



ΕΛΛΗΝΙΚΗ ΔΗΜΟΚΡΑΤΙΑ
Εθνικόν και Καποδιστριακόν
Πανεπιστήμιον Αθηνών

Ιστορία Οικονομικών Θεωριών

Ενότητα 5: Κλασική πολιτική οικονομία: Adam Smith
Νίκος Θεοχαράκης

Σχολή Οικονομικών και Πολιτικών Επιστημών
Τμήμα Οικονομικών Επιστημών

Σκοποί ενότητας

- Να εξηγήσει τη γέννηση της κλασικής πολιτικής οικονομίας
- Να δείξει την επιρροή του Σκωτικού Διαφωτισμού στον Adam Smith
- Να αναλύσει τις θεωρίες του Adam Smith μέσα από τα έργα του και ιδιαίτερα
 - Την ανάλυση του καταμερισμού της εργασίας
 - Την εργασιακή θεωρία της αξίας
 - Το αόρατο χέρι



Περιεχόμενα ενότητας

- Σκωτσέζικος Διαφωτισμός
- Adam Smith
 - Βιογραφία
 - Έργα
 - *Θεωρία Ηθικών Συναισθημάτων*
 - *Πλούτος των Εθνών*
 - Καταμερισμός της εργασίας
 - Θεωρία της αξίας
 - Αόρατο χέρι
 - Μη σκοπούμενες συνέπειες



Σκωτσέζικος Διαφωτισμός



Σκωτσέζικος Διαφωτισμός



Gershom Carmichael
(1672-1729)
Πρώτος καθ. Ηθικής
Φιλοσοφίας στη
Γλασκόβη
(Δάσκαλος του
Hutcheson)



Robert Simson
(1687 –1768)
Καθ. Μαθηματικών στη
Γλασκόβη
(Δάσκαλος του Smith)



Francis Hutcheson
(1694-1746)
Καθ. Ηθικής Φιλοσοφίας
στη Γλασκόβη
(Δάσκαλος του Smith)

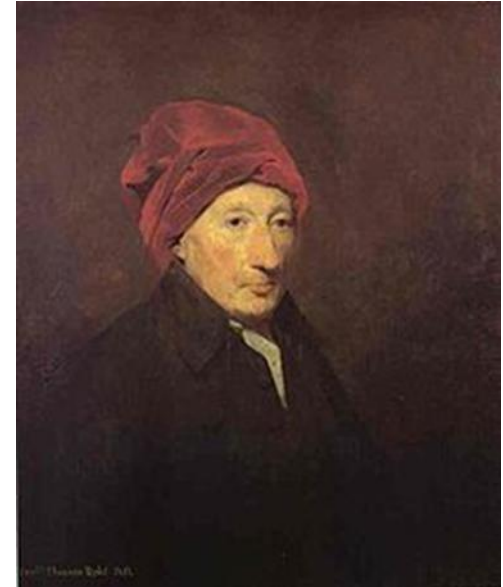
Σκωτσέζικος Διαφωτισμός



Henry Home, Lord
Kames (1696-1782)
Φιλόσοφος, δικαστής,
μείζων μορφή του Σ.Δ.



Colin Maclaurin
(1698-1746)
Καθ. Μαθηματικών
στο Εδιμβούργο

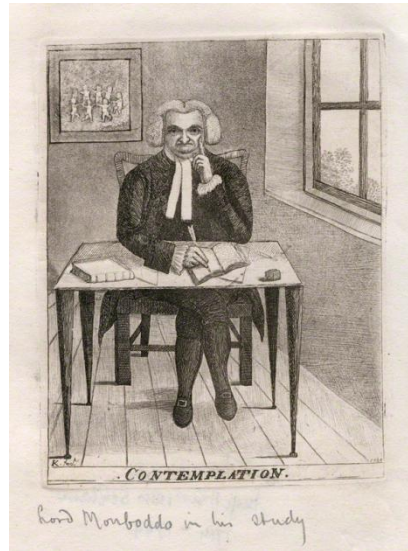


Thomas Reid
(1710-1796)
Φιλόσοφος,
διαδέχθηκε τον Smith
στη Γλασκόβη

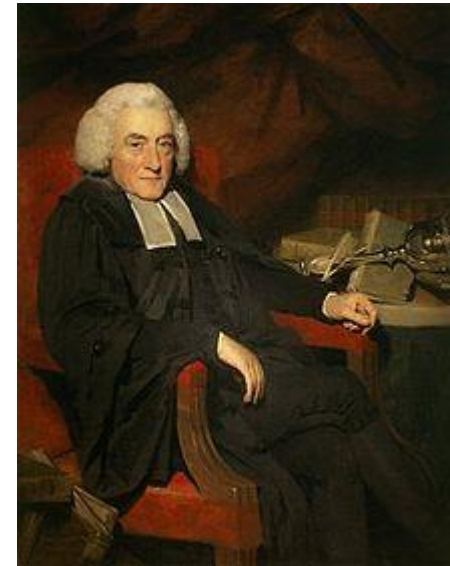
Σκωτσέζικος Διαφωτισμός



David Hume
(1711 – 1776)

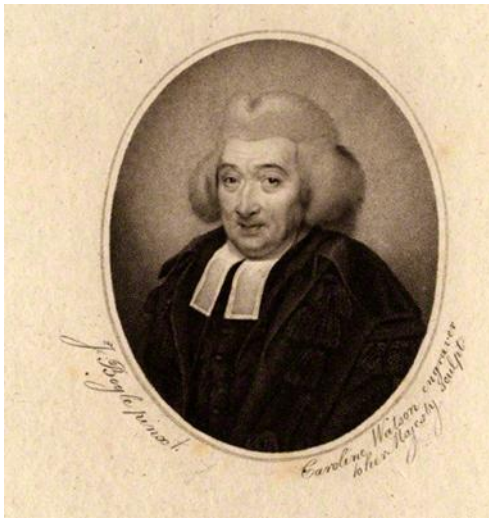


James Burnett,
Lord Monboddo
(1714 – 1796)
Δικαστής,
γλωσσολόγος,
φιλόσοφος



William Robertson
(1721–1793)
Ιστορικός,
Πρύτανης στο Εδιμβούργο

Σκωτσέζικος Διαφωτισμός



George Campbell
(1719 – 1796)
Φιλόσοφος,
καθηγητής θεολογίας



Adam Ferguson
(1723 – 1816)
Καθηγητής Ηθικής φιλοσοφίας
στο Εδιμβούργο
*An Essay on the History of Civil
Society* (1767)



Adam Smith
(1723 – 1790)

Σκωτσέζικος Διαφωτισμός



Joseph Black (1728-1799)
Φυσικός και Χημικός
Καθηγητής στη
Γλασκόβη και στο Εδιμβούργο



James Hutton
(1726-1797)
Γεωλόγος
(με τον Black
εκτελεστές της
διαθήκης του Smith)



James Beattie
(1735-1803)
Καθ. Ηθικής Φιλοσοφίας
στο Aberdeen

Σκωτσέζικος Διαφωτισμός



John Millar
(1735–1801) Φιλόσοφος,
ιστορικός και Regius
Professor of Civil Law στη
Γλασκόβη



James Watt
(1738-1819)
Εφευρέτης και
μηχανικός



James Anderson
(1739-1808)
Αγρονόμος και οικονομολόγος
*An Enquiry into the Nature of
the Corn Laws*, (1777)

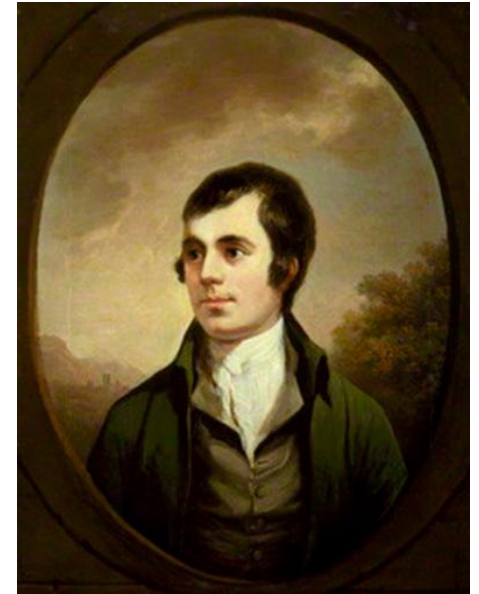
Σκωτσέζικος Διαφωτισμός



James Boswell
(1740-1795)
Συγγραφέας



Dugald Stewart
(1753 –1828)
Φιλόσοφος και μαθηματικός
Βιογράφος του Smith
Διαδέχθηκε τον Ferguson



Robert Burns
(1759-1796)
Εθνικός ποιητής της Σκωτίας

Σκωτσέζικος Διαφωτισμός

Η «φυσική τάξη» (natural order) του Διαφωτισμού μετασχηματίζεται στην έννοια της «Αυθόρμητης τάξης» (spontaneous order)



ΣΚΩΤΣΕΖΙΚΟΣ ΔΙΑΦΩΤΙΣΜΟΣ

Francis Hutcheson.



Francis Hutcheson
(1694-1746)

Καθ. Ηθικής Φιλοσοφίας
στη Γλασκόβη
(Δάσκαλος του Smith)

VIII. IN comparing the *moral Qualities* ^{Qualities} of Actions, in order to regulate our *Election* among various Actions propos'd, ^{determining our} or *Election*. to find which of them has the greatest *moral Excellency*, we are led by our *moral Sense* of *Virtue* to judge thus; that in *equal Degrees* of Happiness, expected to proceed from the *Action*, the *Virtue* is in proportion to the *Number* of Persons to whom the *Happiness* shall extend: (and here the *Dignity*.

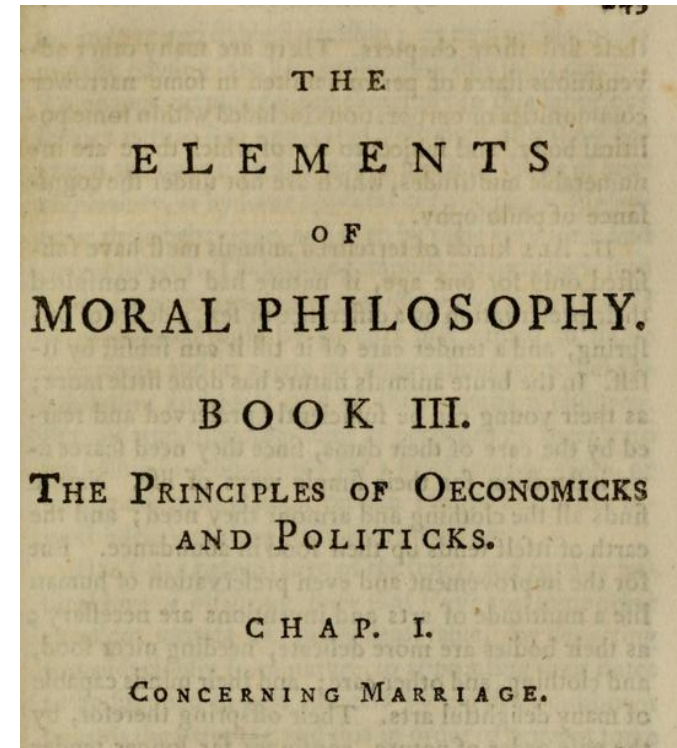
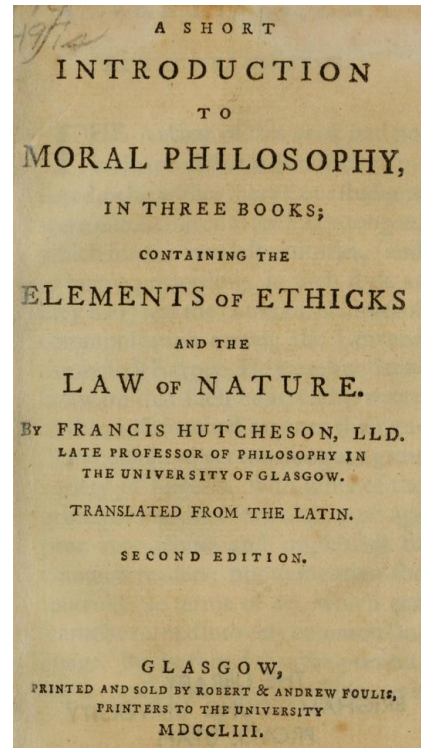
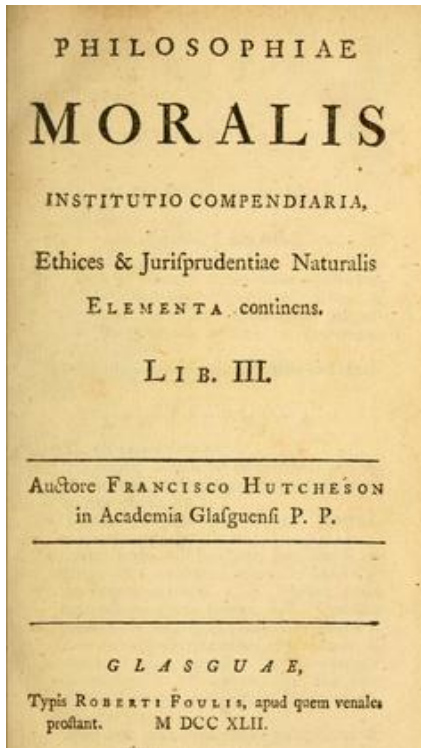
~ Sect. 3. or *moral Importance* of Persons, may compensate Numbers) and in equal Numbers, the *Virtue* is as the *Quantity* of the Happiness, or natural Good; or that the *Virtue* is in a *compound Ratio* of the *Quantity* of Good, and *Number* of Enjoyers. In the same manner, the *moral Evil*, or *Vice*, is as the Degree of Misery, and *Number* of Sufferers; so that, *that Action* is best, which procures the *greatest Happiness* for the *greatest Numbers*; and *that, worst*, which, in like manner, occasions *Misery*.

