The Many, Diverse “Main Points”
Of Adam Smith’s the Wealth of Nations

Barry R. Weingast
Stanford University

Abstract

The purpose of this short paper is to demonstrate that in the modern era Adam Smith scholars make a surprising variety of claims about the “main point” of the Wealth of Nations. I collect a range of statements asserting the main point and arrange them by categories. Most statements focus on economic topics (60%), though some entries clearly fall under politics (40%). Nearly half of the statements in the literature argue that Wealth of Nations’s main purpose was to provide a theory of economic development. Other categories include the idea that self-interested individuals can support gains from cooperation; ideas about justice, morals, and liberty; and finally, contributions to economic theory.

The diversity of points is striking, indicating not only the work’s richness, but the many different topics to which it made substantive contributions. An obvious interpretation of these results is that no single, over-arching theme can be said to be the purpose or main point of the Wealth of Nations. This work made so many fundamental or foundational contributions to economics, government, history, law, politics, sociology, and normative political theory that it is difficult to say that any one contribution dominates.

1. Introduction

Adam Smith scholars demonstrate that the popular and academic understanding of Smith's work has changed dramatically over time (Liu, 2018, Milgate and Stimson 2009, Tribe 1995). A great many different groups have taken Adam Smith as their own, often creating a caricature of a complex man

1 Senior Fellow, Hoover Institution, and Ward C. Krebs Family Professor, Department of Political Science, Stanford University. The author gratefully acknowledges Glory Liu for helpful comments.
whose thoughts, theories, and histories covered much of what we today call the social sciences and parts of the humanities. Indeed, Smith has been known as a free-trader, a *laissez-faire* advocate of small government, and a moral philosopher, and an egalitarian.

The purpose of this note is to complement that literature by demonstrating that, in the modern era at least, Smith scholars make a surprising variety of claims about the “main point” of the *Wealth of Nations*. I collect a range of statements asserting the main point and then I arrange them by categories. Most focus on economic topics (60%), though many entries clearly fall under politics (40%).

Dugald Stewart, Smith's first biographer and both a student and friend of Smith's provides the following insight in Smith's main point of the *Wealth of Nations*: “In his *Wealth of Nations*, various disquisitions are introduced which have a like object in view, particularly the theoretical delineation he has given of the natural progress of opulence in a country; and his investigation of the causes which have inverted this order in the different countries of modern Europe. His lectures on jurisprudence seem, from the account of them formerly given, to have abounded in such inquiries” (Stewart 1793: II.52:295). In this vein, nearly half of the statements in the literature argue that *WN*'s main purpose was to provide a theory of economic development. Other categories include the idea that self-interested individuals can support gains from cooperation; ideas about justice, morals, and liberty; and finally, contributions to economic theory.
That scholars offer so many different points as the “main point” reflects in part the incredible richness of *Wealth of Nations*, that in nearly 1000 pages it accomplishes many different ends, including:

- A new system of economic theory, focusing on what we now call price theory and the theory of value; the division of labor; money; international trade; income distribution; regulation of the economy; capital; the political economics of development; taxation; and the many policy consequences that follow from these theories.

- Liberty and justice are necessary foundations for an economy. Without secure property rights, contract enforcement, and protection from government predation, markets cannot thrive and produce wealth.

- *WN* also contains a range historical analyses explaining the logic, survival and breakdown of earlier system (using equilibrium/comparative static logic), such as
  - Feudalism and its breakdown with the rise of liberty and other infrastructure necessary to support markets in commercial societies;
  - The long-term accommodation between secular lords and the Church during the Middle Ages and its breakdown in the Reformation.

- The idea that self-interest leads to social cooperation.

- His widely celebrated observations of unintended consequences.

- Various normative points in moral and political philosophy, including ideas of justice, morals, and liberty.

