

REVIEW OF ALBERTO BURGIO (ED.),
ADAM SMITH AND MODERNITY 1723-2023,
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Modernity is an evocative word that has been ‘in’ for a few decades, starting with Lyotard’s *The Post-modern Condition* of 1979. For example, Gloria Vivenza’s recent book bears the title *Adam Smith on the Ancients and the Moderns* (Routledge, 2024). Every important concept is hard to define, and modernity is no exception. The word was used to point to distinct themes by Lyotard and Vattimo on the one hand and Habermas on the other, either rationalism as dogmatism in disguise or an emancipative universalist project. Applied to Adam Smith, the term could evoke several topics: the Enlightenment, the opposition of savages to civilised nations, or of the ‘dark centuries’ to the post-reformation and post-renaissance centuries and even Smith’s alleged ‘irreligion’ to ‘superstition’. In the book reviewed, modernity alludes to the social constellation that came into being after the fall of feudalism and the development of towns and commerce.

The editor’s intentions in planning this collection are spelt out in his contribution, “History without providence? Adam Smith – historian and critic of modernity” (pp. 269-288). The questions are how Adam Smith pursued the goal of defining the nature and character of the new social, economic, political and moral constellation and what diagnosis he formulated on its state of health. The editor’s way of putting the question is the following: Smith is not a theorist of the progress of society – unless, we may add, we read the word progress according to the eighteenth-century lexicon as indicating a succession of stages in the history of society – and there are indeed two distinct historical narratives in LJ and WN, the former with a more favourable view of the virtues of savages and their condition of (comparative) poverty, the latter with an emphasis on the advantages of

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commercial society. Even in WN, Smith admits that in 'barbarous' societies "invention is kept alive, and the mind is not suffered to fall into that drowsy stupidity, which, in a civilised society, seems to benumb the understanding of almost all the inferior ranks of people" (WN, V.i.f.51). It is debatable whether Smith believed his remedies, that is, universal primary education, military training and public diversions, could be effective or little more than a palliative. The point is that in commercial societies, "the division of labour produces these effects" (p. 275). The editor's suggestion is that Smith's view of commercial society and his prospects for its future are pessimistic. In human history, the destiny of the common people has been at the mercy of "violence and injustice of the rulers of mankind", and the best that can be obtained is to stem the consequences of "the monopolising spirit of merchants and manufacturers" to prevent it "from disturbing the tranquillity of any body but themselves" (WN, IV.iii.c.9). In a word, even WN presents us with "a mercilessly critical portrayal" of modern commercial society (p. 280) and the confusion done by commentators between the stadial theory's idealised view of history and Smith's factual historical analysis "not only led to a progressivist view of history being attributed to Smith, but it also depicted him as an apologist for an economic system that he in fact 'attacked violently'" (p. 281).

A critical remark may be that the argument would have been developed more neatly leaving the idea of providence and Smith's religious or irreligious views out of the discussion. In fact, the "ideological role" acquired "from the middle of the 20th century" (p. 281) by Smith was the product of a secular misreading that had little to do with the ascription to Smith of a defence of natural theology on theoretical – not moral – grounds with an identification of the invisible hand with the hand of God. This ascription was the fruit of an early third-millennium drip of Christian-Capitalist propaganda spread by the self-styled "revisionist" school of Smithian scholarship, also shamelessly named the "New view", launched by Lisa Hill and magnified by Paul Oslington with a scissors-and-paste exegetical technique systematically crediting Adam Smith with those claims he refuted.

The project to plan a collection of essays on Adam Smith was a daring enterprise in these times because of Smithian scholarship's declining health status half a century after the Glasgow edition. At the beginning of this century, Jonathan Wight presented a conference paper with the title "Is There a Speculative Bubble in Scholarship on Adam Smith?" that was unfortunately published with a less exciting title, "The Rise of Adam Smith: Articles and Citations, 1970-1997" (Wight 2002). In this paper he documented a few tendencies: the spread of publications from Economics journals to journals specialising in the history of economic thought, and

then political theory, philosophy, psychology, and general history; the exponential growth in the number of papers on Smith; and the growing difficulty in keeping up with such growing and scattered bibliography. Now, after 20 more years, the bubble has grown bigger with undesirable effects (For an opposite, much more positive assessment, see Horn 2023). Among undesirable consequences there are the proliferation of papers on one topic in a short time span without the possibility to take account of each other, the tendential withering away of end-bibliographies, tendentially reduced to the three-four books in fashion at the moment plus a dozen of papers seldom directly relevant, constantly forgetting classical works. This malaise is felt here and there also in this collection; for example, in the analytical index, Lindgren appears twice, and Cropsey never does.

