ROUSSEAU’S ‘PHILOSOPHICAL CHEMISTRY’ AND THE FOUNDATIONS OF ADAM SMITH’S THOUGHT

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Abstract: Recent scholarship on Adam Smith has stressed that he accepts that commercial society has a number of important moral and political drawbacks, but it has not adequately addressed the question of why he defends commercial society despite these problems. I argue that one of Smith’s earliest (and most often overlooked) writings, a review of Rousseau’s *Discourse on Inequality*, points towards the ultimate grounds of his defence of commercial society, which lies above all in his account of the moral and political drawbacks of pre-commercial societies. Whereas Rousseau sees commercial society largely as a lamentable departure from a happy and peaceful state of nature, Smith sees it as a definite improvement over the poverty, dependence and insecurity that characterized most previous ages, its very real imperfections notwithstanding.

I

Much of the recent outpouring of scholarship on Adam Smith among political theorists, philosophers and intellectual historians has stressed that the common caricature of him as a facile champion of laissez-faire commerce and unbridled self-interest is far from adequate and that he in fact accepts that commercial society has a number of important moral and political drawbacks. As we will see, Smith acknowledges that the division of labour in commercial society can exact an immense cost in human dignity by rendering people feeble and ignorant, that great wealth is necessarily accompanied by great inequalities, that widespread luxury is often accompanied by problems such as moral corruption and ostentation, and that people in commercial society tend to submit themselves to nearly endless toil and anxiety in the pursuit of material goods that in the end provide (at best) only fleeting satisfaction. It is not immediately obvious that the economic growth that commercial society makes possible is sufficient to offset these ills, and so the question arises why Smith would defend a society that causes these problems. This question — the question that I argue stands at the heart of Smith’s thought — has seldom been adequately addressed in the vast literature on Smith; to simply assert, as most scholars do, that Smith defends commercial society in spite of its...
shortcomings seems rather insufficient when the shortcomings he recognizes are so numerous and so severe.

I argue that a clue regarding the ultimate grounds of Smith’s defence of commercial society can be found in one of his earliest (and most often overlooked) writings, a discussion of Jean-Jacques Rousseau’s *Discourse on Inequality* contained in a letter to the editors of the *Edinburgh Review.⁴ In this letter Smith compares the *Discourse* to Bernard Mandeville’s *Fable of the Bees* and shows that Rousseau and Mandeville share a surprising amount of common ground, given their radically different attitudes towards commercial society. The key difference between them, Smith indicates, lies in their accounts of human nature and pre-commercial societies: whereas Rousseau envisions a happy and peaceful state of nature, Mandeville’s is a harsh and unbearable one, and this leads them to evaluate commercial society very differently. Similarly, I believe, the great differences between Rousseau’s and Smith’s respective accounts of human nature and pre-commercial societies helps to explain their very different evaluations of commercial society despite their common awareness of its drawbacks. Whereas Rousseau sees commercial society as a lamentable departure from the wholeness, equality, innocence and happiness of the state of nature and the rugged simplicity of earlier societies, Smith sees it as a definite improvement over the poverty, dependence and insecurity that characterized most previous ages, its very real imperfections notwithstanding. In other words, Smith (like Rousseau) recognizes the deeply problematic character of commercial society but also (very unlike Rousseau) insists that commercial society’s problems are not as great as those of other forms of society, and I argue that this kind of historical assessment is the underlying basis of Smith’s defence of this kind of society.

II

Adam Smith, Critic of Commerce?

Rousseau’s *Discourse on Inequality* was published in April 1755, and Smith’s review of this work appeared less than a year later, in March 1756, in the second (and, as it turned out, final) issue of the short-lived *Edinburgh Review.⁵ It was written when Smith was only thirty-two years old, making it one of his earliest published writings. (His two principal works, *The Theory of Moral Sentiments* and *The Wealth of Nations*, first appeared in 1759 and 1776, respectively.) In his letter, Smith urges the editors to extend the periodical’s

⁴ The most extensive discussion of Smith’s review of Rousseau’s *Discourse* to date is Pierre Force, *Self-Interest before Adam Smith: A Genealogy of Economic Science* (Cambridge, 2003), pp. 18–24, 34–5, 42, 45, 158–9. I discuss the main differences between my own reading of this review and Force’s interpretation below.

⁵ The *Review* was short-lived, in its eighteenth-century manifestation at least: Francis Jeffrey began publishing a magazine by the same name in 1802, which went on to have a long and distinguished career.
coverage beyond Scotland to take account of more works from England and the Continent, and he offers a review of Rousseau’s *Discourse* to give an example of the type of works that ought to be included. The most conspicuous feature of the review is a series of three lengthy passages that Smith translates from the *Discourse*, which together take up a little over half the space he devotes to Rousseau. Smith includes these passages, he says, in order to present the *Review*’s readers ‘with a specimen of [Rousseau’s] eloquence’, but these passages were surely not chosen merely for their eloquence, for they contain some of Rousseau’s deepest arguments against commercial society. The first passage discusses the adverse effects of the division of labour on people’s characters and the injustice of the inequalities to which it gives rise, the second passage discusses the problem of *amour-propre* and the moral corruption and ostentation it produces, and the final passage discusses people’s tendency to make themselves miserable by striving and toiling for ever-more wealth and material goods. All told, it would be difficult to find another set of passages that encapsulates the deepest and most damning aspects of Rousseau’s critique of commercial society better than the ones Smith translates.

Smith continued to grapple with Rousseau’s arguments later in life, and *The Theory of Moral Sentiments* and *The Wealth of Nations* contain his answers to the tremendous challenges that Rousseau’s critique of commercial society posed for him. I do not mean to claim that Smith’s books were written primarily as a response to Rousseau or that Rousseau was the thinker who had the greatest impact on Smith — that title undoubtedly belongs to David Hume, with Francis Hutcheson and the Stoics as probable runners-up — but I do believe that Rousseau’s critique presented Smith with a challenge that shaped his thinking on commercial society in a decisive way. Both of Smith’s major works in fact show a great deal of sympathy with many aspects of

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Rousseau’s powerful critique — including each of the aspects that were highlighted in the passages he translated for the *Edinburgh Review*.