INQUIRY
INTO THE
ORIGINAL of our IDEAS
OF
BEAUTY and VIRTUE;

(1726)



Σκωτσέζικος Διαφωτισμός



Benevolence οδηγεί την ανθρώπινη συμπεριφορά και επιτυγχάνουμε το συμφέρον μας χωρίς να το επιδιώκουμε

Αριστοτέλεια επίδραση



ΣΚΩΤΣΕΖΙΚΟΣ Διαφωτισμός



Adam Ferguson
(1723 – 1816)
Καθηγητής Ηθικής
φιλοσοφίας στο
Εδιμβούργο

AN
ESSAY
ON THE
HISTORY
OF
CIVIL SOCIETY.
By ADAM FERGUSON, LL.D.
PROFESSOR OF MORAL PHILOSOPHY in the UNIVERSITY of EDINBURGH.
THE SECOND EDITION, CORRECTED.
LONDON:
Printed for A. MILLAR and T. CADELL, in the STRAND; and
A. KINCAID and J. BELL, EDINBURGH.
MDCCLXVIII.

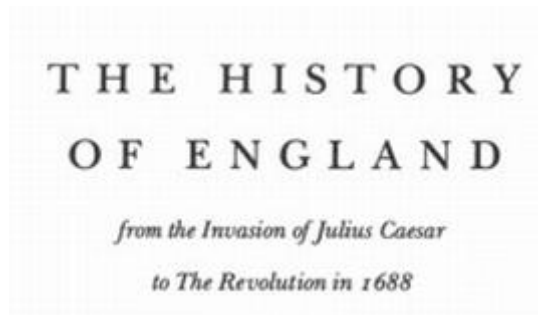
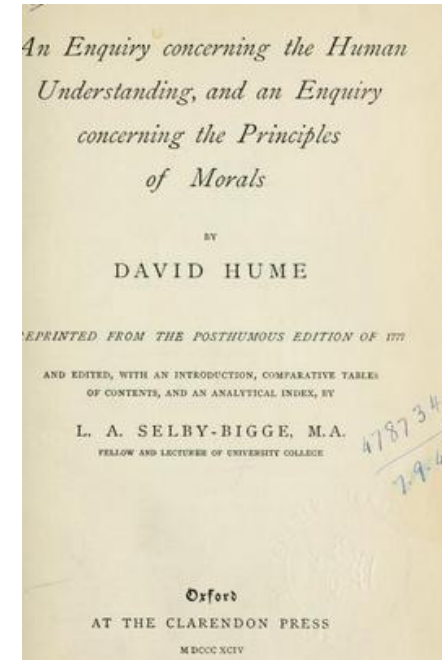
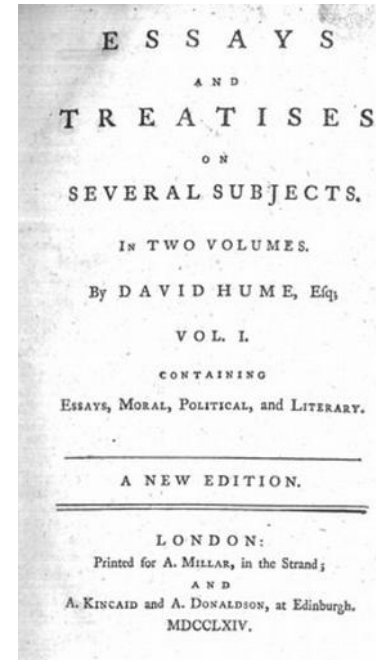
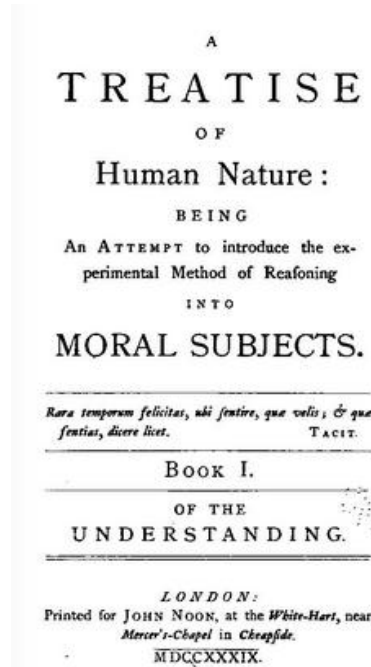
MEN, in general, are sufficiently disposed to occupy themselves in forming projects and schemes: but he who would scheme and project for others, will find an opponent in every person who is disposed to scheme for himself. Like the winds, that come we know not whence, and blow whithersoever they list, the forms of society are derived from an obscure and distant origin; they arise, long before the date of philosophy, from the instincts, not from the speculations, of men. The croud of mankind, are directed in their establishments and measures, by the circumstances in which they are placed; and seldom are turned from their way, to follow the plan of any single projector.

EVERY step and every movement of the multitude, even in what are termed enlightened ages, are made with equal blindness to the future; and nations stumble upon establishments, which are indeed the result of human action, but not the execution of any human design*. If Cromwell said, That a man never mounts higher, than when he knows not whither he is going; it may with more reason be affirmed of communities, that they admit of the greatest revolutions where no change is intended, and that the most refined politicians do not always know whither they are leading the state by their projects.

Σκωτσέζικος Διαφωτισμός



David Hume
(1711 – 1776)



ΣΚΩΤΣΕΖΙΚΟΣ ΔΙΑΦΩΤΙΣΜΟΣ



David Hume
(1711 – 1776)

A Treatise of Human Nature: Being an Attempt to introduce the experimental Method of Reasoning into Moral Subjects. (1739–40)

Essays Moral and Political (1741–2)

An Enquiry Concerning Human Understanding (1748)

An Enquiry Concerning the Principles of Morals (1751)

Political Discourses (1752).

The History of England (1754–62)

The Natural History of Religion (1757)

"My Own Life" (1776) published by Adam Smith

Dialogues Concerning Natural Religion (1779)

Σκωτσέζικος Διαφωτισμός



David Hume
(1711 – 1776)

POLITICAL
DISCOURSES.

Jun. 10 1781

BY

DAVID HUME ESQ.

THE SECOND EDITION.

EDINBURGH,

Printed by R. FLEMING,

For A. KINCAID and A. DONALDSON.

MDCCLIII.

CONTENTS.

DISCOURSE

- I. *Of Commerce.*
- II. *Of Luxury.*
- III. *Of Money.*
- IV. *Of Interest.*
- V. *Of the Balance of Trade.*
- VI. *Of the Balance of Power.*
- VII. *Of Taxes.*
- VIII. *Of Public Credit.*
- IX. *Of some Remarkable Customs.*
- X. *Of the Populousness of Antient Nations.*
- XI. *Of the Protestant Succession.*
- XII. *Idea of a perfect Commonwealth.*



ΣΚΩΤΣΕΖΙΚΟΣ Διαφωτισμός

OF COMMERCE.

4 DISCOURSE I.

THE greatness of a state and the happiness of its subjects, however independent they may be suppos'd in some respects, are commonly allow'd to be inseparable with regard to commerce; and as private men receive greater security, in the possession of their trade and riches, from the power of the public, so the public becomes powerful in proportion to the riches and extensive commerce of private men. This maxim is true in general; tho'

OF LUXURY.

vering together, and contributing to each other's pleasure and entertainment. Thus *industry, knowledge* and *humanity* are linkt together by an indissoluble chain, and are found, from experience as

DISCOURSE III.

Of Money.

MONEY is not, properly speaking, one of the subjects of commerce; but only the instrument, which men have agreed upon to facilitate the exchange of one commodity for another. 'Tis none of the wheels of trade: 'Tis the oil, which renders the motion of the wheels more smooth and easy. If we consider any one kingdom by itself, 'tis evident, that the greater or less plenty of money is of no consequence; since the prices of commodities are always proportion'd to the plenty of money, and a crown in *Harry the VII.*'s time serv'd the same purpose as a pound does at present. 'Tis only the *public*, which draws



ΣΚΩΤΣΕΖΙΚΟΣ Διαφωτισμός

OF INTEREST.

HIGH interest arises from *three* circumstances : A great demand for borrowing; little riches to supply that demand; and great profits arising from commerce: And these circumstances are a clear proof of the small advance of commerce and industry, not of the scarcity of gold and silver. Low

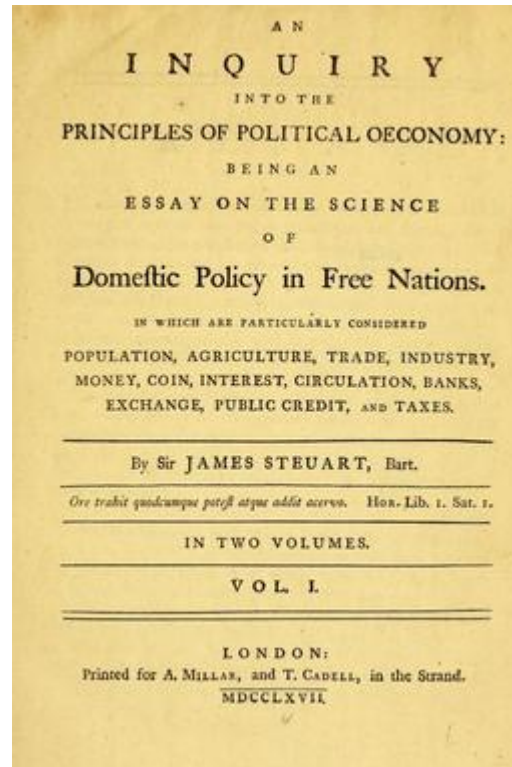
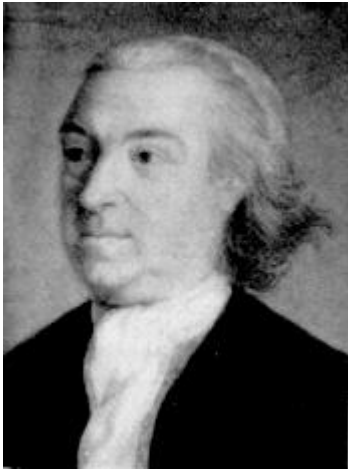
OF THE BALANCE OF TRADE.