Besides the editor's contribution, the book includes 18 more chapters on several topics, not all pertinent to Smith's assessment of the modern post-feudal society. Let us start with nine chapters whose pertinence to the topic is undeniable, beginning with those which are also of high quality.

At first glance, Amos Witztum's "Endogenous ethics: Smith's contribution to the Enlightenment" (pp. 193-210) is somewhat off-topic, but at second sight it turns out quite pertinent to the question asked in the book. It starts with the claim that Smith's approach to ethics is a typical expression of an Enlightenment's intellectual tendency, namely the endogenisation of explanations. Instead of deducing normative ethics from an external point such as God's will, the eternal law written in the universe, or human nature, Smith's treatment of ethics is social theory, a mix of an empiricist-evolutionary approach and deductive reasoning. Thus, instead of enouncing prescriptions, the Smithian theory accounts for how the concepts of morally good or right are being formed endogenously in society and may vary in changing circumstances. An endogenous ethical theory is one where the value system reconstructed is consistent with all aspects of social life. From real-world moral judgment processes, Smith extrapolates the quasi-Kantian aspect of his ethical theory, that is, the impartial spectator. But human beings constantly oscillate between such an impartial point of view and their capacity to feel sympathy, limited by the degree of closeness with others. This is the source of the variability and possible corruption of moral judgments. The recursive nature of endogenous ethics consists in an unescapable feedback loop that makes so that "the pursuit of any strategy to achieve whatever it is people seek to achieve will inevitably have moral consequences", which "requires not only the right choice of strategy in terms of its ability to deliver the expected outcome for the actor but also a choice of strategy that is consistent with whatever is one's moral conception of social relationships" (p. 194).

The most decisive point in Smith's theory is that "the principle in human nature that lies behind the way in which people form moral opinions is closely associated with the principle in human nature that is the cause of the division of labour" (p. 196). Familiar misinterpretations imply a separation of Smithian ethical and economic theories which are instead inextricably linked, so that "while sympathy and self-interest may reflect different aspects of human nature [...] not only is there a connection between what motivates people – even in the pursuit of their direct interests – and how they form moral judgment but also [...] a connection between the circumstances that their behaviour creates and the way they behave and morally judge" (p. 197). In conclusion, Smith's account of endogenous morality within a systematic social theory may help "to understand how it can be possible for a society to become trapped in a corrupt sense of morality where social relationships have been commodified and the sense of moral goodness comes from a false sense of harmony" (p. 207), in Smith jargon "utility". Such corruption of sympathy explains why judgments tend to be based on utility instead of sympathy, and morality becomes commodified, precisely the tendency at work in commercial society. Thus, when mutual assistance "is provided out of benevolence and a genuine desire to help the other, society will flourish and be happy. When such assistance is provided in a mercenary fashion out of self-interest, society may subsist but in a very unhappy state" (p. 207). A pedantic remark may be that what Smith writes is that social life is "less happy and agreeable" (TMS, II.ii.3.2: 85-6) which sounds slightly less pessimistic. Nevertheless, Smith's pessimism about the moral tendency of commercial society is proved *ad abundantiam*.

Spyridon Tegos's "The joke is not funny anymore: irony, laughter and ridicule in Adam Smith" reads Smithian rhetoric as part of his system of ideas and his project of moral and political reform. The *Rhetorick Lectures* – the original title of the student notes – was the last part of the Smithian corpus to be discovered and still the less researched part. What is novel in Tegos's chapter is an attempt to explore the link between Smith's rhetoric and his moral and social philosophy. In TMS, instead of the most obvious option for eighteenth-century philosophers, that is, ridiculing intellectual servility, religious or philosophical sophistry and superstition, Smith mocks the rich and the great, demystifying royalty itself. First, he claims that the rich are envied "not because they are actually happier" (p. 79) but just own more means for happiness. Secondly, Smith notes that kings and lovers are the favourite protagonists in tragedy because "in spite of all that reason and experience can tell us to the contrary, the prejudices of the imagination attach to these two states a happiness superior to any other" (TMS, I.iii.2.2: 52). The fact that "the 'bulk of mankind' feels an unbounded admiration for the gratuitous sympathy gained by kings and lovers that threatens the

moral community” (p. 84) is the litmus test revealing the source of moral corruption. To fight this source of corruption, Smith’s prescription for the new emerging middle class is the adoption of a style of civilised behaviour appropriate. He develops a theory of decorum in laughter and ridicule that will reform impolite manners, bourgeois and aristocratic alike, and contribute to social stability in a post-feudal commercial society. Against Hobbes, Shaftesbury and Hutcheson he promotes a “novel, polite ironic style of expression” whose ingredients are “mutual respect and self-censure” (p. 84) that “averts uncivilized behaviour without naïve or religious-like idealizations” (p. 85)