To begin with, Smith agrees with Rousseau that an extensive division of labour can have deleterious effects on the labourers. People whose occupation consists of a single, simple task naturally have little opportunity to exert their minds while they are labouring, and as a result, Smith writes (in as blunt a statement as can be found in his works), a labourer of this kind ‘generally becomes as stupid and ignorant as it is possible for a human creature to become’.\(^\text{10}\) He follows this statement with a litany of criticism that surpasses anything Rousseau ever wrote on this score; this still-shocking passage is worth quoting at length:

> The torpor of his mind renders him, not only incapable of relishing or bearing a part in any rational conversation, but of conceiving of 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...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 expense of his intellectual, social, and martial virtues.\(^\text{11}\)

While individuals whose occupations cannot be easily divided into many different operations, such as farmers, will be largely exempt from these ills, this harsh denunciation seems to apply to the majority of people in commercial society: ‘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’. Smith writes.\(^\text{12}\) It would be difficult to conceive of a more ringing condemnation of what is, after all, one of the central elements of commercial society; as Charles Griswold writes, ‘perhaps no philosopher, with the possible exception of Marx, has described [the] human costs of the division of labor more bluntly and harshly than has Smith’.\(^\text{13}\)

Moreover, Smith concedes Rousseau’s argument that commercial society necessarily produces great inequalities. ‘Wherever there is great property, there is great inequality’, he writes in *The Wealth of Nations*. ‘For one very rich man, there must be at least five hundred poor, and the affluence of the few

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\(^\text{13}\) Griswold, *Adam Smith and the Virtues of Enlightenment*, p. 17.
supposes the indigence of the many'. 14 While this is a strong statement, Smith’s Lectures on Jurisprudence and the ‘Early Draft’ of The Wealth of Nations are (as is often the case) even harsher. In both of these works, Smith admits that the division of wealth will always be unfair: ‘with regard to the produce of the labour of a great society’, he writes, ‘there is never any such thing as a fair and equal division’. 15 This is true because, despite their disproportionate effort, the labourers are always compensated less: ‘those who labour most get least’, 16 and thus ‘The labour and time of the poor is in civilized countries sacrificed to . . . maintaining the rich in ease and luxury’. 17 Smith further stresses the oppressive (his word) nature of this inequality: ‘the poor labourer who . . . bears, as it were, upon his shoulders the whole fabric of society, seems himself to be pressed down below the ground by the weight, and to be buried out of sight in the lowest foundations of the building’. 18 Smith does consistently argue that the productivity of commercial society is such that the labourers are ultimately better off, materially speaking, than they would be in a less affluent society, but the fact that he sets up this problem so starkly shows that he is well aware that the presence of great inequalities can still be problematic. 19

Even further, Smith acknowledges that commercial society will frequently be marked by problems such as moral corruption and ostentation. He admits, for instance, that the presence of great wealth often leads people to pursue riches and power through unscrupulous means, and he writes that the ‘disposition to admire, and almost to worship, the rich and the powerful, and to despise, or, at least, to neglect persons of poor and mean condition’ is ‘the great and most universal cause of the corruption of our moral sentiments’. 20 Unlike Rousseau, Smith does not ascribe the problem of moral corruption to commercial society in particular — that people esteem the rich and powerful more than the wise and virtuous has, he says, ‘been the complaint of moralists in all ages’ 21 — but he does insist that such corruption will remain a problem.

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14 WN, pp. 709–10.
16 ED, p. 564; see also LJ, p. 490.
18 ED, p. 564; see also LJ, pp. 341, 540.
19 For more detailed discussions of some of the similarities and contrasts between Smith and Rousseau on the issues of inequality and poverty, see Ignatieff, ‘Smith, Rousseau, and the Republic of Needs’, pp. 189–93, 197; and Winch, Riches and Poverty, pp. 70–5.
21 Ibid., p. 62. Smith even suggests that commercial society may in some ways alleviate the problem of moral corruption by encouraging the ‘prudent’ virtues of the middle
in commercial society, especially among wealthy merchants and manufacturers who are able to elude competition through their political influence. Smith claims, in addition, that people’s disposition to admire the wealthy is the main reason why they pursue wealth and why the rich are ostentatious with their riches. ‘It is chiefly from . . . regard to the sentiments of mankind, that we pursue riches and avoid poverty’, he writes. It is obvious that people do not pursue wealth simply ‘to supply the necessities of nature’, he claims, because (like Rousseau) he thinks that people’s true needs are relatively few: ‘the wages of the meanest labourer can afford them’. Rather, people want wealth and luxuries because of the attention it brings them: ‘It is the vanity, not the ease or the pleasure, which interests us’. For Smith and Rousseau alike, the value people set on material goods depends in large part on their contribution to one’s rank or status, and therefore their worth depends predominantly on their exclusiveness.

Finally, Smith too maintains that great amounts of wealth and material goods do little to make people happier and that the relentless pursuit of these things can in fact be a major obstacle to true happiness. He never issues blanket statements about the worthlessness of material goods in the way that Rousseau sometimes does, for he harbours no illusions about the importance of possessing the necessities and some of the conveniences of life. But even if happiness does require some material goods, he argues, the ‘trinkets and baubles’ of the rich are often more trouble than they are worth. He writes that ‘power and riches’ are ‘enormous and operose machines contrived to produce a few trifling conveniences to the body, consisting of springs the most nice and delicate, which must be kept in order with the most anxious attention, and which in spite of all our care are ready every moment to burst into pieces, and to crush in their ruins their unfortunate possessor’. Happiness requires little in the way of external goods, according to Smith, and so he claims that the rich and powerful are no more likely to attain it than the poor and weak. In his most famous (and most extreme) example of this phenomenon, he asserts that ‘In ease of body and peace of mind, all the different ranks of life are nearly upon a class and the sensible businessman (see LJ, pp. 333, 528, 538; TMS, pp. 63, 213–16, 298; WN, p. 146), but he never denies the existence or importance of the moral problems that Rousseau identifies. See also Berry, ‘Adam Smith: Commerce, Liberty and Modernity’, pp. 123–6.