Part of the differences among scholars as to the main point therefore reflects different emphasis on the diverse topics of Smith's book. Alternatively, part of the differences in emphasis may reflect confusion.
Indeed, Smith contributes to this confusion; viz, Smith presents several different statements of his purpose, as he does on so many topics. We can, for example, take Smith’s title literally, *An Inquiry into the Nature and Causes of the Wealth of Nations*; suggesting the central question of the political-economics of development, how and why are some nations rich and others poor. Many scholars, as observed below, take this literal approach.

In the introduction to the *Wealth of Nations*, however, Smith states his “object”:

To explain in what has consisted the revenue of the great body of the people, or what has been the nature of those funds which, in different ages and nations, have supplied their annual consumption, is the object of these Four first Books. The Fifth and last Book treats of the revenue of the sovereign, or commonwealth. [WN i.9.11-12]

Third, in a well-known 1780 letter to Andreas Holt, Smith famously described the *Wealth of Nations* as a “very violent attack I had made upon the whole commercial system of Great Britain.” Characteristically, Smith's own words point in multiple directions, including economic growth, economic theory, and economic reform. An appeal to authority fails to yield a definitive statement of purpose.

I do not want to read too much meaning into these the various statements in the literature. Some may well be rhetorical devices intended to emphasize a particular point. Nonetheless, the diversity of points is striking, indicating not only the work’s richness, but the many different topics to which it made substantive

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2 Viner (1927) was among the first to observe that Smith stated different interpretations of the same phenomenon in different parts of his corpus. In Weingast (2018b), I demonstrate that, despite being known as a free-trader, Smith gave three very different accounts of trade in the *Wealth of Nations*.

contributions. A long, complex, and multifaceted work, the *Wealth of Nations* offers diverse interpretations.

This paper proceeds as follows. Section 2 discusses the system of classification, including a summary table classifying the statements. Section 3 presents the statements by category; while section 4 discusses imputing main points to four additional works. Some modest conclusions follow.

### 2. The Classification System

I begin with a word about methodology. I have collected these statements while reading widely in the Adam Smith literature. I have not attempted to collect a random sample. The sample includes 100s of works discussing the *Wealth of Nations* (most fail to state a particular main point), including the works that are among the most widely cited today.

As to identifying the statements, I have included a quote in the sample whenever a scholar mentions the “main point,” “leading theme,” Smith’s “intent in” the *Wealth of Nations*; or if an author uses a phrase such as, “The central focus of Smith’s analysis was stated clearly in the full title of his work – *An Inquiry into the Nature and Causes of the Wealth of Nations*. Put in more modern terms, he was concerned with developing a theory of economic growth”; or “The main purpose of the *Wealth of Nations* was … to define the necessary conditions for rapid economic development.” To be included in the sample, a statement must be explicit about the main point.
I have classified each statement into one of the following seven categories.

- Economic development
- Economic reform
- Economic theory
- Self-interest and its Implications: Leads to Social Cooperation; and the Invisible Hand
- International Political Economy and War
- Justice, Morals, Virtues and Liberty
- Other.

The categories involve a degree of arbitrariness. Some statements can be classified in multiple ways; and other categorization schemes are undoubtedly possible. Altogether different sampling techniques are also possible; for example, investigating the type of points that participants in other literatures cite Smith. In section 4 I have imputed a general point to particular authors, all of whom fall under the “other” category.

<table>
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<tr>
<th>Category</th>
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<td>Economics development</td>
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<td>Self-interest and cooperation</td>
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<td>International political economy and war</td>
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<td>Justice, morals, Virtues, and Liberty</td>
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I now consider the distribution of statements (41 in total) by category. As the table reveals, fifteen of the forty-one statements – more than a third of the literature, as sampled – categorizes the main point of *Wealth of Nations* as the economics of development. Four of these authors take the literal approach noted above, arguing that the Smith's full title summarizes his main point.

The twenty-six statements are scattered across the remaining five categories. Two categories have six statements; the category, “Justice, morals, virtues, and liberty” and “self-interest and social cooperation.” The other four categories – Economic reform, Economic theory, International political economy and war, and other – total fourteen entries. An alternative way to divide the statements is by modern discipline – economics (the first three categories) and politics (the second three categories). This yields economics with twenty-four; political science with thirteen (excluding the category, other). I also note that two statements not classified under economic development could easily have been (Heilbroner 1953 and Hollander (1979).

