

The Relative Virtues of Smith's Theodicy

David L. Blaney
Macalester College

“It’s true it was a sore time for the hand-loom weavers when power-looms came in: them new-fangled things make a man’s life like a lottery; and yet I’ll never misdoubt that power-looms and railways, and all such inventions, are the gift of God. I have lived long enough, too, to see that it is part of His plan to send suffering to bring out a higher good; but surely it’s also part of his plan that as much of the burden of the suffering as can be, should be lightened by those whom it is His pleasure to make happy, and content in their circumstances.”

Elizabeth Gaskell, *Mary Barton: A Tale of Manchester Life*

Introduction

The metaphor “invisible hand” entices us with promises of a harmonious social order built on the laws of the market. Invoking the invisible hand suggests that social harmony and economic prosperity are the unintended results of self-regarding behavior. This standard formulation is a means to closing ethical/political questioning: it vindicates market outcomes and proscribes government interventions that seek to produce results outside of market logic. However, this formulation also creates or accepts a gap between an ideal of human behavior and ethically questionable behavior, though this gap is also a source of worry: we need faith in an invisible hand precisely because immediate and narrowly conceived self-interested behavior seems ethically suspect. And, despite the invisible hand, market societies continue to face social ills such as high levels of alienation, unemployment, poverty, and inequality. For many economists the answer to the question of how such social ills can exist within market society points to the

intrusions of government and other institutions that impair the working of the invisible hand. That is, seeming anomalies to the theory that the market produces social order and harmony are rejected and seen to result from an imperfect implementation of market logic. Though Adam Smith's name jumps to mind, I offer a caution: In Smith's hands, the invisible hand produces a more complicated and troubling apparatus used to justify a commercial society than more sanguine contemporary analysts would admit.

I argue that the invisible-hand procedure for the closing of questions possesses a structure prefigured by theological discussions of the problem of evil. Evil emerges as an anomaly whose existence must be accepted but also denied: accepted, because evil's presence in the world motivates the theorist's task, constructing the aspiration for the good; denied, because its existence implies an imperfection in God's creation of the world and therefore an imperfection in God (Lilla 2007, 29-30; Long 2011, 100; Griffin 1976; Connolly 1991, Introduction). What later come to be called "theodicies" try to solve this puzzle.¹ Theodicies struggle to explain how an omnipotent, omniscient, and omnibenevolent God could generate a creation in which evil exists and flourishes. I use Augustine of Hippo to illustrate the (always problematic and incomplete) structure of theodicy. Since God cannot be responsible for evil, nor can evil be placed beyond God's creation, Augustine locates the responsibility in the free will of human beings. A crack opens up in creation, between God's perfection and the human ability to choose evil. But everything in God's creation is good; even evil and suffering have their purpose. Evil and suffering lead us to the good and are crucial to a plan for salvation that unfolds across time. Augustine partly covers the crack opened between the harmony of creation and the disorder of human society with political rule but only divine redemption promises an

¹ The term originates with Leibniz (2007 [1710]).

ultimate resolution. Theodicy operates by “consoling the soul and consolidating the city” (Schurmann 2003, 9).

While Adam Smith’s theodical practices share this basic structure, they are also shaped by his times. Cassirer (1955, 136, 143-8) argues that the key intellectual problems engaging Enlightenment thinkers are “fused with religious problems,” none more troubling than how to reconcile a vision of creation as simple and harmonious with the disorderly “facts of human experience,” a problem of theodicy to which “they recur untiringly.” Creation appears now, Gillespie (2008: 17, chapter eight) tells, us as a “natural object,” but the problem of the relation of the human to nature and God to the human and nature remain. Knowledge of the causal laws governing nature seems to push God to the margins and the human becomes reducible to those laws—as beast or machine. A moral sense must be found as a result of or beyond the laws of nature; humans come to share a space with God beyond the mechanisms of the world as a natural object.