23 TMS, p. 50.
24 Ibid.
26 Pierre Force brings out this similarity nicely; see Self-Interest before Adam Smith, pp. 44–5, 123–5.
27 See WN, pp. 349, 421.
28 TMS, pp. 182–3.
29 See ibid., pp. 45, 149.
level, and the beggar who suns himself by the side of the highway, possesses the security which kings are fighting for'. 30 Hence, spending one’s life striving for material goods costs a great deal of pain for very little reward. Smith accepts that labour is ‘toil and trouble’, 31 that it requires a person to ‘lay down [a] portion of his ease, his liberty, and his happiness’. 32 He speaks of ‘all that toil, all that anxiety, all those mortifications which must be undergone in the pursuit of [wealth and greatness]; and what is of yet more consequence, all that leisure, all that ease, all that careless security, which are forfeited for ever by the acquisition’. 33 Happiness consists largely of tranquillity, for Smith, and there is little tranquillity to be found in toiling and striving.

Far from being an unabashed champion of commercial society, then, Smith actually shares many of Rousseau’s greatest misgivings about this kind of society. Other scholars have recognized, of course, that Smith was not the crude champion of laissez-faire capitalism and unbridled acquisitiveness that he is sometimes taken to be. Walter Bagehot noted over a century ago that ‘Free-trade has become in the popular mind almost as much [Smith’s] subject as the war of Troy was Homer’s’, 34 but this view of Smith has long been seen as a caricature among Smith scholars, even if it remains the dominant one in ‘the popular mind’. Especially in the spate of work on Smith since the bicentenary of The Wealth of Nations in 1976, many scholars have painted a much more subtle picture of Smith’s outlook that recognizes that his analysis of commercial society is anything but crude or naive. This is not to say, however, that Smith is as severe a critic of commercial society as Rousseau is, or that he does not ultimately defend it. In fact, I think it is even too strong to say that Smith is ‘ambivalent’ about commercial society, as many recent works have contended. Smith does unreservedly advocate commercial society, yet he also accepts and even insists upon the many problems associated with it; why he advocates commercial society despite these deep problems is, I believe, the central puzzle of his thought.

For many decades, of course, Smith scholars concentrated on a different puzzle in Smith’s thought, a puzzle that became known as the ‘Adam Smith problem’. This problem was formulated in the nineteenth century by a number of German scholars who claimed that Smith’s thought was contradictory because the emphasis on sympathy in The Theory of Moral Sentiments was

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30 Ibid., p. 185. D.D. Raphael writes of this passage, ‘This piece of romanticism may be influenced by the egalitarianism of Rousseau, whom Smith seems to have had in mind when he wrote the whole paragraph’. D.D. Raphael, Adam Smith (Oxford, 1985), p. 80. See also Winch, Riches and Poverty, p. 63.
31 WN, p. 47.
32 Ibid., p. 50.
33 TMS, p. 51.
irreconcilable with the emphasis on self-interest in *The Wealth of Nations*. Explaining this apparent contradiction was the central problem of Smith scholarship for many decades, but contemporary scholars have generally rejected this problem (at least in its original formulation), and for good reason: it is based on the mistaken view that ‘sympathy’ for Smith means benevolence and that ‘self-interest’ means selfishness. There are certainly differences in emphasis between Smith’s two major works — as might be expected since they deal with different subjects (moral philosophy and political economy) — but in the end I concur with the majority of recent scholars who believe that there is no fundamental contradiction between them. Yet there are numerous tensions in Smith’s writings, as is sufficiently revealed by the combination of his agreement with many aspects of Rousseau’s critique of commercial society and the fact that he defends this kind of society. Smith’s defence of commercial society and his acknowledgement of the ills associated with it are not simply split between *The Wealth of Nations* and *The Theory of Moral Sentiments*; some of his deepest criticisms (such as his harsh denunciation of the debilitating effects of the division of labour) are found in the former work, and important parts of his defence are found in the latter work. The tensions in his thought are, rather, found in both of his works. These tensions are real but they are not, I believe, impossible to resolve.

All of this said, the puzzle on which I am focusing — the question of why Smith defends commercial society despite his full awareness of its possible drawbacks — does not immediately present itself as the basic question of Smith’s thought. The main polemical thrust of his writings, after all, is his argument for the need to reform rather than to justify or defend the commercial society of his day. As its full title suggests, *An Inquiry into the Nature and Causes of the Wealth of Nations* was written above all to promote and facilitate ‘the wealth of nations’ or economic growth, and Smith argues that the most effective way of attaining this end would be to eliminate the mercantilist policies of the eighteenth century and replace them with free enterprise or ‘the obvious and simple system of natural liberty’. But adopting ‘the wealth of nations’ as one’s end only makes sense, of course, if wealth and growth are ultimately desirable or beneficial. Smith probably did not feel the need to give the justification of these things a prominent place in his writings, since most

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35 For a useful summary of the original formulations of this problem, as well as of some of the responses to these formulations by twentieth-century scholars, see Richard Teichgräber III, ‘Rethinking Das Adam Smith Problem’, *Journal of British Studies*, XX (1981), pp. 106–23. More recent works on this ‘problem’ include Leonidas Montes, *Adam Smith in Context: A Critical Reassessment of Some Central Components of His Thought* (New York, 2004); and Otteson, *Adam Smith’s Marketplace of Life*.

36 The editors of the Glasgow edition of *The Theory of Moral Sentiments* go so far as to say that ‘the so-called “Adam Smith problem” was a pseudo-problem based on ignorance and misunderstanding’. See the ‘Introduction’ in *TMS*, p. 20.