All of these comments reflect the complexity of Smith's thought. The *Wealth of Nations* can be thought of as an early version of a modern day "principles of economics" text only by ignoring all the material that does not comfortably fit under this label; although such a version can be constructed by beginning with Books I and II in combination with an active effort to pick through Smith's points in Books III-V that fall under the domain of modern economics.

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4 The classification system: (i) includes Stewart (1793), mentioned above and therefore not included in the list in section 3; and (ii) C.Smith (2017:44) argues that “When Adam Smith published the *Wealth of Nations* in 1776 it seems that he had two distinct, but related, objects in mind,” and I have counted these as separate “main points.”
while ignoring all the material that fails to come under this rubric. And while Adam Smith can be considered as the father of economics, he cannot be narrowly pigeon-holed as simply an economist. As Parker suggests, “The Wealth of Nations is so obviously the first ever book of economics that it is natural to go through trying to pick ‘the economics’ out of it and forget the rest” (Parker 1995:122). Nonetheless, Herzog’s (2013:9) observation is apposite. She says, “Smith has traditionally been seen as an economist, and the Wealth of Nations has often been read with the aim of finding the seeds of later economic theories.” Only in recent years has Smith been read more richly. In my larger project on Reconstructing Adam Smith’s Politics (summarized in Weingast (2018a), I make the case that Smith should also be considered the fathers of political science.

3. The Sample: Statements by Category

In this section, I list the various statements in the literature by category. Within each category, statements are ordered by date.

3.1. Economic Development

(1) Stewart, “The Life and Writings of Adam Smith” (1793)

According to Stewart, the Wealth of Nations provides:

the theoretical delineation he has given of the natural progress of opulence in a country; and his investigation of the causes which have inverted this order in the different countries of modern Europe.6 [295]

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5 Tribe (1995:28) makes the same point, which I quote below at the end of the concluding section 4. See also Weingast (2018a).
6 Stewart (1795:315) also adds, “the great and leading object of his speculations is, to illustrate the provision made by nature in the principles of the human mind, and in the circumstances of man’s
(2) Spengler, “Adam Smith’s Theory of Economic Growth” (1959)

“That economic development is the principal subject of Smith's main work is evident from its title, *An Inquiry into the Nature and Causes of the Wealth of Nations.*” [397]

(3) Barber, *History of Economic Thought* (1967)

The central focus of Smith’s analysis was stated clearly in the full title of his work – *An Inquiry into the Nature and Causes of the Wealth of Nations.* Put in more modern terms, he was concerned with developing a theory of economic growth. [27]


“The inductive, factual theory of growth … is the backbone of the *Wealth of Nations.*”


“[T]he title of Adam Smith's founding treatise, *Wealth of Nations*, … could as well have been called the *Economic Growth of Nations.*”

(6) Hollander, *The Economics of Adam Smith* (1973)

“The main purpose of the *Wealth of Nations* was evidently not to provide an analytical framework for its own sake. The object of the work was ultimately to define the necessary conditions for rapid economic development in contemporary circumstances and Smith’s treatment of the price mechanism must accordingly, in the final resort, be considered with this end in view.” [307]

Hollander continues:

external situation, for a gradual and progressive augmentation in the means of national wealth; and to demonstrate, that the most effectual plan for advancing a people to greatness, is to maintain that order of things which nature has pointed out; by allowing every man, as long as he observes the rules of justice, to pursue his own interest in his own way, and to bring both his industry and his capital into the freest competition with those of his fellow-citizens.
Smith’s fundamental concern in the *Wealth of Nations* was with economic development defined in terms of (real) national income per head. His objective was to demonstrate that reliance upon the free operation of the competitive mechanism of resource allocation would assure the maximization at any time of the national income generated by the community’s given resources. [307-08]

(7) **Blaug, Economic Theory in Retrospect** (1978)

