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Economics and the Moral Theology of Mutual Benefits

Francis Hutcheson, David Hume, and Adam Smith

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This article situates the political economy of Francis Hutcheson, David Hume, and Adam Smith in relation to their emphasis in ethics on serving the good of our neighbors. In consonance with Protestant discourses on vocation and moral economy, these three Scots came to depict honest commerce as a mode of co-operation—either literally with God or metaphorically with our fellow human beings—through which we serve the common good. That depiction energized the emerging authorization of commercial enterprises and the importance of freedom, personal stewardship, and industry to the prosperity of humankind.[1]

Introduction

In the final years of the eighteenth century, according to J. G. A. Pocock, "we begin to hear denunciations of commerce as founded upon soullessly rational calculation and the cold, mechanical philosophy of Bacon, Hobbes, Locke, and Newton."[2] Parallel denunciations of the science of political economy would come forth in the nineteenth century in the wake of Malthus's *Essay on the Principle of Population* and the gradual separation of political economy, ethics, and theology.[3] But earlier in the eighteenth century the study of commerce and the nascent science of political economy contributed to an outlook of "commercial humanism"[4]—an understanding of commerce as a facilitator of human excellence, of rights as pathways to virtues, and of political freedom in its modern rather than classical sense as serving the common good.

This article considers some central dimensions of this outlook as expressed in the thought of Francis Hutcheson, David Hume, and Adam Smith. In addition to enlivening our understanding of the context of early modern economic thought, reflecting on the ideas of Hutcheson, Hume, and Smith serves to clarify areas of confluence in economics, ethics, and theology. Economics in these three Scots forms an integral part of ethics—even moral theology, at least in the case of Hutcheson and Smith—in its analysis of how to promote the prosperity of our neighbors most effectively.

Economics as Moral Philosophy

Writing as Britain transitioned from an agrarian economy into a bustling industrial nation, the Scots were keenly aware of the cultural and ethical aspects of economics. Their distinctive Scottish perspective enhanced that awareness. In the first decades of the eighteenth century, Edinburgh and Glasgow were relatively backwards towns, at least compared to major English cities. At the turn of the century, after an ill-conceived attempt to start a colony in Panama, and several dark years of harvest, Scotland "was in dire poverty" with "a famishing people, a stagnant trade, rude manufactures, and profitless industries."[5] Even as Scottish cities began to develop in the 1720s and '30s, the Scots could still, within a few days' journey, encounter communities at all different stages of economic development. Hugh Trevor-Roper remarks at one point that "Hutcheson was lecturing on Locke and Shaftesbury in Glasgow while carts were unknown twelve miles away."[6]

Their social contexts led Hutcheson, Hume, and Smith to recognize the vital, interpenetrating roles of polity and economy in prosperity. They worked to develop a language to clarify those roles, and to integrate that language into their moral philosophies. As the historian John Robertson writes, the Enlightenment in Scotland was "dedicated to understanding and publicizing the causes of human betterment on this earth," and that "the terms in which this objective was articulated were those of political economy."[7]

One consequence of their turn toward political economy was a focus on public policy—what Smith would describe in his *Wealth of Nations* as "the science of the legislator." Hume believed that proper deliberations concerning money, international trade, and national prosperity often run against our intuitions and natural policy inclinations. He looked to correct our protectionist and collectivist instincts by elucidating, in a series of popular essays, the logic of an "indissoluble chain" of "industry, knowledge, and humanity"[8]—a chain made possible by liberty, established conventions of property and of political authority. In limiting

commerce, he taught how restrictive economic policies such as price controls, tariffs, and subsidies harm the polity and its citizens on the whole: "We may learn what judgment we ought to form of those numberless bars, obstructions, and imposts, which all the nations of Europe, and none more than England, have put upon trade.… Our modern politics … adopts a hundred contrivances, which serve no purpose but to check industry, and rob ourselves and our neighbours of the common benefits of art and nature."[9]

Building on Hume, Smith's analysis culminates in *The Wealth of Nations* in his recommendation of "the generous and liberal" plan, a plan which allows "every man to pursue his own interest his own way."[10] His moral authorization of the liberal plan derives from his reflections on the widespread benefits of an extended division of labor, the coordinating powers of the market process, and the limitations of human knowledge.[11] The liberal plan advances a presumption of liberty and a limited role for the state in economic affairs: "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 directing it towards the employment most suitable to the interest of society."[12]

In expressing such sentiments, we should recall that Smith follows in the footsteps of his teacher Hutcheson.[13] Reflecting on the foolishness of schemes to do away with private property, Hutcheson asks, "What plan of polity will ever satisfy men sufficiently as to the just treatment to be given themselves, and who are peculiarly dear to them, out of the common stock, if all is to depend on the pleasure of the magistrates…? Must all men in private stations ever be treated as children, or fools?"[14]

Another aspect of the Scots' political economy pertains more directly to ethics. The science of political economy informs our understanding of virtue and moral obligation by enlivening the reality of economic and political affairs, thus instructing us in the most effective manner of furthering the good of others. An aspect of political economy in other words redounds to ethics and moral theology by informing the practical content of virtue.[15] The discipline of political economy teaches what sorts of public policies serve the good of the whole; but it also informs the habits and daily practices we ought to adopt and approve of in service to the good of humankind.