37 *WN*, p. 687.
of his readers would have assumed that they were desirable, but it is also clear
(given his awareness of and sympathy with Rousseau’s critique) that he knew
that the goodness of wealth and commercial society could not be simply taken
for granted, regardless of what most people might have thought. Smith’s
defence of commercial society was in some ways in the background of his
writings, then, but it is necessary to bring it into the foreground if we are to
understand the ultimate foundations of his thought. One way of revealing the
basis of this defence, I think, is to examine the observations on the Discourse
on Inequality that Smith offers in his review.

III
Smith’s Review of the Discourse on Inequality

Smith’s overall stance towards Rousseau in his review is difficult to gauge: it
has been characterized both as ‘laudatory’38 and as an ‘attack’,39 and it has been
claimed both that Smith ‘lavishes high praise on the work as a whole’40
and that ‘Rousseau’s argument . . . receives short and sharp treatment’.41
Smith’s tone seems to me to be neither laudatory nor critical but rather by and
large respectful; he does not overtly address the validity of any of Rousseau’s
arguments here, but it is clear that he thinks these arguments matter, that the
issues Rousseau addresses seem important to him.

Smith begins his review by claiming that ‘Whoever reads this . . . work with
attention, will observe’ that the second volume of Bernard Mandeville’s The
Fable of the Bees has given occasion to the system of Mr Rousseau, in whom
however the principles of the English author are softened, improved, and
embellished, and stript of all that tendency to corruption and licentiousness
which has disgraced them in their original author’.42 After this opening state-
ment, much of the remainder of the review consists of a comparison between
Rousseau and Mandeville.43 It is striking that Smith chooses to compare
Rousseau to Mandeville, and it is even more striking that he claims that

pp. 1–14, p. 5. See also Samuel Fleischacker, A Third Concept of Liberty: Judgment and
39 E.G. Hundert, The Enlightenment’s Fable: Bernard Mandeville and the Discovery
of Society (Cambridge, 1994), p. 220. See also A.L. Macfie, The Individual in Society:
40 R.A. Leigh, ‘Rousseau and the Scottish Enlightenment’, Contributions to Political
41 E.G. West, ‘Adam Smith and Rousseau’s Discourse on Inequality: Inspiration or
42 Letter, p. 250.
43 Given the similarities that Smith indicates exist between Rousseau and Mandeville
in this review, it stands to reason that when Smith takes issue with some of Mandeville’s
arguments in The Theory of Moral Sentiments (see especially TMS, pp. 306–14) he is also
Mandeville’s work has given occasion to Rousseau’s. After all, the idea that ‘private vices’ can lead to ‘public benefits’ — the central argument of The Fable of the Bees — is close to the opposite of Rousseau’s perspective, and Rousseau himself calls Mandeville ‘the most excessive Detractor of human virtues’. Further, as Smith immediately notes, their views of the state of nature seem, at first glance, to be utterly opposed: ‘Dr. Mandeville represents the primitive state of mankind as the most wretched and miserable that can be imagined: Mr Rousseau, on the contrary, paints it as the happiest and most suitable to his nature’.

Yet, as Smith shows, Rousseau and Mandeville have a surprising amount in common. First, they agree ‘that there is in man no powerful instinct which necessarily determines him to seek society for its own sake’. In other words, despite the fact that Rousseau sees the state of nature as an attractive state and Mandeville sees it as an unattractive one, they both see it as an extremely asocial and primitive condition; in this state people’s cognitive endowments are meagre and they are driven wholly by their impulses, none of which encourage them to seek the company of others. Second, Smith notes that Rousseau and Mandeville ‘suppose the same slow progress and gradual development of all the talents, habits, and arts which fit men to live together in society, and they both describe this progress pretty much in the same manner’. Unlike Hobbes and Locke, in other words, these two thinkers underscore the gradualness of humanity’s development from its rude beginnings to civilized society; they both maintain that this development occurred very slowly as a result of events such as the rise of language, the development of the division of labour, and the invention of tools and money. The final similarity that Smith notes between Rousseau and Mandeville is that ‘according to both, those laws of justice, which maintain the present inequality amongst mankind, were originally the inventions of the cunning and the powerful, in order to maintain or to acquire an unnatural and unjust superiority over the rest of their fellow-

implicitly arguing with Rousseau on some of these matters. See Winch, Riches and Poverty, p. 60. This is especially important because, with the exception of Smith’s teacher Francis Hutcheson, Mandeville is the only eighteenth-century thinker who is considered at length in The Theory of Moral Sentiments. Although Smith writes that ‘the notions of [Mandeville] are in almost every respect erroneous’ (TMS, p. 308), he also claims that his system ‘could never have imposed itself upon so great a number of persons, nor have occasioned so general an alarm among those who are friends of better principles, had it not in some respects bordered on the truth’ (TMS, p. 313).

44 Rousseau, Discourse on Inequality, p. 36.
45 Letter, p. 250.
46 Ibid.
creatures'. This is undoubtedly a reference to Rousseau’s claim in the *Discourse* that the social contract was really a cunning trick that the rich played on the poor and Mandeville’s argument that lawmakers used ‘dextrous Management’ to gain political control over people. In sum, Smith shows that Rousseau and Mandeville are at one in their view of humanity’s natural asociality and extreme primitiveness, of the gradualness of humanity’s development from this state to a civilized one, and of the manipulative origins of law and political society.

Smith then immediately notes that ‘Mr Rousseau however criticises upon Dr Mandeville: he observes, that *pity*, the only amiable principle which the English author allows to be natural to man, is capable of producing all those virtues, whose reality Dr Mandeville denies’. The fact that Mandeville admits that pity is natural is in fact Rousseau’s clinching argument for the naturalness of this sentiment in the *Discourse*: ‘I do not believe I have any contradiction to fear in granting man the sole Natural virtue that the most excessive Detractor of human virtues was forced to recognize’, he writes.

Rousseau then attempts to show that Mandeville did not see that from this quality alone flow all the social virtues he wants to question in men. In fact, what are generosity, Clemency, Humanity, if not Pity applied to the weak, to the guilty, or to the human species in general? Benevolence and even friendship are, rightly understood, the products of a constant pity fixed on a particular object.