SUPPOSE four fifths of all the money in *Britain* to be annihilated in one night, and the nation reduc'd to the same condition, in this particular, as in the reigns of the *Harrys* and *Edwards*; what would be the consequence? Must not the price of all labour and commodities sink in proportion, and every thing be sold as cheap as they were in those ages? What nation could then dispute with us in any foreign market, or pretend to navigate or to wou'd afford sufficient profit? In how little time, therefore, must this bring back the money, which we had lost, and raise us to the level of all the neighbouring nations? Where, after we have arriv'd, we immediately lose the advantage of the cheapness of labour and commodities; and the farther flowing in of money is stopt by our fulness and repletion.

Price–specie flow mechanism



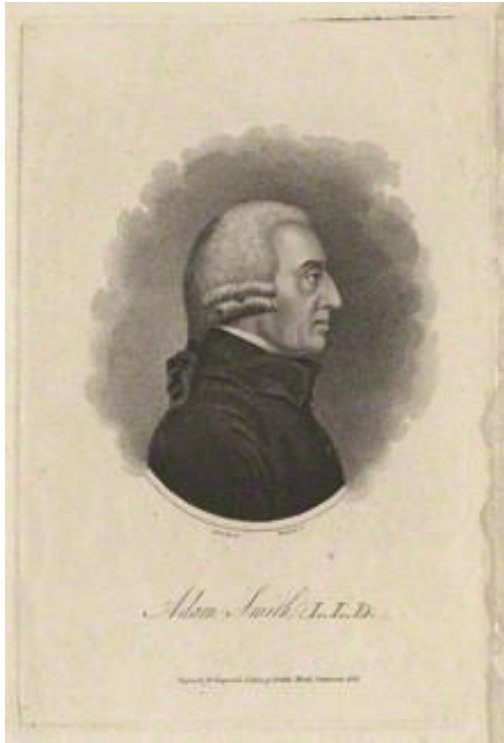
Sir James Steuart (1713-1780)



- Τελευταίος εκπρόσωπος του μερκαντιλισμού
- Ενεργή παρέμβαση του κράτους
- Σχέση πληθυσμού και τροφίμων
- Προστασία βιομηχανίας
- Ρόλος ζήτησης στην «μακροοικονομική» ισορροπία
- Προσφορά και ζήτηση
- Profit upon alienation
- Ζήτηση για εγχώρια πολυτελή αγαθά ευεργετική
- Ισορροπία εργασίας και ζήτησης
- Δεν υπάρχουν γενικοί κανόνες



Adam Smith (1723-1790)



by Mackenzie, after
James Tassie
stipple engraving,
published 1809

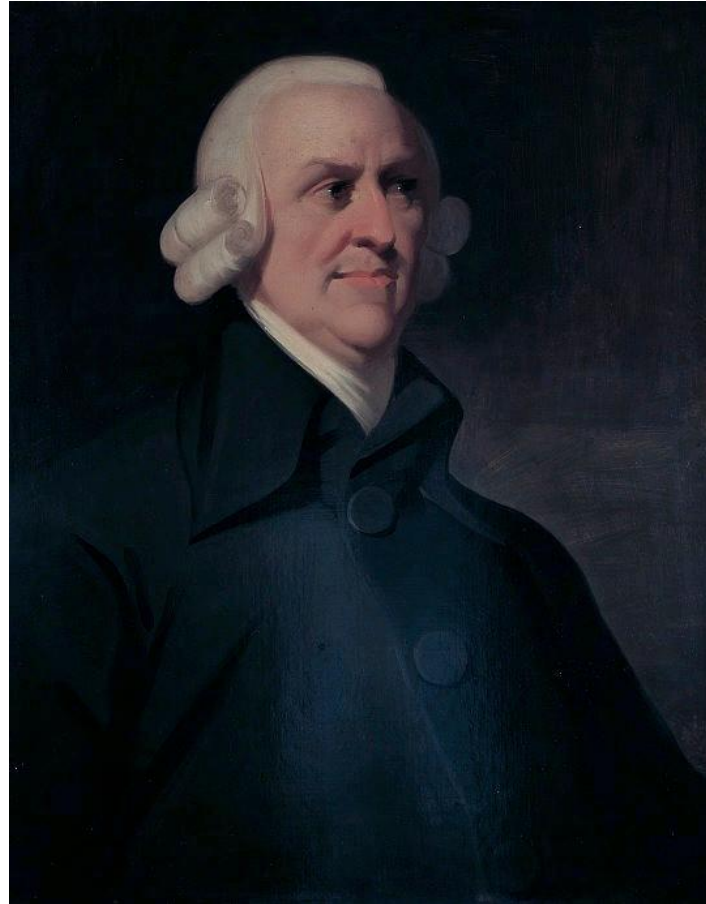


by James Tassie
glass paste medallion,
1787



by John Kay
etching, 1790

Adam Smith (1723-1790)



The Muir portrait



Adam Smith (1723-1790)



Adam Smith (1723-1790)



A crowd gather to watch the unveiling of a 10ft bronze statue of Scottish economist, philosopher and author Adam Smith (1723-1790) at the Royal Mile on July 4, 2008 in Edinburgh, Scotland. The statue, created by Alexander Stoddart, was unveiled in the heart of Edinburgh where Smith worked and died.

Adam Smith (1723-1790)



Adam Smith (1723-1790)

- Βιογραφικά



Γεννήθηκε στο Kirkcaldy, στην κομητεία του Fife στην Σκωτία

- Ο πατέρας του πέθανε όταν ήταν δύο μηνών και μεγάλωσε με την μητέρα του.
- Σπούδασε στο πανεπιστήμιο της Γλασκόβης σε ηλικία 14 ετών.
- 1740 Snell exhibitioner, Balliol College, Oxford.



Η μητέρα του Smith
Margaret Douglas of Strathendry



Adam Smith (1723-1790)



Glasgow University



Balliol College, Oxford



Adam Smith (1723-1790)

- 1748 Δημόσιες διαλέξεις στο Πανεπιστήμιο του Εδιμβούργου «rhetoric and belles-lettres»
- 1750 Γνωρίζει τον David Hume
- 1751 Καθηγητής Λογικής στο Πανεπιστήμιο της Γλασκόβης
- 1752 Μέλος της Philosophical Society of Edinburgh και Καθηγητής Ηθικής Φιλοσοφίας
- 1759 Δημοσιεύει το *Theory of Moral Sentiments*
- 1762 Αναγορεύεται Doctor of Laws (LL.D.)
- 1763 Εγκαταλείπει το πανεπιστήμιο για να συνοδεύσει τον Henry Scott, Duke of Buccleuch [πρόγονο του Charles Townshend] στο Grand Tour
- Toulouse [WoN]-Geneva [Voltaire]-Paris [Benjamin Franklin, Jacques Turgot, Jean D'Alembert, André Morellet, Helvétius, François Quesnay]
- 1766, πεθαίνει ο νεαρός αδελφός του Henry Scott στο Παρίσι και επιστρέφουν.



Adam Smith (1723-1790)

- Professors of Moral Philosophy [Glasgow]
 - Gershom Carmichael MA (1727)
 - Francis Hutcheson MA LLD (1730)
 - Thomas Craigie MA (1746)
 - Adam Smith MA LLD (1752)
 - Thomas Reid MA DD (1764)



Adam Smith (1723-1790)



Charles Townshend
(1725 –1767)



Thomas Gainsborough:
Henry Scott (1746-1812),
3rd Duke of Buccleuch



Voltaire
(1694-1778)

Adam Smith (1723-1790)



Benjamin Franklin
(1706 - 1790)



Jean Le Rond d'Alembert
(1717-1783)



André Morellet (1727 –1819)



Adam Smith (1723-1790)



Claude Adrien
Helvétius
(1715–1771)



Anne-Robert-Jacques Turgot
(1727-1781)



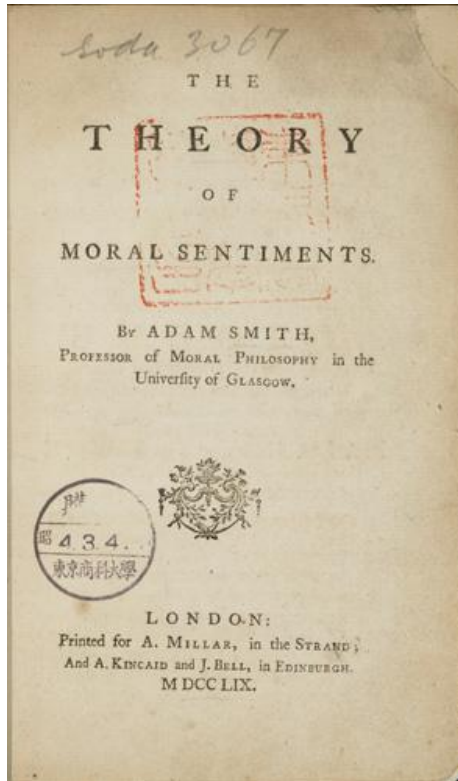
François Quesnay
(1694–1774)

Adam Smith (1723-1790)

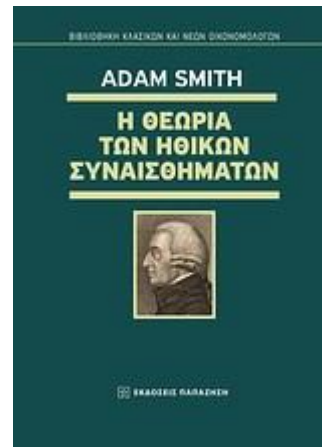
- 1766 Επιστρέφει στο Kirkcaldy και αφιερώνει τα επόμενα δέκα χρόνια στη συγγραφή του *Πλούτου των Εθνών*
- 1773 Fellow της Royal Society of London
- 1776 Δημοσιεύει το *An Inquiry into the Nature and Causes of the Wealth of Nations*
- 1778 Διορίζεται Commissioner of Customs στη Σκωτία και ζει με τη μητέρα του στο Εδιμβούργο
- 1787-9 Lord Rector of the University of Glasgow
- 1790 Πεθαίνει στο Εδιμβούργο



Adam Smith (1723-1790)



Η *Θεωρία Ηθικών Συναισθημάτων* (*The Theory of Moral Sentiments*) δημοσιεύθηκε το 1759 όταν ο Smith ήταν καθηγητής στη Γλασκόβη. Μια δεύτερη αναθεωρημένη έκδοση δημοσιεύθηκε το 1761. Άλλες τρεις εκδόσεις με μικρές αλλαγές εμφανίσθηκαν το 1767, 1774 και το 1781. Μια σημαντικά αναθεωρημένη έκδοση δημοσιεύθηκε λίγο πριν από το θάνατο του Smith το 1790.