Economics illustrates how one can do good by doing well, and why striving to do well for oneself and one's familiars can be laudable. It serves to elucidate the virtue of what Deirdre McCloskey has called "the bourgeois virtues"[16] and to morally valorize what Charles Taylor calls "the affirmation of ordinary life."[17]

Economics illustrates how we can metaphorically cooperate with one another in a grand social enterprise as we diligently focus on our ordinary duties and tend to our specific spheres of influence.

In theological terms used by Hutcheson and Smith, the science of economics illustrates how production, exchange, and the pursuit of honest income can be seen as a kind of cooperation with God in providing for humankind. Economics therefore edifies business as a calling that serves the good of the individual and the society in which he or she resides. The political economy of Hutcheson, Smith, and Hume can be construed as contributing to a commercial humanism in pointing toward a moral theology of mutual benefits.

Serving the Good

There are of course differences between the ethical theories of Hutcheson, Hume, and Smith. But in consonance with the general arc of the British Enlightenment and "Age of Benevolence,"[18] all three thinkers agree that virtue relates to that which serves the good of humankind, and that our moral obligations derive from considerations of the common good. In his early work, Hutcheson famously proclaims that the "Action is best, which procures the greatest Happiness for the greatest numbers."[19] In his mature writings he somewhat qualifies this claim, saying that "the ultimate notion of right is *that which tends to the universal good*."[20] These claims are not to be taken as equating the good with some abstract aggregate utility or some mysterious, metaphysical social good. They are simply expressions of the idea that the social good amounts to the goods of individual men and women.[21] Serving the good is about furthering the concrete happiness and well-being of others.

Although he criticized Hutcheson's ethics on several fronts, Hume agrees with him about the connection between right conduct and the good of others. Right conduct for Hume amounts to that which one would, on the basis of sympathy, approve of from a certain general point of view as useful and agreeable to the actor and to those affected by her actions. This whole complex of usefulness and agreeableness later becomes unhelpfully subsumed in the word "utility," but it is important to bear in mind the differences between Hume's "utility" and the aggregate concept of utility advanced by Bentham and others in the nineteenth century.[22] Hume like Hutcheson understood utility more prosaically than the later English utilitarians as that which serves the well-being of the members of society.[23]

Some scholars go to lengths to distance Smith's ethics from consequentialism generally, and from Hume in particular.[24] Smith's ethics emphasize duty and empathy, and it is useful to mind his differences with Hume (as well as

with Hutcheson). Nonetheless, moral approval for Smith is never more than one or two moves away from considerations of the good of humankind. The first ground of moral approval in Smith is the sentiment of a supposed impartial spectator; but on reflection we realize that the impartial spectator, in its highest sense, approves only of that which serves the good of humankind.[25] We do right in the eyes of the impartial spectator when our action accords with standards of propriety, sentiments of merit, and general social rules; but these touchstones of moral approval derive authority, in the final analysis, from their correspondence to that which serves the good of the whole. It is not clear, Smith claims, what else a benevolent God, whom the supposed impartial spectator seeks to represent, would approve. Ryan Hanley captures this insight, saying that for Smith, "the end of our goodness … isn't simply our own happiness but the promotion of the happiness of all, and thereby God's will, here on earth."[26] It is in this sense that Smith describes the general rules of morality as the "Laws of the Deity."[27]

Defining virtue in relation to the good of the whole leaves the practical content of our obligations underdetermined. The definition shapes our ethical discourse, but it does not tell us much about the concrete actions and character traits that serve the good. We can join with Smith in emphasizing that right conduct makes "a part of a system of behaviour which tends to promote the happiness either of the individual or society."[28] But how do we judge whether our actions serve the good of the social system? How do we beneficially steward our material, emotional, and mental resources in our daily affairs?

Such questions grew more complex in the early modern period in the wake of expanded connectivity and economic developments—international finance, transcontinental trade, and urbanization, for example. R. H. Tawney puts the question into Christian terms, translating the recurring ethical issue of neighborly love into a modern context: "Granted that I should love my neighbor as myself, the questions which, under modern conditions of large-scale organization, remain for solution are, Who precisely *is* my neighbor? And, How exactly am I to make my love for him effective in practice?"[29] Tawney goes on to claim that medieval "religious teaching supplied no answer [to these questions], for it had not even realized that they could be put."[30] His claim here about medieval religious teaching is dubious. But regardless, by the sixteenth century, in the wake of Renaissance and then the Reformation, a good many theological minds turned to reflect on the issue of neighborly love in the face of economic and social developments.