As Smith indicates, whereas Mandeville accorded pity a rather limited role, for Rousseau people’s natural pity can, if channelled and encouraged in the right way, produce nearly all of the important social virtues.

This is not the place to enter into a more detailed comparison of the thought of Rousseau and Mandeville — especially since this work has already been ably done by E.G. Hundert and Malcolm Jack — but it is worth noticing what is perhaps the most important similarity between Rousseau and Mandeville in this context, one that Smith does not explicitly point out: they concur in thinking that commercial society is based on vice. Both of these

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49 Letter, p. 251.
50 See Rousseau, *Discourse on Inequality*, pp. 53–4.
52 Letter, p. 251.
53 Rousseau, *Discourse on Inequality*, p. 36.
54 Ibid., p. 37.
thinkers famously argue that a number of the central aspects of commercial society — things like wealth, luxury and the arts and sciences — encourage (and are encouraged by) passions like vanity, greed and hypocrisy. It might even be reasonably claimed that Rousseau ‘took Mandeville’s Fable as commercial society’s most truthful and self-incriminating expression’. Mandeville would have answered the question of the Discourse on the Sciences and Arts — the question of whether the arts and sciences tend to purify or corrupt morals — with the latter answer, just as Rousseau had. They just take the opposite view of whether or not this corruption is too high a price; they describe commercial society in similar terms but evaluate it differently. Thus, Smith’s comparison of Rousseau and Mandeville is of interest for one of the reasons that I believe a comparison of Rousseau and Smith himself is of interest: in both cases the two thinkers share a good deal of common ground in their assumptions about commercial society but nevertheless view it in a very different manner. The question, in both cases, is why they view commercial society so differently given their common assumptions, and the answer, I believe, is connected to Smith’s next comments on Rousseau.

Smith’s letter continues with some observations on Rousseau’s depiction of savage life. People usually picture the life of a savage, he writes, as ‘a life either of profound indolence, or of great and astonishing adventures’, and he says that ‘in the descriptions of the manners of savages, we expect to meet with both of these’. Yet he notes that Rousseau emphasizes only the former aspect: ‘Mr Rousseau, intending to paint the savage life as the happiest of any, presents only the indolent side of it to view’. Smith next praises Rousseau’s writing style and says, in what is perhaps the key sentence of his review, that ‘It is by the help of this style, together with a little philosophical chemistry, that the principles and ideas of the profligate Mandeville seem in him to have all the purity and sublimity of the morals of Plato’. The obvious question, of course, is what kind of ‘philosophical chemistry’ could perform this trick. In one of few scholarly works to treat Smith’s review of Rousseau at any length, Pierre Force posits that Smith’s use of the term ‘philosophical chemistry’ is meant to suggest that ‘Rousseau is an alchemist who transformed Mandeville’s vile metal into pure gold’. This reading forms a part of Force’s larger argument concerning these two thinkers, which is that Smith essentially appropriates Rousseau’s civic republican critique of commercial society. He writes, for instance, that the parallels between Smith and Rousseau centre on ‘the principal themes of civic humanism: critique of the corrupting influence of luxury and wealth, praise of poverty and virtue... Smith saw

56 Hundert, The Enlightenment’s Fable, p. 178.
57 Letter, p. 251.
58 Ibid.
59 Ibid.
60 Force, Self-Interest before Adam Smith, p. 34.
Rousseau as someone who shared his republican values, but expressed them in an extremist fashion. While Force is correct to note that Smith shows some sympathy with Rousseau’s critique of commercial society, I believe that his reading drastically overestimates the extent of this sympathy. Smith ultimately leaves no doubt that he is a proponent of commercial society, and this side of Smith’s thought is not adequately explored by Force. His claim that Smith might be characterized as a ‘secret admirer of Rousseau’ and, even more, his claim in an earlier article that Smith is a ‘good disciple of Rousseau’ overstate the case considerably. As we will see, Force’s reading of this key passage — that Smith sees Rousseau as an alchemist who transformed Mandeville’s vile metal into pure gold — both overestimates the extent of Smith’s agreement with Rousseau’s ‘philosophical chemistry’ and underestimates the extent of Smith’s sympathy with Mandeville’s position. Smith probably is referring to Rousseau as an alchemist here, but he seems to think that Rousseau’s ‘philosophical chemistry’ is every bit as elusive as the philosopher’s stone.

What, then, does Smith mean by the phrase ‘philosophical chemistry’? The answer, I think, can be found in the differences between Rousseau and Mandeville that Smith highlights. While he notes several areas of agreement between these two thinkers, he points to only two differences between them: first, Rousseau’s vision of the state of nature is much more peaceful and happy than Mandeville’s (in part because he ‘presents only the indolent side of it to view’), and second, Rousseau places a greater emphasis on the role of pity than Mandeville does. Both of these differences are connected to what Rousseau himself repeatedly says is the fundamental principle of his thought: the natural goodness of humanity, meaning both that people are naturally well-ordered and self-sufficient and hence happy (they are good for themselves) and that they naturally have little inclination or reason to harm others and have an aversion to seeing them suffer due to their pity (they are good for others). It is Rousseau’s belief in humanity’s natural goodness, I

61 Ibid., p. 159.
62 Ibid., p. 20.
64 Donald Winch too argues that Smith was in some ways closer to Mandeville than Rousseau, despite his rhetoric in this letter. See Winch, Riches and Poverty, p. 73.
66 See Rousseau, Discourse on Inequality, pp. 28, 34–8, 66.
believe, that Smith refers to as the ‘philosophical chemistry’ by which he manages to make Mandeville’s ‘profligate’ ideas seem to have the ‘purity and sublimity’ of Plato. The idea that humanity is naturally good inspired Rousseau with a longing to transcend the ills of commercial society, while Mandeville’s denial of humanity’s natural goodness led him to mock the idea of such transcendence. It was Rousseau’s longing to transcend commercial society — evinced in his moving descriptions of the innocence, simplicity and contentment of savage life, as well as his later portrayals of the citizen of The Social Contract, the eponymous student of Emile and the solitary dreamer of The Reveries of a Solitary Walker — that made his writings seem idealistic (to have ‘purity and sublimity’) despite his deep pessimism regarding the actual lot of humanity.