In his Introduction to the book, Adam Smith makes it clear that his leading theme is economic development: the long-term forces that govern the growth of the wealth of nations. [37]

(8) **Letwin, “Was Adam Smith a Liberal?”** (1988)

According to Letwin:

> Within the *Wealth of Nations* at least, Smith advocated only economic liberty among the whole range of individual liberties, and advocated it only as the most efficient means to achieve economic growth. That Smith should have posited “politics” as a final end of human activity was entirely in keeping with the rhetorical purpose of the *Wealth of Nations*. The book explains first, how and why some nations have become wealthy, and second, what governments have done and should do to foster enrichment. The first subject, which occupies Books I and II, is subservient to the second subject, which occupies Books III and IV. The latter pair aim to demonstrate that “natural liberty” is the best way to achieve a purpose, which he assigns to the statesman considered as a practitioner of “political economy,” namely, “to provide a plentiful revenue or subsistence for the people, or more properly to enable them to provide such a revenue or subsistence for themselves …” (1976a:IV.Intro.1:428) In other words, the essential objective of the *Wealth of Nations* was to establish a normative precept. [66-67]

(9) **Pack, Capitalism as a Moral System** (1991)

The “*Wealth of Nations* is largely about particular modern capitalist society (and how best to achieve economic growth in modern societies).” [119]


Though often criticized for its rambling structure, historical digressions, and over-abundance of ‘curious facts’, the work has a single unifying theme which takes on further ramifications as it is unfolded. As the full title
makes clear, it is an enquiry into the nature of wealth, how its benefits should be measured or judged. This is combined with a causal account of the growth of opulence designed to show why the process had been retarded during the feudal period of European history, why some nations were stationary or in decline, and why those that have made a start have frequently failed to reap the full advantages. The theme is launched by posing a simple though artificially heightened enigma that survives from the earliest drafts. While there is no difficulty in explaining how the rich and powerful come to enjoy the fruits of others' labour, how is it that in civilized societies even the poorest members enjoy more of the necessaries and conveniences of life than an African king? Smith had two superficial pieces of conventional wisdom in his sights: the belief that the luxuries of the few were conditional upon the poverty of the mass; and the impossibility of combining high wages with better and cheaper goods for consumers.


“As the name of the work implies, Smith turns his focus to an analysis of the progress of opulence in his *Inquiry into the Nature and Causes of the Wealth of Nations.*” [111]


*Wealth of Nations* is not a textbook on economics. It represents the application of Adam Smith’s world-view to the larger historical problem of what caused the British economy to show signs of sustained improvements through slow but steady growth, what inhibited it from performing much better compared to how well it could perform if certain changes were made in its political stance towards international trade with neighbours and with its colonies in North America. His book was entitled *An Inquiry into the Nature and Causes of the Wealth of Nations* ... using Britain as his case study. [2]


The main question in *WN* is “how to explain the slow progress of opulence in Europe.” [222-23]

“The title of Adam Smith’s economic treatise suggests that the main question that it poses is what determines a nation’s level of economic development.” [55]

Further, “A central concern for Adam Smith is to argue against the mercantilist view of economic policy and in favor of free trade and free markets.” [34] See also his comment under social cooperation.


Hont provides two different possible “main points” of *WN*:

The sun rising in the east and down in the West was the ordinary course of things. The sun rising in the West would have created a retrograde movement, and this, to say the least, called for a special explanation. Well, the economic sun of Europe did rise in the West, Smith claimed, and a very special explanation was indeed badly needed. This is what the *Wealth of Nations* was designed to deliver. In this respect, Smith was not a natural jurist and hence not an economist. [107]

Rousseau’s famous “fatal accident,” the discovery of metallurgy. A new species of property, yes. But the key is that metallurgy “gave rise to industry, a species of economic endeavor divorced from the land. A metallurgist did not produce food but exchanged products for it. This was a huge leap forward in the division of labor.” [99] Terms of trade favored the artisans over those producing food. “This gave rise to a world where industry and cities ... increasingly dominated agriculture and the rural population.” [99] R argued that this would cause a huge demographic crisis.” “A” if not “the” major problem of the era. [99] Smith concerned too, and the “simplest definition of the content of the *Wealth of Nations* is that it gave a counterintuitive answer to this issue.” Hence, Smith on the “retrograde” development of Western Europe. [99]
3.2. Economic Reform