Martin Luther expended considerable energy developing a doctrine of vocation. He wrote of how God, in his providence, uses men and women in their ordinary stations of work, parenthood, marriage, and government to serve their neighbors. As the soul moves upward to God by faith, which alone secures one's salvation,

it is commissioned outward into love for one's neighbor. God providently sustains the world. Each person can participate in that sustaining work by faithfully pursuing his or her vocation or calling. "Through his work in man's offices," one Luther scholar says, "God's creative work goes forward, and that creative work is love, a profusion of good gifts."[31] Luther himself describes aspects of vocation in this way in his 1532 commentary on The Sermon on Mount:

> If you are a manual laborer, you find that the Bible has been put into your workshop, into your hand, into your heart. It teaches and preaches how you should treat your neighbor. Just look at your tools—at your needle and thimble, your beer barrel, your goods, your scales or yardstick or measure—and you will read this statement inscribed on them. Everywhere you look, it stares at you. Nothing that you handle every day is so tiny that it does not continually tell you this, if you will only listen. Indeed, there is no shortage of preaching. You have as many preachers as you have transactions, goods, tools, and other equipment in your house and home. All this is continually crying out to you: "Friend, use me in your relations with your neighbor just as you would want your neighbor to use his property in his relations with you."[32]

Luther demonstrated a good deal of antipathy toward merchants, tradesmen, and especially those working in finance. But nonetheless his doctrine of vocation illustrated and helped popularize the idea that in faithfulness and diligence to our ordinary tasks, we cooperate with God's purposes. In dedicating ourselves to our allotted earthy callings, we love our neighbor.

In England in the seventeenth century, Puritan theologians took the idea of vocation or calling from Luther and then especially Calvin and increasingly applied it to activities of trade and moneymaking. William Perkins's *A Treatise on Vocations* at the turn of the seventeenth century did much to continue the spiritualization of ordinary trades.[33] Later in the century, in 1682, Richard Baxter—whom Max Weber claims as an articulator of the Protestant commercial ethic—argues, in a work titled *How to Do Good to Many*, that God "will use us all in doing good to one another; and it is a great part of his wise government of the world, that in societies men should be tied to [the good of one another] by the sense of every particular man's necessity."[34] That is, he notes that each serves the good of others even as she acts to meet her own needs.

Two years later the Puritan Richard Steele penned a work called *The Tradesman's Calling* in which he lays out a guide for "honest-minded" tradesmen. Steele's tract is notable in his treatment of commercial enterprise as a laudable activity that can be pursued for the glory of God and the good of one's neighbor,

at least so long as it is characterized by prudence, diligence, justice, veracity, and contentedness. But beyond that, the work is significant in its rejection of noncontextual judgments on profit-seeking, and in its qualified authorization of the pursuit of riches. Proper profit margins and just prices are to be determined by conscience, not external authority. And a man, Steele argues, may aim at riches so long as he puts them to good use: "not so much that ye may live at ease, but that ye may do good thereby."[35]

Tawney makes a cynical remark that for Richard Steele "trade itself is a kind of religion."[36] Tawney's assertion echoes the English Bishop William Warburton's alleged claim in the eighteenth century that the clergyman and economist Josiah Tucker made a religion of trade and a trade of religion. Tawney's and Warburton's comments brush up against something important, but their conclusions are skewed. For Steele and Tucker, trade does not become religion. But they do understand that various analyses of commerce should inform the practical teachings of ethics and religion. Such analyses inform us of the workings of the world and, many of the English believed, of the nature and extent of God's providence.[37] The seventeenth-century English, soon to be followed in the eighteenth century by the Scots, knew that filling in the content of our practical moral obligations calls for theological reflection; they also came to see that theology requires economics to help us understand our limitations and the concrete actions and policies that serve good ends.

In God's providential economy, Richard Steele says, "every Pin and Nail in the Building … contributes to the Beauty and Strength of the [whole] Work."[38] In the eighteenth century, the science of political economy would make steps in describing, in terms available to theist and nontheist alike, how that could be possible in the human economy. The successfulness of that description perhaps further animated the gradual moral authorization and encouragement of commerce begun in the sixteenth century.[39]

Political Economy as Moral Theology

The discourses on callings and honest commerce in the seventeenth century, and the connected pamphlet literature of the eighteenth century, help us reflect on the ethical undercurrents of the Scots' political economy. At least for Hutcheson and Smith, ethics, economics, and jurisprudence alike are situated within a wider framework of natural theology—that is, a study of God and the created order through sense and reason as opposed to special revelation.[40] Their authorization of diligent, prudent commerce and their presumptions for economic freedom stem in part from ideas about how God uses the division of labor and the mar-

ket process to reconcile the good of the individual and the good of the whole of society. For Hutcheson and Smith, we may often be said to further ends that a benevolent God would approve of as we diligently take part in the ordinary business of production, exchange, and moneymaking. There is consonance between their political economies and the moral theologies of Puritans such as Baxter and Steele.

Is the story different in Hume? Less than one might assume. He too looks to encourage commercial virtues and liberal policy reform on his estimation of the widespread benefits that would follow. Although it might be a stretch to say that Hume perceived honest commerce as a mode of cooperation with the Deity, he certainly viewed commerce, property, and stable political authority as instances of both literal cooperation between interacting individuals, and metaphorical cooperation between strangers across societies.