Rousseau’s belief in humanity’s natural goodness, in short, is the main reason why he and Mandeville view commercial society so differently despite their common assumptions; a thinker’s attitude towards commercial society will certainly be different if he takes a happy and peaceful state of nature as his benchmark rather than a harsh and unendurable one. This crucial difference between Rousseau and Mandeville is, I believe, connected with the central differences between Smith and Rousseau: we will see in the next section that Smith’s denial of humanity’s natural goodness (in Rousseau’s sense) and his very different understanding of pre-commercial societies are the key grounds of his defence of commercial society in the face of Rousseau’s (and his own) critique.

IV

Human Nature, History and the Foundations of Smith’s Thought

While Rousseau proclaims that the natural goodness of humanity is the fundamental principle of his thought, he also maintains that nearly all civilized people are corrupt, weak, materialistic, vain, hypocritical, acquisitive and hence miserable. ‘Men are wicked; sad and continual experience spares the need for proof’, he writes. ‘However, man is naturally good; I believe I have demonstrated it.’ As Laurence Cooper notes, few thinkers have argued for humanity’s natural goodness or for its present badness as forcefully as Rousseau does, much less both sides at the same time. But in a way the former argument reinforces the latter: Rousseau condemns civilized people so vehemently precisely because they have strayed so far from their natural goodness; an account of how good human beings once were helps to underscore how bad they are now. Such an account also helps, however, to provide a glimmer of

67 For a slightly different but related suggestion, see Melzer, The Natural Goodness of Man, pp. 25–6.
68 Rousseau, Discourse on Inequality, p. 74.
hope: Rousseau concedes that people cannot simply retrace their steps back to an earlier, happier time — and that such a return would in some ways be undesirable even if it were possible — but he suggests that it might be possible to retain, restore or reconstruct at least some of the conditions or experiences of the state of nature in the civilized world. Indeed, many of Rousseau’s works can be read as guidebooks for different ways of returning to nature: *Emile* attempts to show how one might retain a measure of natural goodness through the proper kind of education, *The Reveries of a Solitary Walker* attempts to show how to restore a measure of natural goodness through a quiet life of solitary contemplation, and even *The Social Contract*, which argues that people must be denatured in order to become true citizens, attempts to show that this denaturing would help to reconstruct the unity or wholeness that people enjoyed in the state of nature.

For Smith, in contrast, it is history and human artifice, not a return to nature, that holds the potential for improving humanity’s lot; in his thought there is no happy and peaceful natural state from which we can take our bearings or to which we should try to return in some way. Like many other eighteenth-century thinkers, Smith adopts a ‘four stages’ theory of history, according to which humanity progresses through four different socioeconomic periods: the hunting, shepherding, agricultural and commercial stages of society. The earliest (hunting) societies in Smith’s schema are largely pre-political, but they are not in any way pre-social; whereas Rousseau posits a ‘pure’ state of nature in which people led solitary lives, the most primitive way of life that Smith envisions still includes society and language. Even the most uncivilized people rely on others and sympathize with others, Smith argues, and thus ‘man, who can subsist only in society, was fitted by nature to that situation for which he was made’. But even if people are in some ways ‘fitted by nature’ for society, on Smith’s account, he maintains that the earliest societies

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70 See Rousseau, *Discourse on Inequality*, p. 79; and Rousseau, *Rousseau, Judge of Jean-Jacques*, p. 213.


72 For an extensive analysis of the precursors and exponents of the ‘four stages’ theory, see Ronald L. Meek, *Social Science and the Ignoble Savage* (Cambridge, 1976). While the ‘four stages’ theory bears only the slightest of resemblances to the history outlined in Rousseau’s *Discourse on Inequality*, it is much closer to Rousseau’s view of history in the *Essay on the Origin of Languages*. In the latter work, Rousseau divides history into ‘three states of man considered in relation to society’: ‘The savage is a hunter, the barbarian a herdsman, the civil man a plowman.’ Jean-Jacques Rousseau, *Essay on the Origin of Languages*, in *Collected Writings of Rousseau*, Vol. V, trans. John T. Scott (Hanover, NH, 1998), p. 309; see also p. 307.

73 *TMS*, p. 85; see also pp. 88, 117.
were far from the innocent and happy ‘pure’ state of nature and ‘savage’ or hut societies that Rousseau describes.\footnote{See Rousseau, Discourse on Inequality, pp. 45–9.}

Smith marvels at the extremes of self-command that people in primitive societies often attain as a result of the constant hardships they face, but he also fears that this toughness typically comes at the cost of their humanity or humaneness.\footnote{See TMS, pp. 153, 209.} Because savages continually face danger and adversity and have to constantly worry about themselves, Smith believes, they tend to feel and care little for others,\footnote{See ibid., p. 205.} and because they have to continually subdue their passions they eventually become ‘mounted to the highest pitch of fury’, and so their actions, when they finally do give way to these suppressed passions, are often ‘sanguinary and dreadful’.\footnote{Ibid., p. 208.} Smith graphically describes a prisoner of war in one of these societies being ‘hung by the shoulders over a slow fire’, then being ‘scorched and burnt, and lacerated in all the most tender and sensible parts of [the] body for several hours together’.\footnote{Ibid., p. 206; cf. LJ, pp. 239, 548.} The people of the earliest societies are simply not the indolent and peaceful creatures of Rousseau’s imagination, according to Smith, nor are their desires limited to those they can easily fulfil. He famously writes that ‘the desire of bettering our condition . . . comes with us from the womb, and never leaves us till we go into the grave’;\footnote{WN, p. 341.} and this is true in primitive societies as well as commercial societies, for Smith: people will always desire more than they have, whether they desire luxuries and refinements or more food and a better hut, since their chief desire is ultimately to impress others rather than to actually enjoy the goods themselves.\footnote{See TMS, p. 50.} Whereas Rousseau sees the main cause of desiring and striving (amour-propre) as adventitious and so seems to hold out some (slim) hope that these obstacles to tranquillity could be avoided or overcome, Smith sees them as wholly natural and inescapable elements of the human makeup.