Neiman (2002, 4) argues, for example, that Eighteenth-Century Enlightenment thinkers preserve a space for the human beyond beast or machine, effecting a “radical” separation of “what earlier ages called natural from moral evils,” and thereby making central the idea that humans share responsibility with God for “the state of the world” (see also Bernstein 2005, 3-5). In simplest terms, thinkers could separate the perfection of the natural world, which cannot and should not be altered, from those moral evils for which human action offers a solution. We might trace to this time and this distinction our notion that we can remake the world better—combat evils that are not fixed in Nature,

that are “unnatural” (Asad 2003, 57)—through the application of human effort and reason. Drawing this distinction convincingly proves a challenge.

Adam Smith shares this distinction with his Enlightenment peers, but gives the laws of natural order greater weight. He dedicates much of his work to distinguishing those features of human societies attributable to the hand of Providence (as inscribed in Nature) and those identified as the result of the conscious application of human reason (Hill 2001). But, consistent with the invisible hand metaphor, Smith tends to invert the source of our Enlightenment optimism: it is Nature guiding human action towards unintended consequences that is the source of most human advancement and our conscious efforts at reform that produce much of the evil. Smith thus reflects an additional and powerful strain of our Enlightenment inheritance. It is interference in the “natural course of things”—the “obvious and simple system of natural liberty” or “perfect liberty”—that produces genuine moral evil (Smith 1976b, i 111, ii 208). It is through this “imitation of Stoic theodicy” that Smith rationalizes many apparent moral evils “as indirectly beneficial” (Hill 2001, 5).²

But Smith’s argument also reflects the complicated logics and tensions of the structure of theodicy, though with some differences. Smith’s political economy embraces a dualism that Augustine resisted, suggesting that the greatest evils exist outside natural order in the domain of conscious human intervention by public authority in social life. In other respects, however, he reproduces the ambiguous status of evil in theodicy. He moves beyond simply justifying evil as an instrument of an overall social good by introducing a moral language that re-values self-regarding behavior as morally defensible (as actually good) while still sustaining a distinction between virtuous and morally

² Oslington (2011, 6) also refers to Smith’s views as “Christianized Stoicism.”

degraded human action. The experience of human suffering also receives a theodical treatment. As in Augustine, the crack in the natural order is both covered and revealed. But Smith goes further in admitting social evils, though in some cases they are given little weight, since modern contemporary commercial society is far superior in comparison to prior stages of human society. In this respect, evil receives a temporal solution in homology to Augustine.

But not all cracks in social order can be smoothed away. Some failings of modern society resist harmonization by natural laws of the market and require treatment by a visible hand of public action. Nevertheless, Smith's openness about the presence of social evils in natural order masks other, more serious failings simultaneously revealed and ignored. In the cases of poverty and inequality, Smith's practice appears more as disavowal than justification. But even these disavowals are revealing of a deeper internal conversation in Smith's texts. More precisely, it is possible to read Smith as a moral economist, but only if we remember that a moral economy not only provides a basis for a critique of a market order, as in Thompson (1971) or Scott (1977), but also for its justification.

The Structure of Theodicy and Political Economy

For Augustine, Bishop of Hippo (354-430), God's, omniscience, omnipotence and goodness cannot but be expressed in creation. But evil and human suffering abound. This notable presence of evil and suffering raises a problem: a perfect God cannot (knowingly) create evil. Yet nothing in creation, including evil, can stand outside of God's creative

knowledge and power. Augustine knew that this problem bedeviled thinkers of his time and inspired heresies that suggested an order beyond God's creation (Griffin 1976, 55-6; Connolly 1991, 2-9; Brown 2000, 36, 169; Mann 2001, 43).

Augustine offers us two (incomplete and intertwined) "solutions" to this problem. First, evil emerges within a good creation, but somehow must not be attributable to God. Rejecting the idea of a primal struggle of good and evil, which either places evil beyond God's good creation or makes God responsible for evil, Augustine attempts to square this circle with the idea that evil emerges from human will—from a "misuse of free will" more precisely. God is not responsible for evil, then, since all he created was good, including free will. It is humans that have chosen sin and brought suffering into the world. The God-created world remains good; God does not create humans' "evil volitions" (Griffin 1976, 57-9; see also Elshtain 1995, 81-4; Tilley 2000, 121-2; Mann 2001, 45-7; and Surin 1986, 71).