“The main thrust of Smith’s argument in the Wealth of Nations is that his policy recommendations ought to be adopted by governments because they promise greater efficiency in augmenting national wealth.” [62; see also p 80]

(2) Buchanan, “Smith on Justice as Natural Liberty” (1976):
“His intent in The Wealth of Nations was to offer a readily generalizable criticism of what he labeled the "policy of Europe." [2]

smith's purpose was that of demonstrating how the removal of restrictions on free market forces, how the operation of his “system of natural liberty,” would greatly increase the total product of the economy and, more importantly, how this would generate rapid economic growth, thereby improving the lot of the laboring classes. What is often missing from his standard interpretation is Smith's corollary argument, sometimes implicit, to the effect that this system of natural liberty would also promote his ideal of justice. Failure to allow individuals to employ “their stock and industry in the way that they judge most advantageous to themselves, is a manifest violation of the most sacred rights of mankind.” [6-7, emphasis by Buchanan, quoting [WN IV.vii.b.44:582]

(3) Hollander, “Historical Dimension of Wealth of Nations” (1979)
“Smith's main objective in the Wealth of Nations was the formulation of a reform program on the basis of an analytical model of the operation of a capitalist exchange economy. More specifically, he wished to demonstrate the adverse effects upon development of distortions in resource allocation due to a variety of contemporary policies and institutions that remained in force without the justification they might once have had. At the same time, he also isolated contemporary institutions that had a favorable effect on growth. The understanding of origins of such institutions could only be appreciated in terms of a historical account; here we discern a fundamental function of the historical dimension of the Wealth of Nations… Both the theme and the principles involved in its interpretation – namely, a materialistic conception of commerce during the course of 'normal' development – were characteristic of the Scottish historical literature.” [71-72]

“Smith's primary concern was, we believe, the economic development of contemporary Britain.” [78] Smith’s “model was not
devised for its own sake (although doubtless it satisfied an aesthetic taste, the *esprit de rationalité* of which so much is made in the “Essay on Astronomy”). The model was used to interpret the observed differentials between the growth rates and patterns of resource allocation of the North American colonies and those of various European countries... The main function of the entire construct, however, was to provide an ideal pattern against which actual European and British progress could be measured and thus to discern the steps required to correct divergencies from the norm.” [78-79]


O’Brien:

“emphasizes ... that we must remember that the *Wealth of Nations* was primarily a vigorous critique of mercantilism which Smith saw as the regulation of economic activity by the State in the interest of the merchant classes.” This accounts for the negative character of much of the Classical writing on government activity. Such intervention was not only evil, it was crude and clumsy as well, and it is the Classical economists’ attack upon mercantilism which have helped to create the impression of their being totally opposed to state activity, which they were not. [166]:

And it is the classical economists’ attack on mercantilism which have helped to create the impression of their being totally opposed to state activity, which they were not. What they were mainly criticizing was the use of government power in the interests of a small minority to create for themselves privileged conditions” [166, quoting O’Brien (1978:239-40)].


When Adam Smith published the *Wealth of Nations* in 1776 it seems that he had two distinct, but related, objects in mind. The first of these was to provide a systematic survey of the political economy of commercial societies that would place the study of the economy on a secure and scientific basis. **The second purpose was to use this systematic enquiry and its conclusions to contribute to the debates about British economic policy. Smith famously described this as “a very violent attack...upon the whole commercial system of Great Britain”** (Smith, 1987, p. 251ea).
3.3. Economic Theory


Smith’s major theoretical idea occurs in his first sentence of the *WN*: “The greatest improvement in the productive powers of labour, and the greater part of skill, dexterity, and judgment which is anywhere direct, or applied, seem to have been the effects of the division of labor.” Further, the division of labor is limited by the extent of the market” [WN I.i.1,13]

(2) Benton “Adam Smith and the Limits to Growth” (1995).