Adam Smith, *Η θεωρία των ηθικών συναισθημάτων*, μετάφραση-επιμέλεια: Διονύσης Γ. Δρόσος, επιμέλεια σειράς: Μιχάλης Ψαλιδόπουλος, Εκδόσεις Παπαζήση, 2012

*Θεωρία Ηθικών
Συναισθημάτων*
1759

Adam Smith (1723-1790)

THE GLASGOW EDITION OF THE WORKS AND CORRESPONDENCE OF ADAM SMITH

*Commissioned by the University of Glasgow to celebrate the bicentenary of
the Wealth of Nations*

I THE THEORY OF MORAL SENTIMENTS *Edited by A. L. MACFIE and D. D. RAPHAEL*

II AN INQUIRY INTO THE NATURE AND CAUSES OF THE WEALTH OF NATIONS

Edited by R. H. CAMPBELL and A. S. SKINNER; textual editor W. B. TODD

III ESSAYS ON PHILOSOPHICAL SUBJECTS (and Miscellaneous Pieces) *Edited by W. F. D. WIGHTMAN*

IV LECTURES ON RHETORIC AND BELLES LETTRES *Edited by J. C. BRYCE* This volume includes the *Considerations concerning the First Formation of Languages*

V LECTURES ON JURISPRUDENCE *Edited by R. L. MERR, D. D. RAPHAEL, and P. G. STEIN* This volume includes two reports of Smith's course together with the 'Early Draft' of the *Wealth of Nations*

VI CORRESPONDENCE OF ADAM SMITH *Edited by E. C. MOSSNER and I. S. ROSS*

Associated volumes:

ESSAYS ON ADAM SMITH *Edited by A. S. SKINNER and T. WILSON*

LIFE OF ADAM SMITH *By I. S. ROSS*

*The Glasgow Edition of the Works and Correspondence of Adam Smith and
the associated volumes are published in hardcover by Oxford University
Press. The six titles of the Glasgow Edition, but not the associated volumes,
are being published in softcover by Liberty Fund.*

ADAM SMITH

The Theory of Moral Sentiments

EDITED BY

D. D. RAPHAEL

AND

A. L. MACFIE



PART I
Of the PROPRIETY of ACTION
Consisting of Three Sections

SECTION I
Of the SENSE of PROPRIETY

CHAP. I
Of SYMPATHY

1 How selfish soever man may be supposed, there are evidently some principles in his nature, which interest him in the fortune of others, and render their happiness necessary to him, though he derives nothing from it except the pleasure of seeing it. Of this kind is pity or compassion, the emotion which we feel for the misery of others, when we either see it, or are made to conceive it in a very lively manner. That we often derive sorrow from the sorrow of others, is a matter of fact too obvious to require any instances to prove it; for this sentiment, like all the other original passions of human nature, is by no means confined to the virtuous and humane, though they perhaps may feel it with the most exquisite sensibility. The greatest ruffian, the most hardened violator of the laws of society, is not altogether without it.

Sympathy

5 Pity and compassion are words appropriated to signify our fellow-feeling with the sorrow of others. Sympathy, though its meaning was, perhaps, originally the same, may now, however, without much impropriety, be made use of to denote our fellow-feeling with any passion whatever.¹

WITHOUT IT.

2 As we have no immediate experience of what other men feel, we can form no idea of the manner in which they are affected, but by conceiving what we ourselves should feel in the like situation. Though our brother is upon the rack, as long as we ourselves are at our ease, our senses will never inform us of what he suffers. They never did, and never can, carry us beyond our own person, and it is by the imagination only that we can form any conception of what are his sensations. Neither can that faculty help us to this any other way, than by representing to us what would be our own, if we were in his case. It is the impressions of our own senses only, not those of his, which our imaginations copy. By the imagination we place ourselves in his situation, we conceive ourselves enduring all the same torments, we enter as it were into his body, and become in some measure the same person with him, and thence form some idea of his sensations, and even feel something which, though weaker in degree, is not altogether unlike them. His agonies, when they are thus brought home to ourselves, when we have thus adopted and made them our own, begin at last to affect us, and we then tremble and shudder at the thought of what he feels. For as to be in pain or distress of any kind excites the most excessive sorrow, so to conceive or to imagine that we are in it, excites some degree of the same emotion, in proportion to the vivacity or dulness of the conception.

Sympathy

- 5 Pity and compassion are words appropriated to signify our fellow-feeling with the sorrow of others. Sympathy, though its meaning was, perhaps, originally the same, may now, however, without much impropriety, be made use of to denote our fellow-feeling with any passion whatever.¹

even to prevent our own ruin. We must, here, as in all other cases, view ourselves not so much according to that light in which we may naturally appear to ourselves, as according to that in which we naturally appear to others. Though every man may, according to the proverb, be the whole world to himself, to the rest of mankind he is a most insignificant part of it. Though his own happiness may be of more importance to him than that of all the world besides, to every other person it is of no more consequence than that of any other man. Though it may be true, therefore, that every individual, in his own breast, naturally prefers himself to all mankind, yet he dares not look mankind in the face, and avow that he acts according to this principle. He feels that in this preference they can never go along with him, and that how natural soever it may be to him, it must always appear excessive and extravagant to them. When he views himself in the light in which he is conscious that others will view him, he sees that to them he is but one of the multitude in no respect better than any other in it. If he would act so as that the impartial spectator may enter into the principles of his conduct, which is what of all things he has the greatest desire to do, he must, upon this, as upon all other occasions, humble the arrogance of his self-love, and bring it down to something which other men can go along with. They will indulge it so far as to allow him to be more anxious about, and to pursue with more earnest assiduity, his own happiness than that of any other person. Thus far, whenever they place themselves in his situation, they will readily go along with him. In the race for wealth, and honours, and preferments, he may run as hard as he can, and strain every nerve and every muscle, in order to outstrip all his competitors. But if he should jostle, or throw down any of them, the indulgence of the spectators is entirely at an end. It is a violation of fair play, which they cannot admit of. This man is to them, 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, and cannot go along with the motive from which he hurt him. They readily, therefore, sympathize with the natural resentment of the injured, and the offender becomes the object of their hatred and indignation. He is sensible that he becomes so, and feels that those sentiments are ready to burst out from all sides against him.

impartial spectator

Adam Smith (1723-1790)

Das Adam Smith Problem

Υπάρχει διαφορά μεταξύ της *Θεωρίας των Ηθικών Συναισθημάτων* και του *Πλούτου των Εθνών*;



Adam Smith (1723-1790)

AN
I N Q U I R Y
INTO THE
Nature and Causes
OF THE
WEALTH OF NATIONS.

By ADAM SMITH, LL. D. and F. R. S.
Formerly Professor of Moral Philosophy in the University of GLASGOW.

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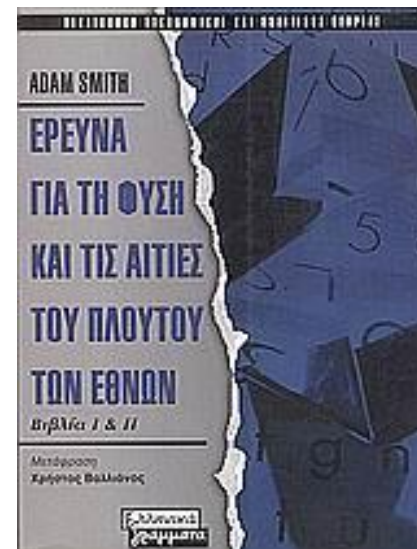




Δημήτριος
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Introduction and Plan of the Work

BOOK I

Of the Causes of Improvement in the productive Powers of Labour, and of the Order according to which its Produce is naturally distributed among the different Ranks of the People

BOOK II

Of the Nature, Accumulation, and Employment of Stock

BOOK III

Of the different Progress of Opulence in different Nations

BOOK IV

Of Systems of political Oeconomy

BOOK V

Of the Revenue of the Sovereign or Commonwealth

AN
I N Q U I R Y
I N T O T H E
Nature and Causes

O F T H E
W E A L T H O F N A T I O N S .

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I N T W O V O L U M E S .
V O L . I .

L O N D O N :

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MDCCLXXVI.

[1] INTRODUCTION AND PLAN OF THE WORK

- 1 THE annual labour of every nation is the fund which originally supplies it with all the necessaries and conveniences of life which it annually consumes, and which consist always, either in the immediate produce of that labour, or in what is purchased with that produce from other nations.
- 2 According therefore, as this produce, or what is purchased with it, bears a greater or smaller proportion to the number of those who are to consume it, the nation will be better or worse supplied with all the necessaries and conveniences for which it has occasion.
- 3 But this proportion must in every nation be regulated by two different circumstances; first, by the skill, dexterity, and judgment with which [2] ^alabour is generally applied ^b; and, secondly, by the proportion between the number of those who are employed in useful labour, and that of those who are not so employed. Whatever be the soil, climate, or extent of territory of any particular nation, the abundance or scantiness of its annual supply must, in that particular situation, depend upon those two circumstances.
- 4 The abundance or scantiness of this supply too seems to depend more upon the former of those two circumstances than upon the latter. Among the savage nations of hunters and fishers, every individual who is able to work, is more or less employed in useful labour, and endeavours to provide, as well as he can, the necessaries and conveniences of life, for himself, ^cor ^csuch of his family or tribe as are either too old, or too young, or too infirm to go a hunting and fishing. Such nations, however, are so miserably poor, that, from mere want, they are frequently reduced, or, at least, think themselves reduced, to the necessity sometimes of directly destroying, and sometimes of abandoning their infants, their old people, and those afflicted with lingering diseases, to perish with hunger, or to be devoured by wild beasts. Among civilized and thriving nations, on the contrary, though a great number of people do not labour at all, many of whom consume the produce of ten times, frequently of a hundred times more labour than the greater part of those who work; yet the produce of the whole labour of the society is so great, that all are often abundantly supplied, and a workman, even of the [3] lowest and poorest order, if he is frugal and industrious, may enjoy a greater share of the necessaries and conveniences of life than it is possible for any savage to acquire.
- 5 The causes of this improvement, in the productive powers of labour,

and the order, according to which its produce is naturally distributed among the different ranks and conditions of men in the society, make the subject of the First Book of this Inquiry.

- 6 Whatever be the actual state of the skill, dexterity, and judgment with which labour is applied in any nation, the abundance or scantiness of its annual supply must depend, during the continuance of that state, upon the proportion between the number of those who are annually employed in useful labour, and that of those who are not so employed. The number of useful and productive labourers, it will hereafter appear, is every where in proportion to the quantity of capital stock which is employed in setting them to work, and to the particular way in which it is so employed. The Second Book, therefore, treats of the nature of capital stock, of the manner in which it is gradually accumulated, and of the different quantities of labour which it puts into motion, according to the different ways in which it is employed.
- 7 Nations tolerably well advanced as to skill, dexterity, and judgment, in the application of labour, have followed very different plans in the general conduct or direction of it; and those plans have not all been equally favourable to the [4] greatness of its produce. The policy of some nations has given extraordinary encouragement to the industry of the country; that of others to the industry of towns. Scarce any nation has dealt equally and impartially with every sort of industry. Since the downfall of the Roman empire, the policy of Europe has been more favourable to arts, manufactures, and commerce, the industry of towns; than to agriculture, the industry of the country. The circumstances which seem to have introduced and established this policy are explained in the Third Book.
- 8 Though those different plans were, perhaps, first introduced by the private interests and prejudices of particular orders of men, without any regard to, or foresight of, their consequences upon the general welfare of the society; yet they have given occasion to very different theories of political œconomy; of which some magnify the importance of that industry which is carried on in towns, others of that which is carried on in the country. Those theories have had a considerable influence, not only upon the opinions of men of learning, but upon the public conduct of princes and sovereign states. I have endeavoured, in the Fourth Book, to explain, as fully and distinctly as I can, those different theories, and the principal effects which they have produced in different ages and nations.
- 9 ^dTo explain ^din what has consisted the revenue of the great body of the people, or what ^ehas been ^ethe nature of those funds which, in different ages and nations, have supplied their annual consumption, is ^fthe object of ^fthese Four first Books. The Fifth and last Book treats of



the revenue of the sovereign, or commonwealth. In this Book I have endeavoured to show; first, what are the necessary expences of the sovereign, or commonwealth; which of those expences ought to be defrayed by the general contribution of the whole society; and which of them, by that of some particular part only, or of some particular members of 'it'; secondly, what are the different methods in which the whole society may be made to contribute towards defraying the expences incumbent on the whole society, and what are the principal advantages and inconveniencies of each of those methods: and, thirdly and lastly, what are the reasons and causes which have induced almost all modern governments to mortgage some part of this revenue, or to contract debts, and what have been the effects of those debts upon the real wealth, the annual produce of the land and labour of the society.

$$Y = \pi L$$

$$Y/N = \pi L/N$$

Y = εθνικό εισόδημα

π = παραγωγικότητα εργασίας

L = εργασία

N = πληθυσμός



Of the Causes of Improvement in the productive Powers of Labour, and of the Order according to which its Produce is naturally distributed among the different Ranks of the People

CHAPTER I

Of the Division of Labour

1 THE greatest "improvement" in the productive powers of labour, and the greater part of the skill, dexterity, and judgment with which it is any where directed, or applied, seem to have been the effects of the division of labour.¹

2 The effects of the division of labour, in the general business of society, will be more easily understood, by considering in what manner it operates in some particular manufactures. It is commonly supposed to be carried furthest in some very trifling ones; not perhaps that it really is carried further in them than in others of more importance: but in those trifling manufactures which are destined to supply the small wants of but a small number of people, the whole number of workmen must necessarily be small; and those employed in every different branch of the work can often be collected into the same [7] workhouse, and placed at once under the view of the spectator. In those great manufactures, on the contrary, which are destined to supply the great wants of the great body of the people, every different branch of the work employs so great a number of workmen, that it is impossible to collect them all into the same workhouse. We can seldom see more, at one time, than those employed in one single branch. Though ^bin such manufactures,^b therefore, the work may really be divided into a much greater number of parts, than in those of a more trifling nature, the division is not near so obvious, and has accordingly been much less observed.