The Never-to-Be-Forgotten Dr. Hutcheson[41]

Those who are familiar with Smith's ideas and their historical reception will be familiar with the so-called Adam Smith Problem, which essentially maintains that Smith's two published works rest upon incompatible accounts of human nature.[42] One scholar in recent decades has made a similar claim about Hutcheson, arguing that his early works on aesthetics, moral psychology, and ethics are at odds with his writings on jurisprudence and political economy.[43] The perceived tension lies between Hutcheson's insistence in his early works on our benevolent instincts and his adherence in his jurisprudence to a system that parallels those built on assumptions of human selfishness. But as with Smith, the tension largely dissolves upon further reflection.[44]

Hutcheson teaches that we discern right conduct through the operation of a special moral sense. But he is clear that the moral sense requires education—we are not born fit for moral judgment, just as we are not born immediately discerning three-dimensional shapes. Moral judgment about what serves the good of the whole—which is what our moral faculties naturally approve of—is complicated and, in many cases, not intuitive. Given that our moral judgment requires education, we must, as one scholar puts the point, "reckon with the possibility that [actions] which [we do not perceive to be] morally relevant by the moral sense nevertheless have a moral aspect by being part of God's intention, that is, [they serve] the common good."[45] Along these lines, Hutcheson says at one point that "actions materially good [might even] flow from motives void of all virtue."[46] That is, actions flowing from less-than-virtuous intent might serve beneficial outcomes. Such outcomes might simply be luck, but they also could indicate something about the natural order.

The study of jurisprudence and political economy in Hutcheson helps us unearth socially beneficial rules and modes of conduct. Jurisprudence and political economy, Hutcheson says, informs us of "the rules or dictates of right reason, by which every part of life is to be regulated" so as to serve our own good and the good of those around us.[47] Jurisprudence and political economy, in other words, subserve moral psychology and ethics. They subserve these by guiding our natural moral faculties toward proper objects and proper modes of conduct.

Two focal points of Hutcheson's discourses are considerations of private ownership and the division of labor. Hutcheson elaborates the rules of property as "part of a universal order established by God to bring the benefits of peace and prosperity to all."[48] Without property rights, we would have little incentive to industry. This is not because we do not naturally care for others but, Hutcheson points out, because our benevolence, like gravity, declines with affective distance.[49] We are most concerned with the good of our family and friends, followed by our community and nation. This ordering of our affections is providential, Hutcheson claims, because most of us do not have the knowledge or ability to care for those we do not know, at least in any direct fashion. Property rights give us confidence that our efforts will secure prosperity for those we care for, and they therefore spur industriousness. Industriousness, channeled through the division of labor, enables specialization and increases the dexterity of workers, as Smith would later put the point. "A man in absolute solitude," Hutcheson writes, "tho' he were of mature strength, and fully instructed in all our arts of life, could scarcely procure to himself the bare necessaries of life, even in the best soils or climates; much less could he produce any grateful conveniences."[50] But through the division of labor, each cooperates with others, metaphorically, to produce a breathtaking number of goods and services.

Hutcheson frames both property and the division of labor as part of the "moral government of the *Deity*."[51] They are aspects of God's providential design that integrate our efforts into a broader, beneficial whole. In elaborating them as such, Hutcheson enlightens our understanding of our workaday activities as contributing to the divine ordering of society. Complementing his jurisprudential and economic analysis, he encourages us to local duties, diligent commerce, and the stewardship of our resources. He affirms the "common lot of honest labor and industry," "innocent industry," and the "joyful innocent employments of the bulk of mankind."[52]

Hume, the Virtuous Skeptic[53]

Hume does not of course frame his economic reasonings in theological terms. His critical reflections on natural theology in his *Dialogues Concerning Natural Religion*, combined with his general hostility towards revealed religion, make it somewhat awkward to draw on his ideas to make a case for economics as moral theology. But I do not think it is inappropriate, despite some awkwardness.

Hume's ethics maintain a correspondence between right action and what is useful and agreeable from a general point of view. If we identify God as approving of that which best promotes human happiness (which was not an uncommon theological position among Hume's friends in the Moderate party of the eighteenth-century Scottish Kirk[54]) and as epitomizing a general and knowledgeable point of view, we easily perceive broad parallels between Hume's position and Hutcheson's. Right conduct, in the final analysis, is conduct that serves the good of the whole.

And Hume understood, perhaps better than anyone in his day, the vital connection between commerce and the good of the whole.[55] He knew the importance of establishing a credible science of economics for elaborating and persuading his peers of that connection.[56] He also knew that commerce decays not only where it is not secure, but where it is not honorable.[57] He went to great lengths throughout his work to improve his contemporaries' estimation of commercial activity, especially the virtues of merchants. Merchants, he said, are "the most useful races of men, who serve as agents between those parts of the state, that are wholly unacquainted, and are ignorant of each other's necessities."[58]

Hume saw the rules of property operative in a society as an emergent set of mutually beneficial conventions. Those conventions are a natural emergence, as they stem from the focal awareness of the natural sovereignty that each of us has over mind and body.[59] The convention of property guides our interests in a constructive manner such that we contribute to the good of others, even as we focus on ourselves. Hume elucidates the mutually beneficial nature of domestic and international commerce with the goal of encouraging nations to cease their warlike tendencies and adopt free trade.[60] Hume, the arch skeptic, "not only as a man but as a British subject," says that he "pray[s] for the flourishing commerce of Germany, Spain, Italy, and even France itself."[61]