However, this solution leaves seemingly irremediable problems (Griffin, 60-6); it creates a fissure that both makes possible and casts doubt on God's identity as perfect—as all-knowing, all-powerful, and all goodness.³ We might legitimately wonder how human beings, as a good creation of a perfect God, exercise their free will and choose evil. The consequences of human freedom cannot have been unknown to an all-knowing creator. It is also less than clear that a conception of an all-powerful and good God allows space for the power of humans to choose sin. That is, God must have knowingly

³ See also Connolly (1991, 7-8). This is the Real: the "inherent traumatic core" of a symbolic order organized around God. That is, the "antagonism" of an order is not a "positivity" outside or a "substantial reality which from outside disturbs the Symbolic balance;" rather, "it is totally inherent to the Symbolic, its immanent crack or impossibility" (Zizek 2008, 319). In the same way, the human subject is itself split or cracked: "the subject in a way is the failure of subjectivization, the failure of assuming the symbolic mandate, of fully identifying with the ethical Call" (Zizek 2008, 344). The failure of free will to do the good is, then, the paradoxical precondition of free will itself.

allowed the presence of evil. It is difficult, then, to divest God of responsibility for evil and suffering. Or evil somehow slipped by God, calling into question the claims of omnipotence, omniscience, and omnibenevolence. Good cannot cause evil and a gap exists between God and creation.

Augustine recognizes this gap, even embraces it, as Tilley (2000, 113) notes, where he argues that humans are created as “wholly good, but not perfect (since only God was perfect).” Or, as Mann (2001, 42-4) reads Augustine: only the eternal can be perfect and humans, as God’s creation, are mutable, suffering by comparison with God’s perfection, and susceptible to corruption. Thus, the creation as an emanation of God’s will (as caused by God) cannot be identical with God. We might even speculate that God’s identity as perfect requires this gap.⁴ God requires a created other that, being imperfect, is separate from God, but can mirror God’s goodness because it remains a good creation in its separateness.⁵

But Augustine cannot fully accept such a gap because it implies an outside to God’s order. He resists any heresy that locates evil as an independent force, beyond

⁴ Weber (1963, 138-9) notes that “the legitimation of every distinctively ethical prophecy has always required the notion of a god characterized by attributes that set him (sic) sublimely above the world,” but “the more the development tends toward the conception of a transcendental unitary god who is universal, the more there arises the problem of how the extraordinary power of such a god may be reconciled with the imperfection of the world that he (sic) has created and rules over.” As if in response to Weber, some Christian thinkers reduce this separation of God and creation. It is possible to respond, as Moulton (1973) and Bauckham (1984) have, that Christ’s suffering is a case where God is affected by the imperfection of creation: No longer separable from creation, a suffering God takes center stage. The image of a suffering God militates against theodicy, against justifying social evils as beyond remediation by human action. Or, as Connolly (2008, 129-33) explains, God might be imagined as limited and intertwined with creation, participating in a process of learning as creation unfolds. He draws on William James and Theologian Catherine Keller in formulating this vision.

⁵ Žižek (1994, 306-7) might think of Augustine’s move as characteristic of ideology. It points to the denial of a “paradoxical element [within a symbolic field] which, without ceasing to be its constituent, functions as its symptom – subverts the very universal rational principle of this totality.” Critique of ideology “consists,” then, “in detecting a point of breakdown *heterogeneous* to a given ideological field and at the same time *necessary* for that field to achieve its closure, its accomplished form.”