“The central thesis of the book … is the ‘annual labor of every nation’ which is the source of ‘all the necessaries and conveniencies of life which it annually consumes.” [144, quote WN I.1.**]


The *Wealth of Nations* “provided us with the first coherent model of an economic system and analysed the role of the market within that system.” [113]


When Adam Smith published the *Wealth of Nations* in 1776 it seems that he had two distinct, but related, objects in mind. *The first of these was to provide a systematic survey of the political economy of commercial societies that would place the study of the economy on a secure and scientific basis.* The second purpose was to use this systematic enquiry and its conclusions to contribute to the debates about British economic policy. Smith famously described this as “a very violent attack…upon the whole commercial system of Great Britain” (Smith, 1987, p. 251).

3.4. Self-Interest Leads to Social Cooperation; and the Invisible Hand

(1) Heilbroner *Worldly Philosophers* (1953 [5e, 1980])

Heilbroner argues that two big questions animate Smith:
• First, Smith sought to understand “the mechanisms by which society hangs together.” How do self-interest people nonetheless cooperate?

• Second, Smith sought to understanding the dynamic path of society. “Indeed, in its entirety the Wealth of Nations is a great treatise on history, explaining how ‘the system of perfect liberty’ (which is what Smith called commercial capitalism) came into being, as well as how it worked.” [52]

(2) Teichgraeber, ‘Free Trade’ and Moral Philosophy (1986)

“Most ‘modern readers’ would … come to see the Wealth of Nations as a giant machine assembled to drive home one very easily understood point – namely, the view that self-interest pursuit of gain, unregulated by legislation or popular prejudice, ensured the greatest benefit to society.” [xii] Teichgraeber also quotes: “Walter Bagehot observed that the doctrine of ‘free trade’ had become in the popular mind almost as much Smith’s subject ‘as the war of troy was Homer’s.” [xii]

(3) Muller, Adam Smith in his Time and Ours (1993)

Smith “devoted the Wealth of Nations primarily to showing that self-interest, when properly channeled by social institutions, can produce socially beneficent effects and behavior.” [98]


The ... assumption offered here is that, rather than defending any particular social or political system, Smith’s overarching purpose was to show that society is held together not by any moral code, not by any political scheme, but by the very defects that prevent us from behaving in a morally correct and politically competent manner. More specifically, by identifying the natural pursuit of self-interest as both the ruling principle of individual conduct and the foundation of social development, Smith was

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7 Muller further says, “Error! Main Document Only. The Wealth of Nations, which focuses on the analysis of market processes motivated by self-interest, was written by a Scottish professor of moral philosophy to arouse politicians to pursue the common good. It celebrates the virtues of the “commercial society” while vilifying the merchant – who gave his name to “the mercantile system” which Smith endeavors to demolish.” [7]
trying to show that judgments about what is morally acceptable or what is politically desirable are irrelevant to the natural course of progress and the inevitable spread of prosperity.

Smith was, in other words, not attempting to resolve any moral or political dilemma. On the contrary, his plainly painful thesis was that moral corruption and political incompetence are unavoidable aspects of social development. The *Theory of Moral Sentiments* and the *Wealth of Nations* can consequently be accurately described ... as answers to critique of commerce contained in classical republican philosophy, but rather than furnishing philosophical weapons against moral decay and political incapacity, both works offer full and complete surrender... Smith's response to the classical republican attack on commerce as a threat to political virtue was not to find some strategy to rescue politics from corruption, but to advise all combatants to withdraw from the field. [70-71]


The *Wealth of Nations* is “a history of the ‘general disposition to truck, barter, and exchange,’ which is a ‘necessary consequence of the faculties of reason and speech.’” [7-8]


“If one were to carry out an opinion poll among economists concerning the most important single contribution of the *Wealth of Nations*, the probability is high that most of them would say that it is the idea of the invisible hand.” Although Sandmo qualifies this. [43] See also his comment under economic development and reform.