In part because Smith’s view of human nature is so different from Rousseau’s, his view of human history is also very different: whereas Rousseau sees the trajectory of history as largely one of decline (at least in the Discourse), for Smith it is largely one of progress. History is, for Smith as for so many other Enlightenment thinkers, a story of humanity’s ever-widening conquest of nature; whereas people originally had to remain content with accepting what nature provides, in later stages they are able to control and harness nature and thereby ensure themselves a more comfortable existence. But even the most developed of pre-commercial societies left much to be desired,
in Smith’s eyes; all pre-commercial societies had far more (and far more severe) problems than commercial societies do, despite commercial society’s failings. Scholars have in general paid fairly limited attention to the weight Smith places on the moral and political drawbacks of pre-commercial societies, but we will see that these drawbacks in fact play a central role in his defence of commercial society.

Smith maintains that poverty is the keynote to all aspects of life in the hunting stage. Whereas Rousseau sometimes waxes eloquent about the ruggedness and simplicity that come with poverty (in his descriptions of savage life and peasant life, for instance), Smith sees nothing redeeming about the kind of poverty that primitive societies face: he notes on the first page of The Wealth of Nations that many ‘savage nations . . . 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’. Because of the scarcity that prevails in these societies, Smith writes, ‘Every savage . . . is often exposed to the greatest extremities of hunger, and frequently dies of pure want.’

The inhabitants of these societies might seem to have a great deal of liberty or independence, at least, given that there is little or no government in this stage, but Smith claims that this is far from always being the case. Before the rise of governmental power there was no authority that could intervene in family life, he notes, and so ‘the father possessed a power over his whole family, wife, children, and slaves, which was not much less than supreme’. Husbands ‘had absolute power over [their wives], both of death and of divorce’, and fathers were not obliged to provide for their children. Even the adult males in these societies could not enjoy their relative independence, Smith claims, simply because life was so utterly precarious: ‘unprotected by

81 See WN, p. 712.
82 Ibid., p. 10; see also TMS, p. 210. Of course, for Rousseau poverty is above all a relative concept: the high living standards of commercial society would not alone be sufficient to meet Rousseau’s challenge, given that he claims that extreme inequality can produce harmful effects even in the midst of general prosperity, such as the promotion of envy and dependence. As we will see, Smith’s response to this problem is not simply to point to the absolute increases in living standards in commercial society: while Smith does seem to think that Rousseau underestimates the extreme privations and hardships that primitive societies face, he also stresses that even though there are great inequalities in commercial society, their negative effects — especially direct, personal dependence on other individuals — are alleviated to a considerable degree because of the interdependence of the market. See also Berry, ‘Adam Smith: Commerce, Liberty and Modernity’, pp. 114–18.
83 TMS, p. 205.
84 LJ, pp. 143–4; see also p. 176.
85 Ibid., p. 66; see also p. 172.
the laws of society, exposed, defenceless, [a person in the first ages of society] feels his weakness upon all occasions; his strength upon none’. 86

If the keynote of life in the hunting stage is poverty, on Smith’s view, the defining element of both the shepherding and agricultural stages is dependence. Wealthy individuals in these societies, he repeatedly asserts, normally ‘maintain’ a great multitude of dependents over whom they enjoy almost complete control. 87 Smith’s chief example is the feudal lords of Europe who held their serfs — who often numbered in the thousands — utterly at their mercy:

> every great landlord was a sort of petty prince. His tenants were his subjects. He was their judge, and in some respects their legislator in peace, and their leader in war. He made war at his own discretion, frequently against his neighbours, and sometimes against his sovereign. 88

As a result of the nearly absolute power of the lords, most people in these societies enjoyed little security: ‘The law at that time ... did not provide, nor indeed could it, for the safety of the subjects’. 89 Smith repeatedly draws attention to the unfortunate condition of the serfs of medieval Europe who had few rights of any kind: they had no property that was free from encroachment by their lord, they were bought and sold with the land and so were unable to freely move, they typically could not choose their own occupations, and they often had to obtain their lord’s consent to get married. 90 Because the vast majority of people were so heavily dependent on the caprice of another person, Smith claims of these stages that ‘A more miserable and oppressive government cannot be imagined’. 91 While subsistence is not as precarious in the shepherding and agricultural stages as in the hunting stage, in other words, Smith shows that the vast majority of people in these periods still have little liberty or security.

Of course, the societies that Rousseau praised most highly (with the possible exception of early savage or ‘hut’ societies) were not feudal European states but rather ancient republics such as Sparta and Rome. 92 Smith readily admits that these republics, which do not fit easily into the four-stage classification,

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86 EPS, p. 48.
88 WN, p. 383; see also p. 415; LJ, pp. 51, 55, 128. For Smith, wealth brings its possessor great authority in a similar manner in shepherding societies — a fact which would have been especially palpable to him from his familiarity with the Scottish Highlands, where the chiefains held the power of life and death over their clans (see LJ, p. 54; WN, p. 416).
89 LJ, p. 55.
91 LJ, p. 414.
92 Rousseau’s praise of Sparta is perhaps better-known, but it is Rome that he calls the ‘model of all free peoples’. See Rousseau, Discourse on Inequality, p. 4.
were in many respects the most civilized societies before the onset of commercial society, but he insists that even they fell well short of providing an adequate level of liberty and security. This was true, first of all, because they retained a number of harmful customs and habits from previous stages, such as infanticide and the nearly absolute rule of adult males over their families.

Even more important, though, is the fact that these societies not only had slavery, but a much harsher form of slavery than that found among the serfs in feudal Europe. For Smith, no society marked by slavery — including the ancient Greek and Roman republics — can be said to adequately promote its people’s welfare or happiness.