God's full power.⁶ Thus, a second solution comes into play. This solution doesn't so much displace the first, but covers the gap or fracture that remains.⁷ Augustine proposes that evil may only be an apparent anomaly—that evil plays a central role, however mysterious to us, in God's good creation. For example, the presence of evil and suffering augments our appreciation of the goodness and beauties of the world by mere contrast (Griffin 1976, 69-71). Suffering is punishment for the choice of evil, which can only be viewed as justice and a restoration of the good, which emerges in a limited way in political order on earth (Rist 1994, 225-30). Suffering also points us to redemption, an issue to which we will return. Thus, when viewed from a larger point of view, we begin to discern that God allows evil “only because he could bring good out of it” (Griffin 1976, 70; see also Rist 1994, 261-2). Tilley quotes Augustine's explanation of how evil might be understood this way:

In this world, what is called evil, well ordered and properly placed, more highly commends good things so that they may be more pleasing and laudable when compared with evil things. For the omnipotent god, who . . . is the greatest good, would not allow anything evil in his works, unless he were so omnipotent and good as to make good out of evil. (Augustine, *Enchiridion*, 11, in Tilley 2000, 118)

Thus, evil only appears as truly evil from our limited point of view. In the end, all things in God's creation are good. It could not be different.

Political rule serves as a necessary feature of this order, but bringing only a minimal state of justice and order in this world. Political authority shares the character of

⁶ One response to the problem of evil involves, Weber (1963, 144) suggests, embracing a “dualism,” as in Zoroastrianism and Manicheism (Augustine's nemesis) in which “[i]njustice, unrighteousness, and sin—in short, all the factors that have generated the problem of theodicy—result from the darkening of the luminous purity of the great and good god through contact with the opposite autonomous powers of darkness . . .” For Augustine, an embrace of dualism suggests heresy in that it challenges the unity and goodness of creation. A kind of dualism is central to political economists, however, where the domain of the market provides unity and harmony in relation to a counter domain of government intervention. See Brown (2000), chapters 5, 31-2.

⁷ The language is Zizek's (1994, 21).

God and a sinful humanity. It is a necessary human creation in a world riven by greed, a desire for power and glory, and immersed in, often bloody, conflict, yet it also serves to create some peace by imposing discipline and forcefully restraining violence and criminality (Weithman 2001, 240-4). Augustine suggests that the forcible restraint imposed by rulers, even if apparently for their own ends, reflects God's love (Rist 1994, 226-9), though God's ultimate purposes may be "hidden from us" (Weithman 2001, 244). Given human sinfulness, we cannot expect political order to more than parody the "lost harmony of Paradise" (Rist 1994, 218). As Elshtain (1995, 91) summarizes, Augustine "uncovered the lowest common denominators of human existence in the *saeculum*: a need for social life, hence for peace and love; a divided will easily traduced by as lust to dominate and possess; a world of insoluble estrangements, perils and shortcomings." "Earthly rule," she (1995, 100) stresses, "is always tragic rule—necessarily so— involving the disciplining of sin." In the end, earthy political rule remains an "interim measure—while we await the end" (Rist 1994, 206).

The continuing presence of evil and suffering requires an act of divine redemption that unfolds in history (Tilley 2000, 125-30; Griffin 1976, 70-1; Surin 1986, 12). Here we have a temporalization of the ontological fracture. The gap or fracture within and between God and creation remains central to Augustine's account of an all-powerful God allowing—but not creating evil—because it serves to restore creation's goodness and God's goodness and power, even as the fracture is hidden under the cover of theodicy. However, evil receives an additional treatment; it both contributes to and will be vanquished in time by God's plan for redeeming believers. Evil and suffering allow humans to submit to God turning them towards the promise of redemption in the

resurrection. This brings God's plan to an end and signals God's victory over evil. God makes good out of evil as part of a telos of redemption. In the end, evil is necessarily redeemed by the good; indeed, it is the fracturing of the social order—the presence of evil—that appears as the cause of a plan for redemption.⁸

From Augustine, we can draw out the structure of theodicy as a political economic theory or economic theology. A secularized theodicy⁹ responds to the fundamental fracture in the (natural) order of the world: the presence of evil and suffering. The temptation is to displace evil and suffering outside of the given order in order to preserve its goodness. The source of evil intrudes from the outside; walling off

⁸ As Weber (1963, 139; see also 142) writes, the problem of evil in the world may be addressed via “messianic eschatologies,” by a “future revolution in this world,” in which evil and good would be again assigned their rightful places. For Žižek (2008, 345), the relationship between evil and its covering by a promise of redemption is tighter. Evil calls the Good forward: God's plan for redemption appears as a suturing of the fracture—as a domestication of force of the immanent impossibility of the good.