### 3.5. Justice, Morals, Virtues and Liberty

(1) Buchanan, “Smith on Justice as Natural Liberty” (1976)

“His intent in *The Wealth of Nations* was to offer a readily generalizable criticism of what he labeled the "policy of Europe."” [2]
“Smith’s purpose was that of demonstrating how the removal of restrictions on free market forces, how the operation of his ‘system of natural liberty,’ would greatly increase the total product of the economy and, more importantly, how this would generate rapid economic growth, thereby improving the lot of the laboring classes. What is often missing from his standard interpretation is Smith’s corollary argument, sometimes implicit, to the effect that this system of natural liberty would also promote his ideal of justice. Failure to allow individuals to employ ‘their stock and industry in the way that they judge most advantageous to themselves, is a manifest violation of the most sacred rights of mankind.’” [6-7, emphasis by Buchanan, quoting WN IV.vii.b.44:582]

(2) Winch, *Adam Smith’s Politics* (1978)

The *WN* "can be accurately, if not very fully, described as an extended treatise on the reciprocal relationship between commerce and liberty." [70] Much of the *Wealth of Nations* examines “the benefits of a regime of economic liberty for the growth and diffusion of commercial prosperity.” [70] Commerce created a revolution in all aspects of society, economics, politics, and society.


Hont and Ignatieff argue that Smith’s *WN* is primarily concerned with justice.

The whole burden of the analysis of the *Wealth of Nations* was intended to demonstrate that by stimulating agricultural production in a system of competitive markets, the adequate subsistence of the laboring poor would cease to be a matter either of benevolence or of the drastic justice of grave necessity. Neither the generosity of
individuals nor the interventions of the magistrate would be required. [24ea]

Yet in none of this economic pamphleteering was the paradox posed as a problem of justice – of reconciling property claims against need claims. It was primarily as a problem in justice that the paradox came to occupy such a central place in Smith’s thought as the *Wealth of Nations* took shape during his period as a professor of jurisprudence during the 1750s and early 1760s. Thus, it is essentially in the natural jurisprudence tradition, rather than in the ‘economic’ pamphleteers usually described as Smith’s predecessors, that the central question of the *Wealth of Nations* was set up. [42]

(4) Elsner, “Adam Smith’s Model of the Origins and Emergence of Institutions” (1989)

“Smith’s message in *The Wealth of Nations* that a competitive market can be seen as a means to control selfishness, to limit individual power, and to lead selfishness into productive direction is well-known to economists. In *The Theory of Moral Sentiments* Smith’s message concerns also the point of social control of individual selfishness, but is more basic.” (349)


The “*Wealth of Nations* demonstrated the possibility of laws that would combine a moral culture with economic growth.” [21]


Fleischacker summarizes the rhetorical structure of *WN*: “the structure of *WN* as a whole proceeds from a general view about 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 ea). [11]

3.6. International Political Economy and War

(1) Hont, “Introduction” to Jealousy of Trade (2005);

According to Hont, Hume and Smith wanted to explain “how the conflation of the logics of war and trade arose in the seventeenth century and why it was so difficult to exorcise them afterward…The Wealth of Nations is a book not about perpetual peace but about competitive economic strategy. In this book Smith weighed the odds for national survival in global markets.” [8] Hont (1988) raises a similar idea:

Smith thus clearly saw that the system of the économistes took the shape of an agriculturalist political economy in order to answer the problems presented by the cutthroat international competition inaugurated in Europe by the rise of mercantilism… The Wealth of Nations was written to give a different solution to the same problem of international competitiveness.8

4. Works with Imputed Main Points

In this section, I discuss another portion of the sample, works in which we may impute a possible main point, but not with certainty.