10 άτομα = 4800 καρφοβελόνες
 1 άτομο = 20 καρφοβελόνες
 X 240 αύξηση παραγωγικότητας

3 To take an example, therefore, from a very trifling manufacture; but one in which the division of labour has been very often taken notice of, the trade of the pin-maker; a workman not educated to this business (which the division of labour has rendered a distinct trade), nor acquainted with the use of the machinery employed in it (to the invention of which the same division of labour has probably given occasion), could scarce, perhaps, with his utmost industry, make one pin in a day, and certainly could not make twenty.² But in the way in which this business is now carried on, not only the whole work is a peculiar trade, but it is divided into a number of branches, of which the greater part are likewise peculiar

trades. One man draws out the wire, another straightens it, a third cuts it, a fourth points it, a fifth grinds it at the top for receiving the head; to make the head requires [8] two or three distinct operations; to put it on, is a peculiar business, to whiten the pins is another; it is even a trade by itself to put them into the paper; and the important business of making a pin is, in this manner, divided into about eighteen distinct operations,³ which, in some manufactories, are all performed by distinct hands, though in others the same man will sometimes perform two or three of them. I have seen a small manufactory of this kind where ten men only were employed, and where some of them consequently performed two or three distinct operations. But though they were very poor, and therefore but indifferently accommodated with the necessary machinery, they could, when they exerted themselves, make among them about twelve pounds of pins in a day.⁴ There are in a pound upwards of four thousand pins of a middling size. Those ten persons, therefore, could make among them upwards of forty-eight thousand pins in a day. Each person, therefore, making a tenth part of forty-eight thousand pins, might be considered as making four thousand eight hundred pins in a day. But if they had all wrought separately and independently, and without any of them having been educated to this peculiar business, they certainly could not each of them have made twenty, perhaps not one pin in a day; that is, certainly, not the two hundred and fortieth, perhaps not the four thousand eight hundredth part of what they are at present capable of performing, in consequence of [9] a proper division and combination of their different operations.

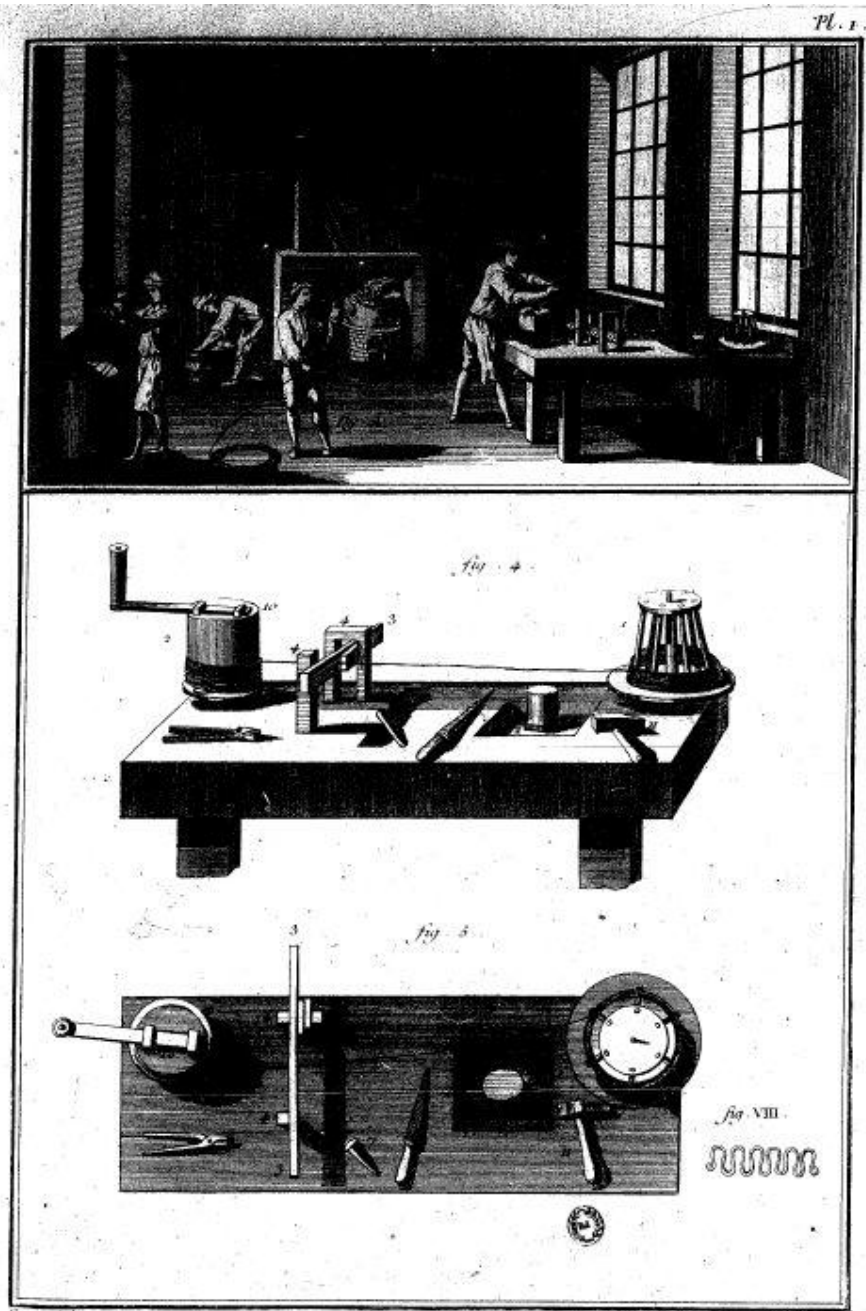


Ο Smith εξηγεί τον καταμερισμό της εργασίας χρησιμοποιώντας το παράδειγμα ενός εργοστασίου που κατασκευάζει καρφίτσες. Στο εργοστάσιο αυτό η κατασκευή υποδιαιρείται σε 18 ξεχωριστές διαδικασίες, αυξάνοντας έτσι την παραγωγικότητα της εργασίας.