As much as any Calvinist, Hume exhorts his readers to ward off indolence and strive toward industry, a habit that he claims both invigorates the soul and serves the good of the community. In his *Dialogues* Hume (through the voice of Philo) claims that "industry is a power, and the most valuable of any." He continues that

if everyone were industrious, society should "at once … fully reach that state of society, which is so imperfectly attained by the best regulated government."[62]

Because of his skepticism, alleged materialism, and apparent demarcation between "oughts" and "ises," this point is often missed, but economics for Hume was part of a wider normative project. Hume was, at heart, a civic moralist; he sought to enliven public discourse.[63] By advancing what he called "the science of man," he worked to make the world a more peaceful, virtuous, and prosperous place. The late historian Nicholas Phillipson describes Hume this way:

> No one was more concerned with the moral wellbeing of his contemporaries; no one was more sensitive to the language of contemporary morals and politics. No one did more to develop a language of civic morality that would help his contemporaries understand themselves and the principles on which modern society was organized and, by so doing, help them to lead happier, more virtuous lives.[64]

Adam Smith, Sage of Glasgow[65]

The Wealth of Nations is in part a tract that uses economic arguments to advocate for free choice in occupation, free trade in land, free internal trade, and free trade in commerce, among other things.[66] But it is also a treatise on the nature and causes of wealth in human society. As a treatise, *The Wealth of Nations* has been portrayed both as a work of natural theology in the vein of Isaac Newton and the inauguration of an atheistic science.[67] Regardless of what one thinks of Smith's theology, however, a core message of *The Wealth of Nations*, available to the theist and nontheist alike, is that modern commercial society represents a marked improvement in human affairs on account of the miseries it removes from the lives of the many, and the increasingly bountiful supply of goods and services it generates—or, more properly, the bountiful supply that we generate together, as we truck, barter, exchange, and prudently work to better our condition.[68]

The Wealth of Nations is a long book, but a core message can be discerned in the opening chapters, which, despite a lack of overt theological language, are replete with universalist overtones.[69] In the opening chapters Smith intimates, as Jeremy Bentham would describe Smith's work in 1843, how individuals and nations "are associates and not rivals in the grand social enterprise."[70] Smith teaches how through the division of labor, "universal opulence … extends itself to the lowest ranks of people."[71] In sketching the elaborate network of exchange that underpins the production of the woolen coat, he speaks of the "assistance and co-operation of many thousands."[72] Again, in book 1, chapter 2, he says, "in

civilized society [man] stands at all times in need of the cooperation and assistance of great multitudes, while his whole life is scarce sufficient to gain the friendship of a few persons."[73] He speaks twice of our "common stock" of goods and services, writing that "different produces of … respective talents, by the general disposition to truck, barter, and exchange, [are] brought into a common stock, where every man may purchase whatever part of the produce of other man's talents he has occasion for."[74] He teaches how our efforts to honestly better our conditions are knit together in the market economy into a cooperative system, a teaching enhanced through the book, especially in his treatment of price and wage formation, arbitrage, speculation, and international trade.

A parallel element running throughout Smith's treatment of the division labor is his moral egalitarianism. He famously compares philosophers and street porters, claiming that the differences between them stems more from habit and education than from nature.[75] The main point in his comparison is that differences between individuals are smaller than we imagine. But in making that point, especially as he calls attention to the vanity of philosophers, Smith moves to place all of humankind on the same moral plane. In conjunction with his message about the division of labor, which tells of how in a market economy we each unknowingly play a part in meeting the needs of others, his point about philosophers and street porters can be taken as a warm affirmation of ordinary life, a sincere authorization of each person's efforts to better his or her condition within the rules of justice.

That very message comes across in one of the last things Smith wrote: a chapter in the sixth and final edition of *The Theory of Moral Sentiments* called "Of Universal Benevolence." In that chapter, Smith affirms that the wise and virtuous person ought to be concerned with serving the happiness of humankind. But, he continues, we are, for the most part, unequipped to contribute to human happiness in the abstract. The good of the universe of human affairs is "the business of God and not of man. To man," he continues, "is allotted a much humbler department, but one much more suitable to the weakness of his powers and to the narrowness of his comprehension; the care of his own happiness, of that of his family, his friends, his country."[76] As a wise person heeds the providential order through a study of our moral sentiments and the marvelous, mutually beneficial potentialities of markets, however, he may, Smith seems to say, understand himself as cooperating with God in serving the good of the whole of humankind as he diligently furthers the good of his small part.[77]

Conclusion

The twentieth-century economist Wilhelm Röpke wrote in his book *A Humane Economy* that in matters of social and economic policy we need "a very clear and firm idea of what is the rule and what the exception, what the sound norm and what the possibly tolerable deviation."[78] Hutcheson, Hume, and Smith continue to provide us today with valuable insights on certain policy issues. But more importantly, they provide a wide set of sensibilities that give us a very clear sense of how we ought to think about rules and exceptions in personal conduct and policy alike. They advance a presumption that freedom within the rules of property serves the common good, which is a point that continues to be underappreciated in our contemporary political discourse. They advance a presumption of the virtue of commercial enterprise and help us reframe our self-perception as we seek to better our own condition. They encourage us to diligence, self-application, and stewardship of our resources. Living on this side of the Great Enrichment, which took off shortly after Smith's death in 1790, we ought to affirm these presumptions and invoke the spirit of great thinkers from the past to advance them in the twenty-first century.