⁹ The shift from theology to political economy might seem abrupt. Schmitt (1985, 36) argues that such a move is natural, since the concepts of modern political theory “are secularized theological concepts” and “not only because of their historical development—in which they were transferred from theology.” Schmitt's focus is the state and the role of “analogy” between theological and secular conceptions, as between an “omnipotent God” and the “omnipotent lawgiver.” Agamben (2011, 3) extends and counters Schmitt by documenting a more fundamental economic theology, since “from the beginning theology conceives of divine life and the history of humanity as *oikonomia*.” For Agamben, (2011, 4), “*secularization operates in the conceptual system of modernity as a signature that refers it back to theology . . . and can be understood . . . as a specific performance of Christian faith that, for the first time, opens the world to man in its worldliness and historicity.*” Agamben (2011, 5) engages the on-going debate in which Hans Blumenberg famously rejected the idea that modern concepts are secularized versions of theological ideas, noting that Blumenberg had missed the point: “the dispute was more or less consciously instigated in order to hide what was really at stake, which was not secularization but the philosophy of history and the Christian theology that constituted its premise.” Blumenberg's position (1983, 64-5) does not dispute the analogical functions of theological and secular concepts: “this identity . . . is not one of contents but one of functions.” Theology established a set of “positions” around which we understand the world and our place in it, and these ‘positions’ “cannot simply be ‘set aside’ again or left unoccupied in the interest of theoretical economy.” The modern era, he notes, has inherited a set of “prescribed questions” which it has accepted as its own. Michael Gillespie (2008: 11-2; chapter 8) reads Blumenberg's point more strongly, perhaps closer to Agamben's claim. The modern appears not as an arbitrary reoccupation of medieval positions, but as “a realization of the metaphysical and theological possibilities left by the antecedent tradition.” The modern inherits and struggles with the relation of God, nature and human being, which appear as questions of free will and determinism, moral autonomy and scientific truth, progress and natural order. We might say, then, that contemporary social theory requires a comparable explanation for social ills in social order built on rational principles that not only reoccupy the place of theological accounts of evil in God's good creation, but struggle with questions left by an earlier phase of theological speculation. I have adopted the shorthand of retaining the term theodicy to highlight the structural analogy. As Agamben (2011, 5) notes, Hegel was clear about the “equivalence” of “the rational government of the world with the theological doctrine of the providential plan of God, and presented his philosophy of history as a theodicy.”

the good from these alien and disruptive forces seems to secure the symbolic orders harmony.¹⁰ But this act of displacement also does what Augustine fears: it creates a space beyond the given order. Alternative spaces would be opened and the given order could not presume to be all that is available to us. Other logics of life would be on offer. It would not be all to us.¹¹

Preserving the allness of the order to us—its completeness and goodness—requires placing evil and suffering within that order, but social order now is revealed as fractured internally: evil and suffering confront the goodness of social order as an internal antagonism. Restoring the goodness and power of creation requires a theodicy that turns (apparent or real) evil into the good via two interconnected processes. The goodness of the order is preserved by showing both that: (1) evil is only apparent; evil is revalued in relation to some broader perspective vindicating the social order (though doubt always remains); and (2) that social evils are social failings but are justified when they support or can be turned to the good of the social order, often conceived in terms of a process of historical redemption, a teleological process in which evil has a role in the transformation of social order towards the good. Indeed, it is evil that puts us in need of this mechanism of historical redemption. The world's riven-ness appears, then, possibly as tragedy, but always one that will be or must be overcome by human action and/or the automatic mechanisms of historical progress. This ambiguity is central to the political economic problem of the relation of state and market.