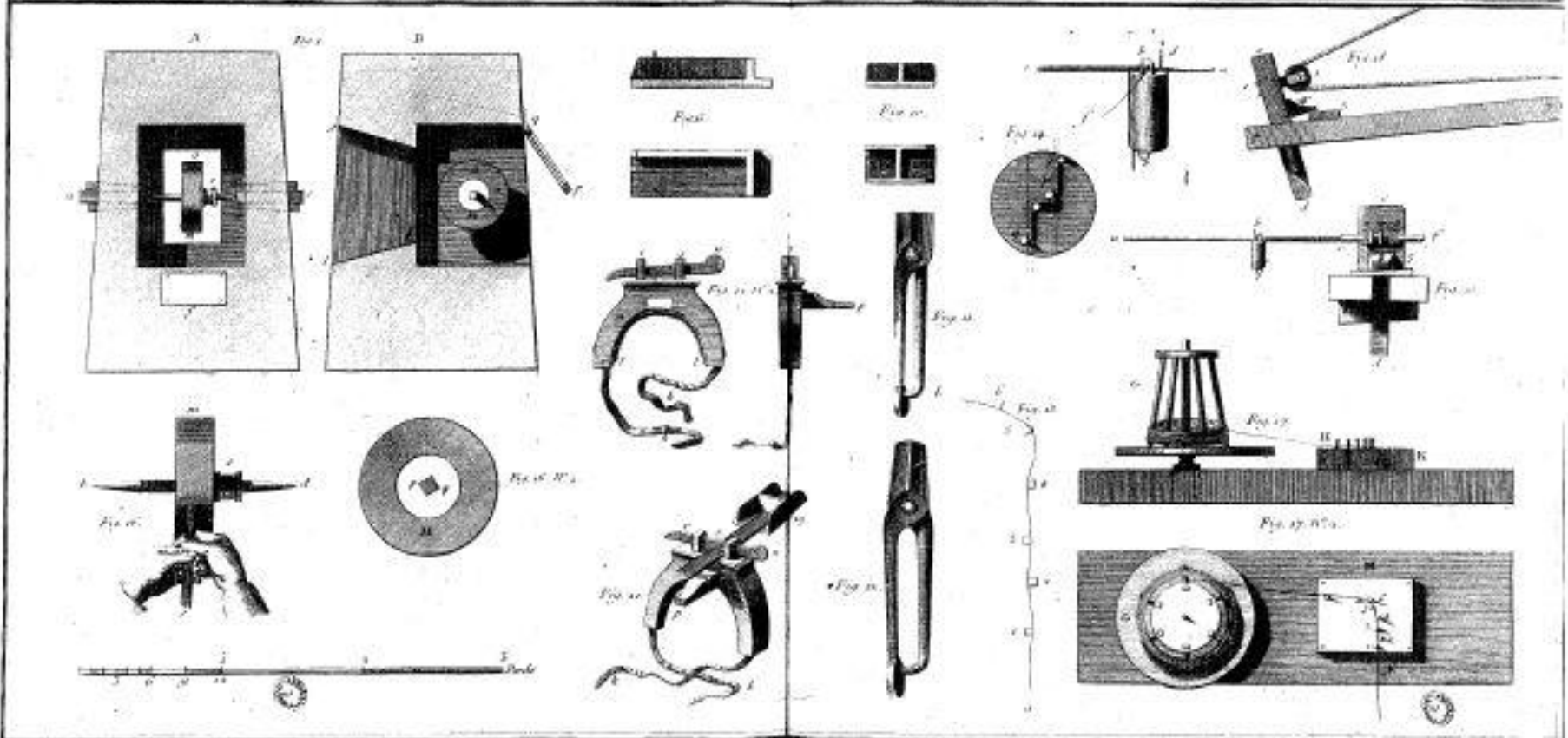
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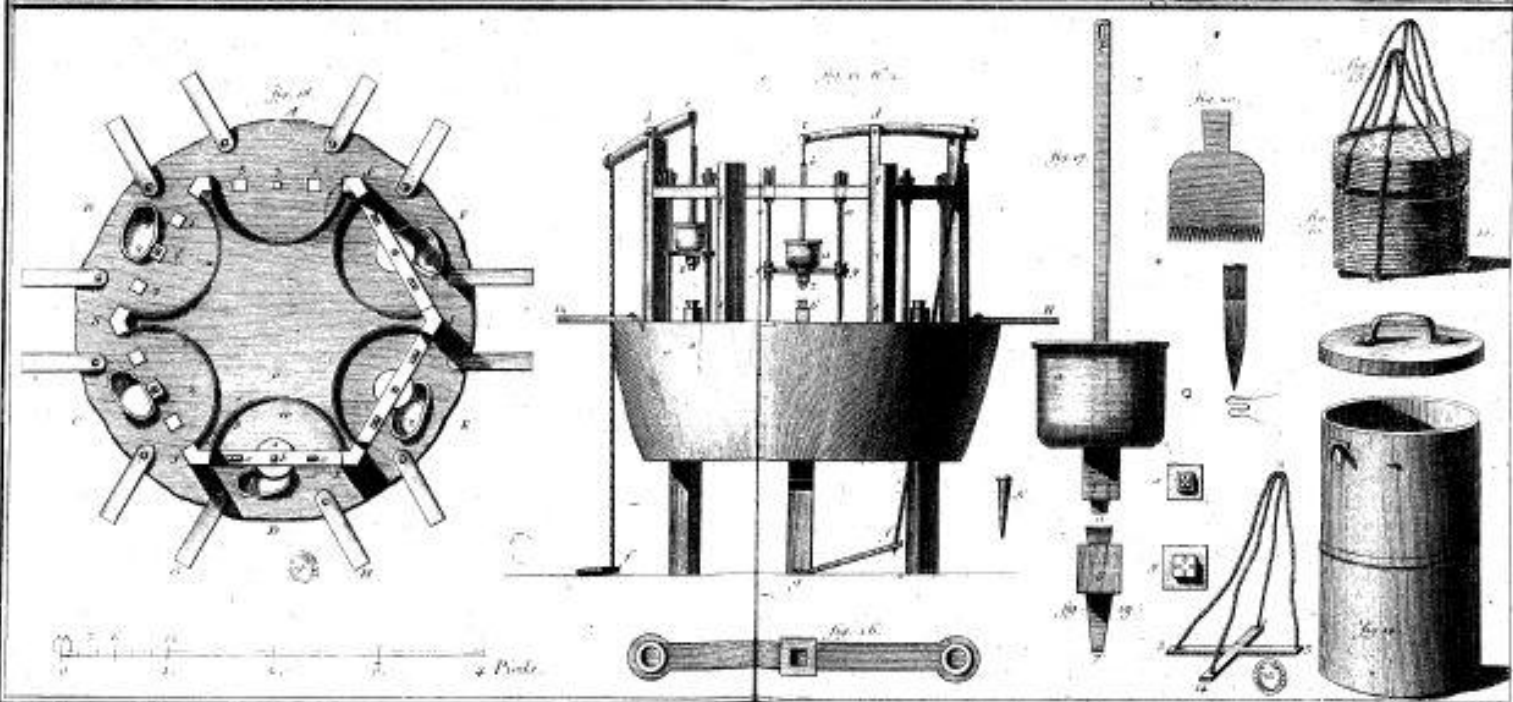
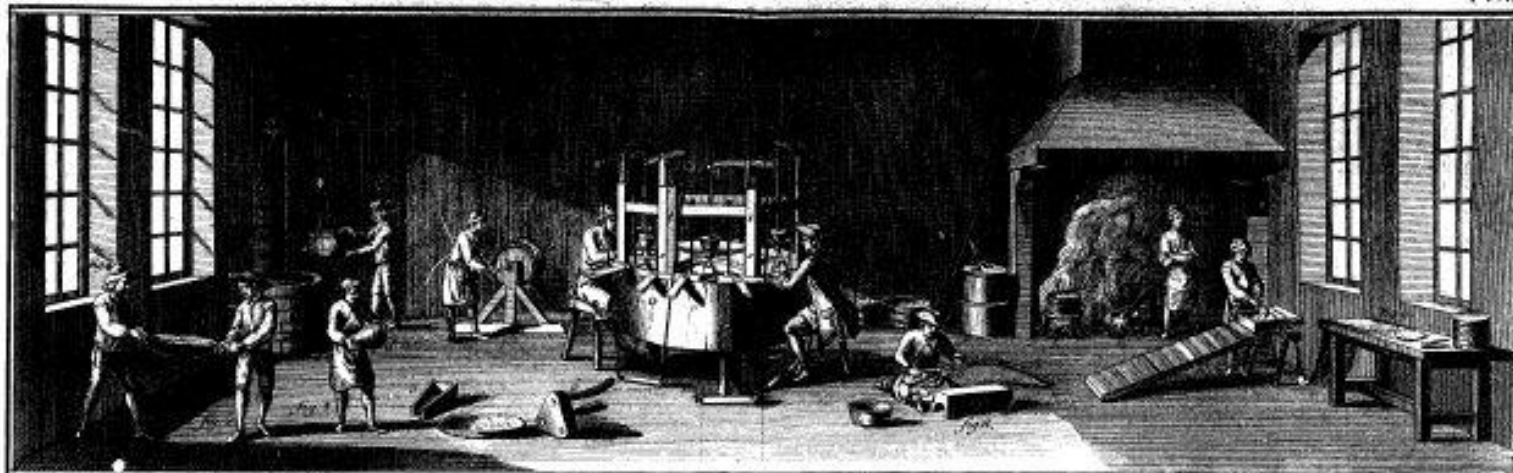
Εικόνες από μια βιοτεχνία που κατασκευάζει καρφίτσες την εποχή του Adam Smith. Από την *Εγκυκλοπαίδεια* του Diderot, στο λήμμα «Épingle» [Καρφίτσα]. Ορισμένοι ισχυρίζονται ότι ο Smith εμπνεύστηκε το παράδειγμα με τις καρφίτσες από την *Εγκυκλοπαίδεια*.



Épingle



Epuiglier.



Epuylier

country can well subsist.

- 5 This great increase 'of the quantity of work, which, 'in consequence of the division of labour,' [12] the same number of people are capable of performing, 'is owing to three different circumstances; first, to the increase of dexterity in every particular workman; secondly, to the saving of the time which is commonly lost in passing from one species of work to another; and lastly, to the invention of a great number of machines which facilitate and abridge labour, and enable one man to do the work of many.'¹⁰

CHAPTER II

Of the Principle which gives occasion to the Division of Labour

- 1 THIS division of labour, from which so many advantages are derived, is not originally the effect of any human wisdom, which foresees and intends that general opulence to [20] which it gives occasion.¹ It is the necessary, though very slow and gradual consequence of a certain propensity in human nature which has in view no such extensive utility; the propensity to truck, barter, and exchange one thing for another.²
- 2 Whether this propensity be one of those original principles in human nature, of which no further account can be given; or whether, as seems more probable, it be the necessary consequence of the faculties of reason and speech, it belongs not to our present subject to enquire.³ It is common to all men, and to be found in no other race of animals, which seem to know neither this nor any other species of contracts. Two greyhounds, in running down the same hare, have sometimes the appearance of acting in some sort of concert. Each turns her towards his companion, or endeavours to intercept her when his companion turns her towards himself. This, however, is not the effect of any contract, but of the accidental

occasion. In civilized society he stands at all times in need of the co-operation and assistance of great multitudes, while his whole life is scarce sufficient to gain the friendship of a few persons. In almost every other race of animals each individual, when it is grown up to maturity, is entirely independent, and in its natural state has occasion for the assistance of no other living creature.⁵ But man has almost constant occasion for the help of his brethren, and it is in vain for him to expect it from their benevolence only.⁶ He will be more likely to prevail if he can interest their self-love in his favour, and shew them that it is for their own advantage to do for him what he requires of them. Whoever offers to another a bargain of any kind, proposes to do this. Give me that which I want, and you shall have this which you want, is the meaning of every such offer; and it is in this manner that we obtain from one another the far greater part of those good offices which we stand in need of. It is not from

the benevolence of the butcher, the brewer, or the baker, that we expect our dinner, but from their [22] regard to their own interest. We address ourselves, not to their humanity but to their self-love, and never talk to them of our own necessities but of their advantages.⁷ Nobody but a beggar chuses to depend chiefly upon the benevolence of his fellow-citizens. Even a beggar does not depend upon it entirely. The charity of well-disposed people, indeed, supplies him with the whole fund of his subsistence. But though this principle ultimately provides him with all the necessaries of life which he has occasion for, it neither does nor can provide him with them as he has occasion for them. The greater part of his occasional wants are supplied in the same manner as those of other people, by treaty, by barter, and by purchase. With the money which one man gives him he purchases food. The old cloaths which another bestows upon him he exchanges for other old cloaths which suit him better, or for lodging, or for food, or for money, with which he can buy either food, cloaths, or lodging, as he has occasion.



CHAPTER III

[26] *That the Division of Labour is limited by the Extent of the Market*¹

- 1 As it is the power of exchanging that gives occasion to the division of labour, so the extent of this division must always be limited by the extent of that power, or, in other words, by the extent of the market.² When the market is very small, no person can have any encouragement to dedicate himself entirely to one employment, for want of the power to exchange all that surplus part of the produce of his own labour, which is over and above his own consumption, for such parts of the produce of other men's labour as he has occasion for.

4 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.¹¹ The difference between the [24] 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.¹² When they came into the world, and for the first six or eight years of their existence, they were^a, perhaps,^a very 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. But without the disposition to truck, barter, and exchange, every man must have procured to himself every necessary and conveniency of life which he wanted. All must have had the same duties to perform, and the same work to do, and there could have been no such difference of employment as could alone give occasion to any great difference of talents.¹³



CHAPTER IV

Of the Origin and Use of Money¹

- 11 It is in this manner that money has become in all civilized nations the universal instrument of commerce, by the intervention of which goods of all kinds are bought and sold, or exchanged for one another.³⁰
- 12 What are the rules which men naturally observe in exchanging them either for money or for one another, I shall now proceed to examine. These rules determine what may be called the relative or exchangeable value of goods.
- 13 [42] The word VALUE, it is to be observed, has two different meanings, and sometimes expresses the utility of some particular object, and sometimes the power of purchasing other goods which the possession of that object conveys. The one may be called 'value in use;' the other, 'value in exchange.' The things which have the greatest value in use have frequently little or no value in exchange; and, on the contrary, those which have the greatest value in exchange have frequently little or no value in use. Nothing is more useful than water: but it will purchase scarce any thing; scarce any thing can be had in exchange for it. A diamond, on the contrary, has scarce any value in use; but a very great quantity of other goods may frequently be had in exchange for it.³¹
- 14 In order to investigate the principles which regulate the exchangeable value of commodities, I shall endeavour to shew,
- 15 First, what is the real measure of this exchangeable value; or, wherein consists the real price of all commodities,
- 16 Secondly, what are the different parts of which this real price is composed or made up.
- 17 And, lastly, what are the different circumstances which sometimes raise some or all of these different parts of price above, and sometimes sink them below their natural or ordinary rate; or, what are the causes which sometimes hinder the market price, that is, the actual price of commodities, from coinciding exactly with what may be called their natural price.

CHAPTER V

Of the real and nominal Price of Commodities, or of their Price in Labour, and their Price in Money

- 1 EVERY man is rich or poor according to the degree in which he can afford to enjoy the necessaries, conveniencies, and amusements of human life.¹ But after the division of labour has once thoroughly taken place, it is but a very small part of these with which a man's own labour can supply him. The far greater part of them he must derive from the labour of other [44] people, and he must be rich or poor according to the quantity of that labour which he can command, or which he can afford to purchase. The value of any commodity, therefore, to the person who possesses it, and who means not to use or consume it himself, but to exchange it for other commodities, is equal to the quantity of labour which it enables him to purchase or command.² Labour, therefore, is the real measure of the exchangeable value of all commodities.³
- 2 The real price of every thing, what every thing really costs to the man who wants to acquire it, is the toil and trouble of acquiring it.⁴ What every thing is really worth to the man who has acquired it, and who wants to dispose of it or exchange it for something else, is the toil and trouble which it can save to himself, and which it can impose upon other people. What is bought with money or with goods is purchased by labour as much as what we acquire by the toil of our own body.⁵ That money or those goods indeed save us this toil. They contain the value of a certain quantity of labour which we exchange for what is supposed at the time to contain the value of an equal quantity.⁶ Labour was the first price, the original purchase-money that was paid for all things.⁷ It was not by gold or by silver, but by labour, that all the wealth of the world was originally purchased;⁸ and its value, to those who possess it and who want to exchange it for some new productions, is precisely equal to the quantity of labour which it can enable them to purchase or command.