Economic insight is not sufficient to determine the content of virtue and moral theology. Descriptive economics does not and cannot possibly replace ethical, theological, and political discourse. Michael Novak said, "Economics is not the be-all and the end-all; it is an instrumental art. But what an instrument!"[79] With this statement, at least three Scottish philosophers would surely concur.

Notes

1. Thanks to Jordan Ballor and Dan Klein for helpful feedback on earlier drafts. This article was delivered in Arlington, Virginia, on September 8, 2022, as the Acton Institute's Calihan Lecture.

2. J. G. A. Pocock, *Virtue, Commerce, and History: Essays on Political Thought and History, Chiefly in the Eighteenth Century* (Cambridge: Cambridge University Press, 1985), 50.

3. On the separation of political economy and theology and T. R. Malthus's role in that separation, see A. M. C. Waterman, *Political Economy and Christian Theology Since the Enlightenment* (New York: Palgrave Macmillan, 2004); Paul Oslington, *Political Economy as Natural Theology: Smith, Malthus and Their Followers* (New York: Routledge, 2018).

4. Pocock, *Virtue, Commerce, and History*, 50.

5. Henry Grey Graham, *The Social Life of Scotland in the Eighteenth Century* (London: Black, 1906), 508; cf. T. C. Smout, "Where Had the Scottish Economy Got by 1776?," in *Wealth & Virtue: The Shaping of Political Economy in the Scottish Enlightenment*, ed. Istvan Hont and Michael Ignatieff (Cambridge: Cambridge University Press, 1985), 45–48.

6. Hugh Trevor-Roper, *History and the Enlightenment* (New Haven: Yale University Press, 2010), 32.

7. John Robertson, *The Case for the Enlightenment: Scotland and Naples 1680–1760* (Cambridge: Cambridge University Press, 2005), 377.

8. David Hume, *Essays Moral, Political, and Literary*, ed. Eugene F. Miller (Indianpolis: Liberty Fund, 1994), 271.

9. Hume, *Essays Moral, Political, and Literary*, 324.

10. Adam Smith, *An Inquiry into the Nature and Causes of the Wealth of Nations*, ed. R. H. Campbell and A. S. Skinner (Indianapolis: Liberty Fund, 1981), 617, 664 (hereafter *Wealth of Nations*). On Smith's liberal plan, see Erik W. Matson, "What Is Liberal about Adam Smith's 'Liberal Plan'?" *Southern Economic Journal* 89, no. 2 (2022): 593–610, https://doi.org/10.1002/soej.12601.

11. For a general overview of these ideas, see James R. Otteson, *Adam Smith's Marketplace of Life* (Cambridge: Cambridge University Press, 2002), 173–81.

12. Smith, *Wealth of Nations*, 687.

13. On the framework of Hutcheson's political economy, see Erik W. Matson, "Commerce as Cooperation with the Deity: Self-Love, the Common Good, and the

Coherence of Francis Hutcheson," *The European Journal of the History of Economic Thought* 30, no. 2 (April 2023): 1–18.

14. Francis Hutcheson, *A System of Moral Philosophy, in Three Books* (Glasgow: R. and A. Foulis, 1755), 1:323.

15. On the discipline of ethics as contributing to a reconciliation of theology and economics, see Jordan J. Ballor, "Theology and Economics: A Match Made in Heaven?" *Journal of Interdisciplinary Studies* 26 (2014): 115–34.

16. Deirdre N. McCloskey, *The Bourgeois Virtues: Ethics for an Age of Commerce* (Chicago: University of Chicago Press, 2006).

17. Charles Taylor, *Sources of the Self: The Making of the Modern Identity* (Cambridge: Harvard University Press, 1989), 212.

18. Gertrude Himmelfarb, *Roads to Modernity: The British, French, and American Enlightenments* (New York: Knopf, 2004).

19. Francis Hutcheson, *An Inquiry into the Original of Our Ideas of Beauty and Virtue in Two Treatises*, ed. Wolfgang Leidhold (Indianapolis: Liberty Fund, [1725] 2008), 125 (henceforth *Beauty and Virtue*).

20. Hutcheson, *A System of Moral Philosophy*, 1:266.

21. Himmelfarb, *Roads to Modernity*, 174.

22. On the changing meaning of "utility," see Erik W. Matson, Colin Doran, and Daniel B. Klein, "Hume and Smith on Utility, Agreeableness, Propriety, and Moral Approval," *History of European Ideas* 54, no. 5 (2019): 683–86.

23. Cf. Himmelfarb, *Roads to Modernity*, 174.

24. For a treatment of Smith in relation to Hume on this matter, see Matson, Doran, and Klein, "Hume and Smith on Utility."