The valuable lessons from this chapter are, first, that Smith’s writings should be read keeping the consistency of his oeuvre consistency in mind, a consistency which is also preserved through the various editions of TMS; secondly, that inaccurate judgments are easily pronounced when reading some parts in isolation without considering the same topic discussed in another part, for example, part I of TMS where the gratuitous admirations for the rich and great is described and part IV where the poor man’s son’s delusory journey is described; a third lesson is that Smith was not a twentieth-century apologist of Capitalism, that he was an eighteenth-century enlightener, a radical social critic siding with the commoners against the rich and the great; a fourth lesson is that there is more than a tension between economics and ethics in the Smithian oeuvre. In more detail, Smith’s oeuvre is a matryoshka where several dolls, from rhetoric to historical epistemology, social history, natural jurisprudence, ethical theory to the elusive abstract science of human nature and the unwritable natural theology are interlocked within each other, and current inaccurate judgments are formulated as an effect of ignoring the multiple tensions in this oeuvre, more intriguing than the dual tensions highlighted in various rediscoveries of *das Adam Smith Problem*.

Roberto Marchionatti’s “Smith and the savages in the Wealth of Nations, or the anthropology of political economy”, reconstructs two distinct narratives of the history of humankind, the former in LJ and TMS and the second in WN. In the former, Smith emphasises positive aspects of savage life, the savage’s intellectual and moral virtues and his life’s ease with a comparative abundance of necessities. From the 1760s, Smith started developing the conjectural history based on the four stages theory, where the life of American Indians is identified without reservations with the age of hunters, “the lowest and rudest” state of society. This theory implies an all-economic account of human evolution where the lack of division of labour and exchange accounts for what is now the age of hunters’ dire poverty. As a result of this revision, WN contradicts Smith’s previous opinions contrasting the dire poverty of the savages with the “wealth,

opulence and prosperity” of civilised nations. Notably, in the apologue of the King of savages, he points at the abundance of *material* means to happiness owned by the meanest manual labourer compared with the King of savages’ lack of material means, passing over the abundance of services available to the King of savages, who has hundreds of human beings under his command, and forgetting the difference between the means to happiness and happiness itself, a difference on which he had repeatedly insisted in TMS, in the poor man’s son apologue and elsewhere.

A particularly shocking blunder is Smith’s abuse of conjectural history, at his worst in chapter 1 of Part 1, where the origins of the division of labour and exchange by barter are fantastically projected back to the age of hunters suddenly forgetting the sources he knew well illustrating how the division of labour and the allocation of necessities among West Indians followed their own customary rules, far away from those of the market. We might add that this blunder is precisely what Marx reproached to Smith, the fact of presupposing the Scot in every man, being blamelessly ignorant of the fact that he had argued an opposite view in LJ, and guiltily ignoring that he had at least suggested the opposite view in TMS. We might also add that, though the tension between Smith’s early views and WN is undeniable and it is surprising that the account of the origins of the division of labour in the first chapter of WN may have been written by the author of TMS, yet a partial excuse for the vagaries of WN may be made if we admit that this work was *not* the first economic treatise but just a rhetorical exercise aimed at persuading the beneficiaries of “all the oppressive inequality” that it was in their interest to accord equal representation to the American colonists and high wages to the labouring poor.

Maria Luisa Pesante’s “Work and freedom in Adam Smith: limits of historical experience” starts highlighting the widespread confusion between natural liberty, actual liberty and independence, arguing that mixing these concepts without recognising their distinct characters makes Smith appear more satisfied than he was with the current British situation and more optimistic about its prospects. The critical overlooked point is that Smith discussed labour within two different conceptual frameworks, the first normative and the second descriptive. Commentators generally failed to distinguish one approach from the other and tended to mistake Smith’s moral stance to the labouring poor – a somewhat sympathetic stance, as they are the only social group to whom he addresses no blame – with his descriptive reconstruction of the laws governing the market.

Some time ago, Robert Heilbroner detected the “paradox of progress”, or the fact that the promise of continuous economic improvement and the prospect of general social improvement could not be guaranteed on the basis of the argument developed in WN, a discovery that makes Smith’s

diagnosis look more pessimistic than most commentators used to believe. Besides, Adam Smith in the 1760s was more pro-labouring poor than Adam Smith in 1776. The WN leaves no room for the workers' agency regarding their wages, the only aspect of their condition recognised as conflictual in the work forgetting working time and social relations. Smith was not too confident about the prospects of wage earners in commercial societies and never confronted Josiah Tucker's, Adam Ferguson's and James Steuart's more refined arguments about the worker's place in British society.