CHAPTER VI

Of the component Parts of the Price of Commodities

4 But though labour be the real measure of the exchangeable value of all commodities, it is not that by which their value is commonly estimated. It is often difficult to ascertain the proportion between two different quantities of labour. The time spent in two different sorts of work will not always alone determine this proportion. The different degrees of hardship endured, and of ingenuity exercised, must likewise be taken into account.¹⁰ There may be more labour in an hour's hard work than in two hours easy business; or in an hour's application to a trade which it cost ten years labour to learn, than in a [46] month's industry at an ordinary and obvious employment. But it is not easy to find any accurate measure either of hardship or ingenuity. In exchanging indeed the different productions of different sorts of labour for one another, some allowance is commonly made for both. It is adjusted, however, not by any accurate measure, but by the higgling and bargaining of the market, according to that sort of rough equality which, though not exact, is sufficient for carrying on the business of common life.



- 1 IN that early and rude state of society which precedes both the accumulation of stock and the appropriation of land, the proportion between the quantities of labour necessary for acquiring different objects seems to be the only circumstance which can afford any rule for exchanging them for one another.¹ If among a nation of hunters, for example, it usually costs twice the labour to kill a beaver which it does to kill a deer, one beaver should naturally ex-[71]change for or be worth two deer. It is natural that what is usually the produce of two days or two hours labour, should be worth double of what is usually the produce of one day's or one hour's labour.
- 2 If the one species of labour should be more severe than the other, some allowance will naturally be made for this superior hardship;² and the produce of one hour's labour in the one way may frequently exchange for that of two hours labour in the other.
- 4 In this state of things^a, the whole produce of labour belongs to the labourer; and^a the quantity of labour commonly employed in acquiring or producing any commodity, is the only circumstance which can regulate the quantity of la-[72]bour which it ought commonly to purchase, command, or exchange for.
- 5 As soon as stock has accumulated in the hands of particular persons, some of them will naturally employ it in setting to work industrious people, whom they will supply with materials and subsistence, in order to make a profit by the sale of their work, or by what their labour adds to the value of the materials. In exchanging the complete manufacture either for money, for labour, or for other goods, over and above what may be sufficient to pay the price of the materials, and the wages of the workmen, something must be given for the profits of the undertaker of the work who hazards his stock in this adventure.⁴ The value which the workmen add to the materials, therefore, resolves itself in this case into two parts, of which the one pays their wages, the other the profits of their employer upon the whole stock of materials and wages which he advanced. He could have no interest to employ them, unless he expected from the sale of their work something more than what was sufficient to replace his stock to him; and he could have no interest to employ a great stock rather than a small one, unless his profits were to bear some proportion to the extent of his stock.



were to bear some proportion to the extent of his stock.

6 The profits of stock, it may perhaps be thought, are only a different name for the wages of a particular sort of labour, the labour of inspection and direction. They are, however, altogether different, are regulated by quite differ-[73]ent principles, and bear no proportion to the quantity, the hardship, or the ingenuity of this supposed labour of inspection and direction. They are regulated altogether by the value of the stock employed, and are greater or smaller in proportion to the extent of this stock. Let us suppose, for example, that in some particular place, where the common annual profits of manufacturing stock are ten per cent. there are two different manufactures, in each of which twenty workmen are employed at the rate of fifteen pounds a year each, or at the expence of three hundred a year in each manufactory. Let us suppose too, that the coarse materials annually wrought up in the one cost only seven hundred pounds, while the finer materials in the other cost seven thousand. The capital annually employed in the one will in this case amount only to one thousand pounds; whereas that employed in the other will amount to seven thousand three hundred pounds. At the rate of ten per cent. therefore, the undertaker of the one will expect an yearly profit of about one hundred pounds only; while that of the other will expect about seven hundred and thirty pounds. But though their profits are so very different, their labour of inspection and direction may be either altogether or very nearly the same. In many great works, almost the whole labour of this kind is ^b committed to some principal clerk. His wages properly express the value of this labour of inspection and direction. Though in settling them some regard is had commonly, not only to his [74] labour and skill, but to the trust which is reposed in him, yet they never bear any regular proportion to the capital of which he oversees the management; and the owner of this capital, though he is thus discharged of almost all labour, still expects that his profits should bear a regular proportion to ^chis capital^c. In the price of commodities, therefore, the profits of stock ^dconstitute a component part^d altogether different from the wages of labour, and regulated by quite different principles.

κέρδος

8 As soon as the land of any country has all become private property, the landlords, like all other men, love to reap where they never sowed, and demand a rent even for its natural produce. The wood of the forest, the grass of the field, and all the natural fruits of the earth, which, when land was in common, cost ^ethe labourer^e only the trouble of gathering them, come^h, even to him,^h to have an additional price fixed upon them. 'He' must then pay for the licence to gather [75] them; and ⁱmust give up to the landlord a portion of what his labour either collects or produces. This portion, or, what comes to the same thing, the price of this portion, constitutes the rent of land, and in the price of the greater part of commodities makes a third component part.¹⁵

γαιοπρόσδος

Μισθοί + κέρδος + γαιοπρόσδος

$$p_n = wL + r_e T + rK$$



CHAPTER VII

*Of the natural and market Price of Commodities*¹

- 7 ^a [84] The actual price at which any commodity is commonly sold is called its market price. It may either be above, or below, or exactly the same with its natural price.
- 8 The market price of every particular commodity is regulated by the proportion between the quantity which is actually brought to market, and the demand of those who are willing to pay the natural price of the commodity, or the whole value of the rent, labour, and profit, which must be paid in order to bring it thither. Such people may be called the effectual demanders, and their demand the effectual demand;⁷ since it may be sufficient to effectuate the bringing of the commodity to market. It is different from the absolute demand. A very poor man may be said in some sense to have a demand for a coach and six; he might like to have it; but his demand is not an effectual demand, as the commodity can never be brought to market in order to satisfy it.⁸
- 9 When the quantity of any commodity which is brought to market falls short of the effectual demand, all those who are willing to pay the whole value of the rent, wages, and profit, which must be paid in order to bring it thither, cannot be supplied with the quantity which they want. Rather than want it altogether, some of them will be willing to give more. A competition will immediately begin among them, and the market price will rise

more or less above the natural price, according as ^aeither^b the greatness of the deficiency^b, or the wealth and wanton luxury of the competitors, happen to animate^b more or less the eagerness of [85] ^cthe^c competition. ^dAmong competitors of equal wealth and luxury the^d same deficiency will generally occasion a more or less eager competition, according as the acquisition of the commodity happens to be of more or less importance to ^ethem^e. Hence the exorbitant price of the necessaries of life during the blockade of a town or in a famine.

- o When the quantity brought to market exceeds the effectual demand, it cannot be all sold to those who are willing to pay the whole value of the rent, wages and profit, which must be paid in order to bring it thither. Some part must be sold to those who are willing to pay less, and the low price which they give for it must reduce the price of the whole. The market price will sink more or less below the natural price, according as the greatness of the excess increases more or less the competition of the sellers, or according as it happens to be more or less important to them to get immediately rid of the commodity. The same excess in the importation of perishable, will occasion a much greater competition than in that of durable commodities; in the importation of oranges, for example, than ^fin^f that of old iron.⁹

price.

- 15 The natural price, therefore, is, as it were, the central price, to which the prices of all commodities are continually gravitating.¹⁰ Different accidents may sometimes keep them suspended a good deal above it, and sometimes force them down even somewhat below it. But whatever may be the obstacles which hinder them from settling in this center of repose and continuance, they are constantly tending towards it.



PART I
*Inequalities arising from the Nature of the Employments
themselves*

1 The five following are the principal circumstances which, so far as I have been able to observe, make up for a small pecuniary gain in some employments, and counter-balance a great one in others: first, the agreeableness or disagreeableness of the employments themselves; secondly, the easiness and cheapness, or the difficulty and expence of learning them; thirdly, the constancy or inconstancy of employment in them; fourthly, the small or great trust which must be reposed in those who exercise them; and, fifthly, the probability or improbability of success in them.³

34 Of the five circumstances, therefore, which vary the wages of labour, two only affect the profits of stock; the agreeableness or disagreeableness of the business, and the risk or security with which it is attended.²⁹ In point of

CHAPTER XI

Of the Rent of Land

5 The rent of land, therefore, considered as the price paid for the use of the land, is naturally a monopoly price.⁶ It is not at all proportioned to what the landlord may have laid out upon the improvement of the land, or to what he can afford to take; but to what the farmer can afford to give.⁷

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BOOK II

Of the Nature, Accumulation, and Employment of Stock

4 As the accumulation of stock is previously necessary for carrying on this great improvement in the productive powers of labour, so that accumulation naturally leads to this improvement. The person who employs his stock in maintaining labour, necessarily wishes to employ it in such a manner as to produce as great a quantity of work as possible. He endeavours, therefore, both to make among his workmen the most proper distribution of employment, and to furnish them with the best machines which he can either invent or afford to purchase.³ His abilities in both these respects are generally in proportion to the extent of his stock, or to the number of people whom it can employ. The quantity of industry, therefore, not only increases in every country with the increase of the stock which employs it, but, in consequence of that increase, the same quantity of industry produces a much greater quantity of work.



Of the Accumulation of Capital, or of productive and unproductive Labour

I THERE is one sort of labour which adds to the value of the subject upon which it is bestowed: There is another which has no such effect. The former, as it produces a value, may be called productive; the latter, unproductive* labour.¹ Thus the labour of a manufacturer adds, generally, to the value of the materials which he works upon, that of his own [2] maintenance, and of his master's profit. The labour of a menial servant, on the contrary, adds to the value of nothing. Though the manufacturer has his wages advanced to him by his master, he, in reality, costs him no expence, the value of those wages being generally restored, together with a profit, in the improved value of the subject upon which his labour is bestowed. But the maintenance of a menial servant never is restored. A man grows rich by employing a multitude of manufacturers: He grows poor, by maintaining a multitude of menial servants. The labour of the latter, however, has its value, and deserves its reward as well as that of the former. But the labour of the manufacturer fixes and realizes itself in some particular subject or vendible commodity, which lasts for some time at least after that labour is past.² It is, as it were, a certain quantity of labour stocked and stored up to be employed, if necessary, upon some other occasion. That subject, or what is the same thing, the price of that subject, can afterwards, if necessary, put into motion a quantity of labour equal to that which had originally produced it.³ The labour of the menial servant, on the contrary, does not fix or realize itself in any particular subject or vendible commodity. His services generally perish in the very instant of their performance, and seldom leave any trace or value behind them, for which an equal quantity of service could afterwards be procured.⁴

officers both of justice and war who serve under him, the whole army and navy, are unproductive labourers.⁵ They are the servants of the publick, and are maintained by a part of the annual produce of the industry of other people.⁶ Their service, how honourable, how useful,⁷ or how necessary soever, produces nothing for which an equal quantity of service can afterwards be procured. The protection, security, and defence of the commonwealth, the effect of their labour this year, will not purchase its protection, security, and defence, for the year to come. In the same class must be ranked, some both of the gravest and most important, and some of the most frivolous professions: churchmen, lawyers, physicians, men of letters of all kinds; players, buffoons, musicians, opera-singers, opera-dancers, &c.⁸ The labour of the meanest of these has a certain value, regulated by the very same principles which regulate that of every other sort of labour;⁹ and that of the noblest and most useful, produces nothing which could afterwards purchase or procure an equal quantity of labour. Like the declamation of the actor, the harangue of the orator, or the tune of the musician, the work of all of them perishes in the very instant of its production.¹⁰



Of Systems of political Oeconomy

INTRODUCTION

- 1 POLITICAL ōconomy, considered as a branch of the science of a statesman or legislator, proposes two distinct objects; first, 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; and secondly, to supply the state or commonwealth with a revenue sufficient for the publick services. It proposes to enrich both the people and the sovereign.
- 2 The different progress of opulence in different ages and nations, has given occasion to two different systems of political ōconomy, with regard to enriching the people. The one may be called the system of commerce, the other that of agriculture. I shall endeavour to explain both as fully and distinctly as I can, and shall begin with the system of commerce. It is the modern system, and is best understood in our own country and in our own times.