(1) Herzog, Inventing the Market (2013)

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8 Hont here cites Hont (1983) on the “rich country – poor country” debate.
The *Wealth of Nations* “is substantially more than an economics textbook. It is also a political programme: how to best govern a society in which some mechanisms are provided by nature, but in which institutions and regulations must be added by human action.” [39]


Since history is not the rational expression of nature but in principle may conflict with nature, there arises the need for a statement of the strictly natural, which of course is the substance of the *Wealth of Nations*, a book that delivers the truth about nature.⁹ [73]


In the *Wealth of Nations* Smith developed in detail the idea of a natural order. There the natural order is offered as the ideal organization of society... It is not ideal in being the handiwork of nature. [23]

From these considerations of the role of natural law and natural characteristics in the *Lectures*, one can infer that the natural order is the competitive market. [23]


Smith’s WN transcends a positive theory of market and social organization. It is also “A powerful normative theory about the emancipatory character of market systems lies at the heart of *Wealth*. These markets constitute ‘the system of natural liberty’ because they shatter traditional hierarchies, authorities, exclusions, and privileges. Unlike mercantilism and other alternative mechanisms of economic coordination, markets are based on the spontaneous and free expression of individual preferences.” [20-21 citing Smith on the latter quote: WN pp 687, 678, 670, 419-20]

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⁹ Cropsey continues, “If we were obliged to reduce Smith’s historical teaching to a single, simple proposition, we might recur to the following formula: The arrangement of the social forms that rule men’s common existence is a direct outgrowth of the facts of an historical background; and those facts exert their influence through their power to excite the passions of groups of men who bring forth the net arrangement of society (and even polity) by their maneuverings on behalf of their interest... Thus we observe that the highest form of social organization which is mentioned by Smith is “civilization,” or commercial society founded upon the elaborate division of labor. This social form is highest (not in the sense of “noblest”) precisely because it best suits the end of nature, namely the preservation of man’s existence.” [73]
Additionally, with his emphasis on spontaneous coordination, Smith pointed to the possibility of a social order in which people could live in harmony with only minimal coercive apparatus and limited political power. Notwithstanding its conflicts, capitalism produces stability and enjoys the advantage of a mechanism, the market, which maintains equilibria by continually adjusting competing interests, thus limiting the necessity of the state. Over time, these powerful theoretical propositions combined to produce a legitimating cornerstone for the robust defense of market capitalism, a particular ensemble of political institutions, and a specific line of justification for liberal ideas and values. [21]

5. Conclusions

This short paper collects a sample of statements by Smith scholars as to their reports of the main point of his magnum opus, the *Wealth of Nations*. As I showed above, Smith himself was not of one mind as to the main object of this complex work, emphasizing different aspects of his work as the main point in different contexts. The literature proves no different. The stated objectives range from economic development (nearly half) to economic reform, various normative issues, and social cooperation based on self-interest. I myself would classify the main point as a theory of development, both economic and political. In this sense, I think the title accurately names Smith’s purpose.

An obvious interpretation of these results is that no single, over-arching theme can be said to be *the* purpose or main point of the *Wealth of Nations*. This work made so many fundamental or foundational contributions to economics, government, history, law, politics, ethics, and normative political theory that it is hard to say one dominates.
Another observation involves moral and political philosophy. Although much of the Smith literature in the last quarter century has emphasized normative topics such as Smith's moral philosophy and egalitarianism, very few participants in the literature list these topics as the basic point of the *Wealth of Nations*. Of course, the goal of many of these works is to demonstrate that *Wealth of Nations* contains serious contributions to moral philosophy, not to demonstrate that this topic dominates that work.

I close with an observation by Tribe (1995) that Smith scholars have a tendency to pick and choose among Smith’s many discussions in *WN* to produce a set of ideas totally focused on economics. According to Tribe:

> Ultimately, the *Wealth of Nations* was reduced to a set of principles culled from its first two books – on the division of labor, money, prices, and currency, wages, profits and rent, and the accumulation of capital; with perhaps some recognition of the critique of the mercantile school and the physiocrats to be found in Book IV, and of the discussion of taxation in Book V. [28]

As a complex work, the *Wealth of Nations* affords readers the opportunity to pick and choose among the great number of points made by Smith.

**References**


