate of all our neighbors, including and especially our weakest neighbors, as our own, is an essential component of any Smithian politics. And it is hard to see how that sort of feeling can be squared with anything less than an ongoing effort to end the conditions that condemn some people to poverty, anything less than an end to the conditions that give some of us gruelingly inferior lives to others. Alfred Marshall, in 1890, said that the possibility of getting rid of poverty is what “gives to economic studies their chief and their highest interest.”²⁶ He was, in this as in many other respects, one of Smith’s truest disciples.

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<i>LJ</i>	<i>Lectures on Jurisprudence.</i>
<i>RN</i>	<i>La Riqueza de las Naciones</i> [<i>WN, The Wealth of Nations</i>].
<i>TSM</i>	<i>La Teoría de los Sentimientos Morales</i> [<i>TMS, The Theory of Moral Sentiments</i>].

²⁵ Griswold, *Adam Smith and the Virtues of Enlightenment* (Cambridge: Cambridge Univ. Press, 1999), p.295, note 64.

²⁶ Marshall, *Principles of Economics*, seventh edition [first edition published in 1890], (London: Macmillan, 1916), pp. 2-4.

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