CHAPTER I

Of the Principle of the commercial, or mercantile System¹

... manner. The French have been particularly forward to favour their own manufactures by restraining the importation of such foreign goods as could come into competition with them. In this consisted a great part of the policy of Mr. Colbert,⁴⁹ who, notwithstanding his great abilities, seems in this case to have been imposed upon by the sophistry of merchants and manufacturers, who are always demanding a monopoly against their countrymen. It is at present the opinion of the most intelligent men in France that his operations of this kind have not been beneficial to his country.⁵⁰ That minister, by the tarif of 1667, imposed very high duties

CHAPTER III

Of the extraordinary Restraints upon the Importation of Goods of almost all Kinds, from those Countries with which the Balance is supposed to be disadvantageous

^aPART I

Of the Unreasonableness of those Restraints even upon the Principles of the Commercial System^a



Το αόρατο χέρι

TMS

WN

PART IV

Of the EFFECT of UTILITY upon the Sentiment of Approbation
"Consisting of One Section"

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CHAPTER II

Of Restraints upon the Importation "from foreign Countries of such Goods" as can be produced at Home

9 But the annual revenue of every society is always precisely equal to the exchangeable value of the whole annual produce of its industry, or rather is precisely the same thing with that exchangeable value.¹² As every individual, therefore, endeavours as much as he can both to employ his capital in the support of domestick industry, and so to direct that industry that its produce may be of the greatest value; every individual necessarily labours to render the annual revenue of the society as great as he can.¹³ He generally, indeed, neither intends to promote the publick interest, nor knows how much he is promoting it. By preferring the support of domestick to that of foreign industry, he intends only his own security; and by directing that industry in such a manner as its produce may be of the greatest value, he intends only his own gain, and he is in this, as in many other cases, led by an invisible hand to promote an end which was no part of his intention.¹⁴ Nor is it always the worse for the society that it was no part of it. By pursuing his own interest he frequently promotes that of the society more effectually than when he really intends to promote it. I have never known much good done by those who affected to trade for the publick good. It is an [182] affectation, indeed, not very common among merchants, and very few words need be employed in dissuading them from it.¹⁵

and to maintain a greater multitude of inhabitants. It is to no purpose, that the proud and unfeeling landlord views his extensive fields, and without a thought for the wants of his brethren, in imagination consumes himself the whole harvest that grows upon them. The homely and vulgar proverb, that the eye is larger than the belly, never was more fully verified than with regard to him. The capacity of his stomach bears no proportion to the immensity of his desires, and will receive no more than that of the meanest peasant.⁶ The rest he is obliged to distribute among those, who prepare, in the nicest manner, that little which he himself makes use of, among those who fit up the palace in which this little is to be consumed, among those who provide and keep in order all the different baubles and trinkets, which are employed in the oeconomy of greatness; all of whom thus derive from his luxury and caprice, that share of the necessaries of life, which they would in vain have expected from his humanity or his justice. The produce of the soil maintains at all times nearly that number of inhabitants which it is capable of maintaining. The rich only select from the heap what is most precious and agreeable. They consume little more than the poor, and in spite of their natural selfishness and rapacity, though they mean only their own conveniency, though the sole end which they propose from the labours of all the thousands whom they employ, be the gratification of their own vain and insatiable desires, they divide with the poor the produce of all their improvements. They are led by an invisible hand⁷ to make nearly

the same distribution of the necessaries of life, which would have been made, had the earth been divided into equal portions among all its inhabitants, and thus without intending it, without knowing it, advance the interest of the society, and afford means to the multiplication of the species. When Providence divided the earth among a few lordly masters, it neither forgot nor abandoned those who seemed to have been left out in the partition. These last too enjoy their share of all that it produces. In what constitutes the real happiness of human life, they are in no respect inferior to those who would seem so much above them. In ease of body and peace of mind, all the different ranks of life are nearly upon a level, and the beggar, who suns himself by the side of the highway, possesses that security which kings are fighting for.

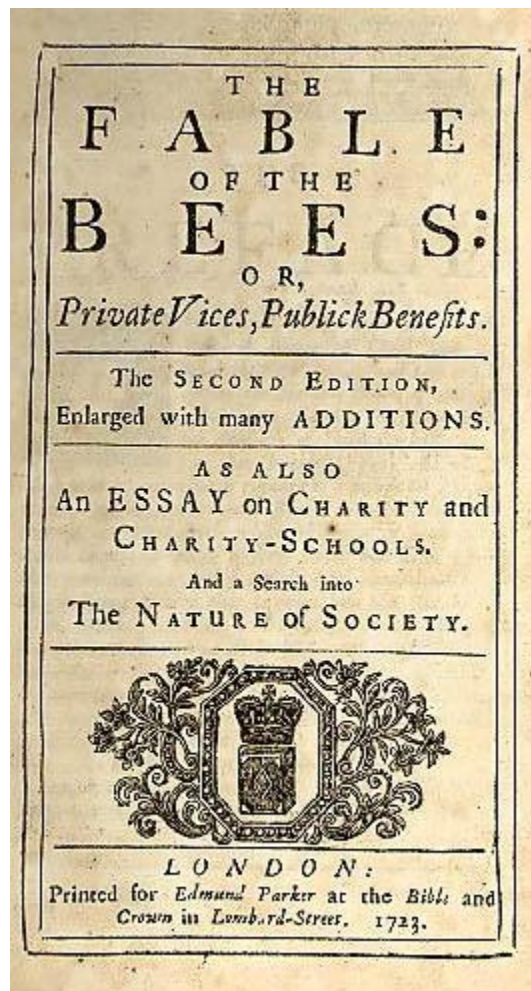
Μη σκοπούμενες συνέπειες



Το αόρατο χέρι και ο ρόλος του ατομικού συμφέροντος



Bernard de Mandeville
(1670 –1733)



THE GRUMBLING HIVE: OR, KNAVES *turn'd Honest.*^[1]

A Spacious Hive well stocked with Bees,
That liv'd in Luxury and Ease ;
And yet as fam'd for Laws and
Arms,
As yielding large and early Swarms ;
Was counted the great Nursery

Of Sciences and Industry.
No Bees had better Government,
More Fickleness, or less Content :
They were not Slaves to Tyranny,
Nor rul'd by wild *Democracy* ;
But Kings, that could not wrong, because ^[2]
Their Power was circumscrib'd by Laws.

¹: or, *KNAVES turn'd Honest*] *om. in heading, although present on title-page, 05*
2522.1



Το αόρατο χέρι και ο ρόλος του ατομικού συμφέροντος

[3] VAST Numbers throng'd the fruitful Hive ;
Yet those vast Numbers made 'em thrive ;
Millions endeavouring to supply
Each other's Lust and Vanity ;
While other Millions were employ'd,
To see their Handy-works destroy'd ;
They furnish'd half the Universe ;
Yet had more Work than Labourers.

ΟΙ ΑΙΣΙΟΙ ΓΥΝΑΙΚΕΣ ΑΙ ΑΙΣΙΟΙΣ ΑΝΔΡΑΣΙΝ.

(B.) These were call'd Knaves, but bar the Name,
The grave Industrious were the same :

All Trades and Places knew some Cheat,
No Calling was without Deceit.

THUS every Part was full of Vice,
Yet the whole Mass a Paradise ;
Flatter'd in Peace, and fear'd in Wars,
They were th' Esteem of Foreigners,
And lavish of their Wealth and Lives,
The Balance of all other Hives.
Such were the Blessings of that State ;
Their Crimes conspir'd to make them * Great
(F.) And Virtue, who from Politicks
Had learn'd a Thousand Cunning Tricks,
Was, by their happy Influence,
Made Friends with Vice : And ever since,
(G.) The worst of all the Multitude
Did something for the Common Good.

(I.) THE Root of Evil, Avarice,
That damn'd ill-natur'd baneful Vice,
Was Slave to Prodigality,
(K.) That noble Sin ; (L.) whilst Luxury
Employ'd a Million of the Poor,
(M.) And odious Pride a Million more :
(N.) ^b Envy it self, and Vanity,
Were Ministers of Industry ;
Their darling Folly, Fickleness,
In Diet, Furniture and Dress,
That strange ridic'lous Vice, was made
The very Wheel that turn'd the Trade.



people.

50 In the progress of the division of labour, the employment of the far greater part of those who live by labour, that is, of the great body of the people, comes to be confined to a "few very" simple operations; frequently to one or two. But the understandings of the greater part of men are necessarily formed by their ordinary employments.⁴⁶ The man whose whole life is spent in performing a few simple operations, of which the effects too are, perhaps, always the same, or very nearly the same, has no occasion to exert his understanding, or to exercise his invention in finding out expedients for removing difficulties which never occur. He naturally loses, therefore, the habit of such exertion, and generally becomes as stupid and ignorant as it is possible for a human creature to become.⁴⁷ The torpor of his mind renders him, not only incapable of relishing or bearing a part in any rational conversation, but of conceiving any generous, noble, or tender sentiment, and consequently of forming any just judgment concerning many even of the ordinary duties of private life. Of the great and extensive interests of his country, he is altogether incapable of judging; and unless very particular pains have been taken to render him otherwise, he is equally incapable of defending his country in war.⁴⁸ The uniformity of his stationary life naturally corrupts the courage of his mind, and makes him regard with abhorrence the irregular, [183] uncertain, and adventurous life of a soldier. It corrupts even the activity of his body, and renders him incapable of exerting his strength with vigour and perseverance, in any other employment than that to which he has been bred. His dexterity at his own particular trade seems, in this manner, to be acquired at the expence of his intellectual, social, and martial virtues. But in every improved and civilized society this is the state into which the labouring poor, that is, the great body of the people, must necessarily fall, unless government takes some pains to prevent it.⁴⁹

Τα αρνητικά αποτελέσματα του καταμερισμού της εργασίας και ο ρόλος της εκπαίδευσης



MODERN TIMES, United Artists, 1936. Directed by Charlie Chaplin



OF THE NATURE PRODUCE OF THE HUMAN MIND.

51 All systems either of preference or of restraint, therefore, being thus completely taken away, the obvious and simple system of natural liberty establishes itself of its own accord.⁵⁹ Every man, as long as he does not violate the laws of justice, is left perfectly free to pursue his own interest his own way, and to bring both his industry and capital into competition with those of any other man, or order of men. The sovereign is completely discharged from a duty, in the attempting to perform which he must always be exposed to innumerable delusions, and for the proper performance of which no human wisdom or knowledge could ever be sufficient; the duty of superintending the industry of private people, and of directing it towards the employments most suitable to the interest of the society.⁶⁰ According to the system of natural liberty, the sovereign has only three duties to attend to; three duties of great importance, indeed, but plain and intelligible to common understandings: first, the duty of protecting the society from the violence and invasion of other independent societies; secondly, the duty of protecting, as far as possible, every member of the society from the injustice or oppression of every other member of it, or the duty of establishing [43] an exact administration of justice;⁶¹ and, thirdly, the duty of erecting and maintaining certain

publick works and certain publick institutions, which it can never be for the interest of any individual, or small number of individuals, to erect and maintain; because the profit could never repay the expence to any individual or small number of individuals, though it may frequently do much more than repay it to a great society.⁶²

The system of natural liberty

Ο ρόλος της κυβέρνησης



Τέλος Ενότητας

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