25. On various concepts of the impartial spectator and their uses in Smith, see Daniel B. Klein, Erik W. Matson, and Colin Doran, "The Man Within the Breast, the Supreme Impartial Spectator, and Other Impartial Spectators in Adam Smith's 'Theory of Moral Sentiments,'" *History of European Ideas* 44, no. 8 (2018): 1153–68. Cf. Douglas J. Den Uyl, "Impartial Spectating and the Price Analogy," *Econ Journal Watch* 13, no. 2 (2016): 264–72.

26. Ryan Patrick Hanley, *Our Great Purpose: Adam Smith on Living a Better Life* (Princeton and Oxford: Princeton University Press, 2019), 132.

27. Adam Smith, *The Theory of Moral Sentiments*, ed. D. D. Raphael and A. L. Macfie (Indianapolis: Liberty Fund, 1982), 161 (hereafter *Moral Sentiments*).

28. Smith, *Moral Sentiments*, 326.

29. R. H. Tawney, *Religion and the Rise of Capitalism: A Historical Study* (London: John Murray, 1926), 184.

30. Tawney, *Religion and the Rise of Capitalism*, 184.

31. Gustaf Wingren, *Luther on Vocation*, trans. Carl C. Rasmussen (Oregon: Wipf & Stock, 1957), 27.

32. Martin Luther, *The Sermon on the Mount*, trans. Jaroslav Pelikan, in *Luther's Works*, vol. 21, ed. Jaroslav Pelikan (St. Louis: Concordia Publishing House, 1956), 237. See also Wingren, *Luther on Vocation*, 72.

33. See discussion in Ian Hart, "The Teachings of the Puritans about Ordinary Work," *The Evangelical Quarterly* 67, no. 3 (1995): 195–209.

34. Richard Baxter, "How to Do Good to the Many; or, The Public Good Is the Christian's Life," in *The Practical Works of Richard Baxter*, vol. 17 (London: James Duncan, [1682] 1830), 320.

35. Richard Steele, *The Tradesman's Calling. Being a Discourse Concerning the Nature, Necessity, Choice &c. of a Calling in General: And Directions for the Right Managing of the Tradesman's Calling in Particular* (London: Samuel Sprint, 1684), 204.

36. Tawney, *Religion and the Rise of Capitalism*, 245.

37. See generally Oslington, *Political Economy as Natural Theology*.

38. Steele, *The Tradesman's Calling*, 28.

39. For a survey of Reformed treatments of wealth creation, see Jordan J. Ballor and Cornelis van der Kooi, "The Moral Status of Wealth Creation in Early-Modern Reformed Confessions," *Renaissance & Reformation Review* 21, no. 3 (2019): 188–202.

40. See Oslington, *Political Economy as Natural Theology*.

41. The phrase comes from Adam Smith, *The Correspondence of Adam Smith*, ed. Ernest Campbell Mossner and Ian Simpson Ross (Indianapolis: Liberty Fund, 1987), 309.

42. On the Adam Smith Problem, see Russel Nieli, "Spheres of Intimacy and the Adam Smith Problem," *Journal of the History of Ideas* 47, no. 4 (1986): 612–14; Otteson, *Adam Smith's Marketplace of Life*, 134–37.

43. James Moore, "Two Systems of Francis Hutcheson: On the Origins of the Scottish Enlightenment," in *Studies in the Philosophy of the Scottish Enlightenment*, ed. M.A. Stewart (Oxford: Clarendon Press, 1990), 37–59.

44. This section draws from Matson, "Commerce as Cooperation with the Deity."

45. Knud Haakonssen, *Natural Law and Moral Philosophy: From Grotius to the Scottish Enlightenment* (Cambridge: Cambridge University Press, 1996), 79.

46. Hutcheson, *A System of Moral Philosophy*, 1:253.

47. Francis Hutcheson, *A Short Introduction to Moral Philosophy*, ed. Luigi Turco (Indianapolis: Liberty Fund, 2007), 102.

48. Thomas A. Horne, "Moral and Economic Improvement: Francis Hutcheson on Property," *History of Political Thought* 7, no. 1 (1986): 120.

49. Hutcheson, *Beauty and Virtue*, 150.

50. Hutcheson, *A System of Moral Philosophy*, 1:287.

51. Hutcheson, *A System of Moral Philosophy*, 1:286.

52. Hutcheson, *A System of Moral Philosophy*, 1:284, 257, 284, respectively.

53. "I have always considered him, both in his lifetime and since his death, as approaching as nearly to the idea of a perfectly wise and virtuous man, as perhaps the nature of human frailty will permit." Smith, *The Correspondence of Adam Smith*, 220.

54. See Richard B. Sher, *Church and University in the Scottish Enlightenment: The Moderate Literati of Edinburgh* (Edinburgh: Edinburgh University Press, 2015).