In short, Smith argues that no society prior to the emergence of commercial society was able to provide liberty and security for more than a small number of individuals. Smith explains how commerce helped to pave the way towards liberty and security in Book III of The Wealth of Nations, where he relates a now well-known story about the downfall of the feudal lords in Europe. After the fall of the Roman empire, Smith recounts, the great landowners throughout Europe each maintained thousands of dependents over whom they exercised almost complete control, since the authority of the sovereign was rarely strong enough to reach effectively into their estates. But once commerce increased and luxuries were introduced, the lords began to spend their wealth on these luxuries and so could no longer afford to continue maintaining their dependents. Thus, ‘For a pair of diamond buckles perhaps, or for something as frivolous and useless, they exchanged... the price of the maintenance of a thousand men for a year, and with it the whole weight and authority which it could give them’. The decline in the power of the lords, in turn, allowed the kings to effectively enforce order and administer justice throughout the country.

Accordingly, Smith claims, the rule of law tends to be adequately enforced in commercial societies, to the point where ‘In modern commercial nations... the authority of law is always perfectly sufficient to protect the meanest man in the state’.

Great wealth may give the rich a great deal of purchasing power in commercial society, Smith argues, but (unlike in earlier societies) it does not give them any direct authority over others since everyone stands in a market relationship with one another and there are generally a multitude of potential buyers, sellers and employers.

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93 See EPS, p. 51; LJ, pp. 91, 222, 235.
96 See LJ, p. 185.
97 WN, pp. 418–19.
98 See LJ, p. 264; WN, p. 421.
99 TMS, p. 223; see also LJ, p. 55; WN, p. 384.
100 See WN, p. 48.
from the employment, not of one, but of a hundred or a thousand different customers’, Smith writes, and thus ‘Though in some measure obliged to them all... he is not absolutely dependent upon any one of them’. Wealthy individuals in commercial society of course indirectly support many others by employing them or by buying goods which they produce, but Smith argues that this indirect support is not enough to place these people at their command: even if employees are likely to try to please their employers in order to keep their jobs, it is highly unlikely that they would surrender their rights to them or accompany them into battle, for example. In the words of Knud Haakonssen, ‘the modern economy enables [the working poor] to sell their labour without selling themselves’. Once the people were no longer directly dependent on the lords, then, they not only enjoyed greater security (because the rule of law was enforced by the king) but also greater freedom or discretion, such as the choice of where to live and what occupation to practise. It was only after people gained this kind of freedom of choice, Smith says, that they ‘became really free in our present sense of the word Freedom’. Thus, for essentially the first time in history, a good deal of liberty and security were extended to an entire society.

Smith indicates, at the climax of Book III, that commercial society’s ability to alleviate the chief ills of pre-commercial societies — insecurity and dependence — is the main reason why he defends this kind of society. In a crucial passage, he writes:

commerce and manufactures gradually introduced order and good government, and with them, the liberty and security of individuals, among the inhabitants of the country, who had before lived almost in a continual state of war with their neighbours, and of servile dependency on their superiors. This, though it has been the least observed, is by far the most important of all their effects.

This statement is, I would argue, in many ways the key to Smith’s defence of commercial society. Its importance is demonstrated not only by Smith’s superlative language — the promotion of liberty and security is by far the

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101 Ibid., p. 420; see also p. 712.
102 See LJ, pp. 50, 202; WN, p. 421.
104 WN, p. 400.
105 Ibid., p. 412.
106 Other scholars have rightly emphasized that the promotion of liberty and security rather than the promotion of wealth was in fact Smith’s central aim. See, e.g., Berry, ‘Adam Smith: Commerce, Liberty and Modernity’; Joseph Cropsey, Polity and Economy: With Further Thoughts on the Principles of Adam Smith (South Bend, IN, 2001); and Rothschild, Economic Sentiments.
most important of all of commerce’s effects — but also by its age: as W.R. Scott has shown, Book III is the oldest part of The Wealth of Nations and may have originated as early as Smith’s public lectures in Edinburgh in 1748 to 1750. This key statement of Smith’s magnum opus, then, confirms what I have argued was hinted at in one of his earliest published writings, that the basis of his defence of commercial society lies above all in a comparison of this kind of society with the considerable ills of pre-commercial societies.

V
Conclusion

Smith’s defence of commercial society is, we have seen, complicated by the fact that he shows a great deal of sympathy with Rousseau’s rather severe critique of this kind of society. It has not been possible to discuss all of Smith’s counter-arguments for each element of Rousseau’s critique here, but we have seen the key line of reasoning behind each of them, which can be found in Smith’s views of human nature and of pre-commercial societies. Many of commercial society’s deepest moral problems are not exclusive to commercial society, on his account, but rather are a result of human nature itself; Smith’s denial of Rousseau’s ‘philosophical chemistry’ — the idea that humanity is naturally good — leads him to deny that any society has been (or, presumably, could be) free of such moral failings. Further, he argues that many of the problems that are deepened in commercial society, such as the deleterious effects of the division of labour and the prevalence of great inequalities, can be ameliorated through a variety of counter-measures, such as the institution of universal government-supported education and the encouragement of measures designed to improve the lot of the poor. Contrary to the common caricature of Smith, however, his view of commercial society is far from a triumphal one: even if the flaws of commercial society are not as numerous or as deep as those of pre-commercial societies, he acknowledges that commercial society does entail deep flaws, not all of which can be fully prevented. He defends commercial society not because he thinks it is perfect — far from it — but because he thinks it is the best available alternative, as it provides the best chance for the most people to lead a decent life. In other words, commercial society is unequivocally preferable, for Smith, although it is only preferable on balance. This pragmatic defence of commercial society is developed throughout Smith’s corpus and is most fully laid out in The Wealth of Nations, but we have seen that

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107 See W.R. Scott, Adam Smith as Student and Professor (Glasgow, 1937), p. 56. See also the note by the editors of The Wealth of Nations regarding the passage quoted above: WN, p. 412 n.6.

108 See WN, pp. 782–6, 796.

109 See Fleischacker, On Adam Smith’s Wealth of Nations, ch. 10.
the germ of this argument emerged as early as the little-noticed review of Rousseau that he wrote at the very outset of his career.

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