The design of a conflictual and yet harmonious society hinted at in WN was also less solid than Smith believed. The legitimate social hierarchy he envisaged remained based on age, birth and wealth – a choice justified by the argument that personal qualities are too elusive to appraise. When treating labour remuneration, he rarely gave the labourers' point of view a distinctive voice. If we remember the distinction between freedom and independence, in the given situation there was little scope left for bettering the workers' condition as a whole.

A comment may be that Pesante has the merit of focusing not just on the tensions of modern society diagnosed by Smith but also on tensions in Smith's diagnosis. In this reviewer's conjecture, Smith's oeuvre was left unfinished because, at some point, the author realised the difficulties met by his approach to ethics and epistemology and had sufficient integrity to draw the consequences. The burning of the manuscripts of the two great works that were still "on the anvil" is emblematic and the writing of WN was – forgive the paradox – the recognition of a failure. Smith admitted that his *History and Theory of Law and Government* was impossible to write because of an unresolvable tension between the need to ground judgments, rules and laws in sympathetic reactions by actors and spectators and the quest for universal criteria, impossible to reach because sympathetic reactions yield different and incompatible general rules at various stages of the progress of society and besides are based on the same mechanisms that yield the division of labour, exchange and the distinction of ranks, vanity and sympathy with the rich and powerful. Smith chose to dedicate ten years of his mature life to civic commitment: writing a gargantuan tract addressing, as mentioned above, the beneficiaries of all the oppressive inequality reigning in commercial society to persuade them that it was in their interest to abandon commercial protectionism, to concede representation to American colonists and to accept a policy of high wages. In this context, some of the truths discovered by young Smith were no less true but were unpolitical. For this reason, the paradox of the king of savages and the meanest manual worker is repeated in WN omitting mention of the "oppressive inequality", and some other claims whose validity he was still persuaded were censured. For example, the savages,

as mentioned above, become wretched in WN, forgetting the savages of the TMS and LJ, in a sense “poorer” – provided with a lesser quantity of material instruments for happiness – than the manual worker but still more fully developed in human capacities. It remains true that Smith repeats that it is but justice that those who feed all the rest of society be decently fed, but the *moral argument* is being played in mute while the central motif is the *expediency* of high salaries.

The chapter by James Otteson, “The poor man’s son. Deception in Adam Smith’s case for free enterprise” (pp. 213-230), addresses a minor point loosely connected with the book’s central question, arguing that the poor man’s son of the famous apologue is not merely a dupe of deception since it is true that his efforts benefit more others than himself but also that there is a feedback by which the wellbeing of others indirectly benefits the poor man’s son too; in other words: your own life is safer and healthier if you live in a civilised and wealthy nation instead of a poor one.

Another chapter, at first glance not too pertinent but in the end developing a relevant point, is Craig Smith’s “Adam Smith and spontaneous order” (pp. 3-17), arguing that Hill’s and Oslington’s Providentialist interpretation of Smithian spontaneous order is a fake. Smith’s spontaneous order brings *unintended* results, sometimes desirable and sometimes catastrophic ones.

The claims argued in chapters by María Alejandra Carrasco and Maria Pia Paganelli, Lisa Hill, and Leonidas Montes are virtually opposite to those of the editor’s contribution, namely, they contend that Smith saw the advent of commercial society as a carrier not only of unprecedented economic growth but also of overall moral progress, not limited to the typical virtues of commercial nations. According to Carrasco and Paganelli also “humanity” flourishes not so much among civilised nations as opposed to savages but specifically in wealthy societies (p. 150); according to Montes the generalised practice of exchange spreads the virtue of “fairness” (p. 331); Hill argues that Smith saw “the market” as synonymous with “civil society” (290) and that the market society is much more than an “immense machine” providing, despite the butcher’s and baker’s greed, for the consumer’s necessities; the market society is instead an organism since the market creates Durkheim’s legendary “organic solidarity” (p. 294). A critical remark may be that the reader would expect a confrontation with the editor’s claims and a discussion in some depth of the pages where Smith attacks merchants and master manufacturers and manifests his concern for the evils of commercial society.

The strategy adopted in this review has been discussing those contributions that add or fail to add to the treatment of the topic indicated by the book’s title. Consistently with such a strategy, it does not discuss the other nine chapters, whose connection with this topic is too faint. This

does not detract from the quality of these chapters. Indeed, a couple of them are quite good. Patrick Hanley wrote on self-command, Stefano Fiori on imagination and sympathy, Jean-Daniel Boyer on systems, Fritz Söllner on Smith as historian of economic thought, Keith Hankins and Brennan McDavid on imagination, Riccardo Bonfiglioli on education and moral conscience, Eleonore Kalisch on the ego-alter-tertius paradigm, Agustín José Menéndez on law, and Jeffrey Young on the labour theory of value.

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