55. On this general point, see Neil McArthur, *David Hume's Political Theory: Law, Commerce, and the Constitution of Government* (Toronto: Toronto University Press, 2007); Carl Wennerlind, "The Role of Political Economy in Hume's Moral Philosophy," *Hume Studies* 37, no. 1 (2011): 43–64; Margaret Schabas and Carl Wennerlind, *A Philosopher's Economist: Hume and the Rise of Capitalism* (Chicago and London: University of Chicago Press, 2020).

56. Hume, like Josiah Tucker, Joseph Massie, and others, strived to develop what Deringer calls a "commercial epistemology" in the early eighteenth century, against the view that commerce could only be understood by its practitioners. See William Deringer, "'It Was Their Business to Know': British Merchants and Mercantile Epistemology in the Eighteenth Century," *History of Political Economy* 49, no. 2 (2017): 177–206.

57. Hume, *Essays Moral, Political, and Literary*, 93.

58. Hume, *Essays, Moral, Political, and Literary*, 300. For discussion, see Margaret Schabas, "'Let Your Science Be Human': David Hume and the Honourable Merchant," *European Journal of the History of Economic Thought* 21, no. 6 (2014): 977–90.

59. Erik W. Matson and Daniel B. Klein, "Convention Without Convening," *Constitutional Political Economy* 33, no. 1 (2022): 1–24.

60. See Istvan Hont, *Jealousy of Trade: International Competition and the Nation-State in Historical Perspective* (Cambridge, MA; London: The Belknap Press of Harvard University Press, 2005).

61. Hume, *Essays Moral, Political, and Literary*, 331.

62. David Hume, *Dialogues Concerning Natural Religion*, ed. Richard H. Popkin, 2nd ed. (United States of America: Hackett Publishing Company, Inc., 1998), 72.

63. On Hume as a moralist and public philosopher, see Nicholas Phillipson, "Hume as Moralist: A Social Historian's Perspective," in *Philosophers of the Enlightenment*, ed. S. C. Brown (Brighton, 1979), 140–61; Donald W. Livingston, "David Hume: Ambassador from the World of Learning to the World of Conversation," *The Political Science Reviewer* 18 (1988): 35–84; Thomas W. Merrill, "Hume's Socratism," *The Review of Politics* 77 (2015): 23–45.

64. Nicholas Phillipson, "The Scottish Enlightenment," in *The Enlightenment in National Context*, ed. Roy Porter and Mikulas Teich (Cambridge: Cambridge University Press, 1981), 29.

65. The Swiss naturalist Charles Bonnet calls Smith the "sage of Glasgow" in Adam Smith, *The Correspondence of Adam Smith*, ed. Ernest Campbell Mossner and Ian Simpson Ross (Indianapolis: Liberty Fund, 1987), 179.

66. Jacob Viner, "Adam Smith and Laissez Faire," *Journal of Political Economy* 35, no. 2 (1927): 213. On reading *Wealth of Nations* as both a tract and a scientific treatise, see Samuel Fleischacker, *On Adam Smith's Wealth of Nations: A Philosophical Companion* (Princeton and Oxford: Princeton University Press, 2004).

67. On economics as natural theology see Anthony Waterman, "Economics as Theology: Adam Smith's Wealth of Nations," *Southern Economic Journal* 68, no. 4 (2002): 907–21; Lisa Hill, "The Hidden Theology of Adam Smith," *The European Journal of the History of Economic Thought* 8, no. 1 (2001): 1–29; Oslington, *Political Economy as Natural Theology*. On economics in Smith as an atheistic science, see Peter Minowitz, *Profits, Priests, and Princes: Adam Smith's Emancipation of Economics from Politics and Religion* (Stanford: Stanford University Press, 1993).

68. Dennis C. Rasmussen, "Does 'Bettering Our Condition' Really Make Us Better Off? Adam Smith on Progress and Happiness," *The American Political Science Review* 100, no. 3 (2006): 308–18; Erik W. Matson, "A Dialectical Reading of Adam Smith on Wealth and Happiness," *Journal of Economic Behavior & Organization* 184 (2021): 826–36.

69. Jeffrey T. Young, *Economics as a Moral Science: The Political Economy of Adam Smith* (Cheltenham; Lyme: Edward Elgar, 1997), 49–52; Erik W. Matson, "The Edifying Discourses of Adam Smith: Focalism, Commerce, and Serving the Common Good," *Journal of the History of Economic Thought* (June 13, 2022): 15–17.

70. Jeremy Bentham, *The Works of Jeremy Bentham*, ed. J. Bowring, vol. 1 (Edinburgh: William Tait, 1843), 563.

71. Smith, *Wealth of Nations*, 22.

72. Smith, *Wealth of Nations*, 23.

73. Smith, *Wealth of Nations*, 26.

74. Smith, *Wealth of Nations*, 30.

75. Smith, *Wealth of Nations*, 30.

76. Adam Smith, *The Theory of Moral Sentiments*, 236.

77. For a full discussion of Smith along these lines, see Matson, "The Edifying Discourse of Adam Smith."

78. Wilhelm Röpke, *A Humane Economy: The Social Framework of the Free Market* (Wilmington, DE: ISI Books, [1960] 2014), 177.

79. Michael Novak, *Business as a Calling: Work and the Examined Life* (New York: The Free Press, 1996), 94.