¹⁰ See Wendy Brown (2010) on the operation of walls. We have used this language as well; see Blaney and Inayatullah (2010).

¹¹ As Naeem Inayatullah comments: "In Hegelian terms, evil would not be internal. Augustine wants only internal relations. This is what makes Augustine different from the classical and neoclassical economists." Economists, as we shall see, displace evil outside the market order in the form of the state or in terms of individual or group failure. But spaces beyond the order might serve as reservoirs of alternative visions of order itself. Or might serve as resources for responding to fractures—holding them together or suturing.

This revaluation and temporalization of the problem of evil merely cover the ontological cracks in social order. Revaluing social failings as good serves as an act of disavowal of social evil within the existing social order in the present (or in reference to some point of arrival in the future) but can never be complete. Evil remains as a necessary contrast to the good—its constitutive role suggesting it cannot be rendered simply outside or external to the social order. That evil which necessarily remains central to social order still may be turned via theodicy to the good, however. It always reminds us of the fracturing of creation in the present and the promises of redemption in some future state.

In this way, theodicy reveals a fracture in an order even as it covers over that fracture. Indeed, the very act of covering points to the deeper fracture it has attempted to hide. Evil, therefore, is the “constitutive outside” in Timothy Mitchell’s (2000, 4-5, 12-3) sense, or a “structural necessity” that is paradoxically outside but necessary to a symbolic order in Žižek’s (1994, 306). To deny its presence in the social order disavows what it obvious: the reality of suffering—that evil necessarily calls forth its transformation into not-evil. But the promised redemption only covers the fracture: we have to accept that the only real meaning of perfection must contain imperfection. Evil, like the good, appears both pure and impure.

Smith’s Complicated and Incomplete Theodicy

We already quoted Cassirer to the effect that Enlightenment scholars continued to confront questions about evil and disorder that earlier had been posed in explicitly

religious terms. Adam Smith is no different. While Smith's own religious beliefs remain obscure,¹² his thinking operates "within a providentialist and teleological framework" (Harrison 2011, 77). Earlier accounts of the Enlightenment legacy often made this point about Smith. Similar to Cassirer, Carl Becker (1932, 31, 123-6) places Smith in that Enlightenment movement that "demolished the Heavenly City of St. Augustine only to rebuild it with more up-to-date materials." Human life still appears as a "significant drama"—as a theory of progress that replaces classical cyclical theories or Christian eschatology. In his masterful work on the role of providence in social thought, Jacob Viner (1972, 55, 60) argues that "secularization" or "laicization" did not "mean a complete breakaway of ethical and economic thought from religious ideas." Indeed, "British social philosophy," with Smith as key example, is "soaked in teleology," deploying automatic mechanisms that are located in creation by a providential hand.

Recent scholarly efforts to read Smith as political economist *and* moral thinker recover these theological resonances.¹³ Weaker views include Griswold's (1999, 315) that Smith's invisible hand or ideas of natural harmony attribute a "teleological" character to nature or Hopfl's (1978, 30) that Smith's thinking reflects "a residue of providential history," or Hirschman's (1991, 16) that Smith "barely allowed [Divine Providence] to survive, secularized and a bit anemic, as the Invisible Hand." More strongly, Smith's optimistic account of history is said to embrace "secular eschatologies" or "a secularization of thoughts that originally and earlier appeared in theological

¹² Smith's religious beliefs are difficult to pin down since he was notoriously circumspect in expressing them. On most accounts, Smith embraced a deism founded on an account of natural religion (Emerson 1989; Long, 1989; Muller 1993, chapter 12; Rothschild 2002, 129-31; Merikoski 2002). Others (Oslington 2011b, 3-5) suggest that his personal beliefs are not entirely relevant; more important is Smith's recourse to theological language.

¹³ This movement has culminated perhaps in the essays in Oslington (2011).

contexts” (Spiegel 1976, 484, 488), or to involve “worldly” but not entirely “secular” thinking (Emerson 1989, 68). Stronger still, Montag (2005, 8) suggests that Smith offers “neither a secular theodicy nor an economic theology” but “a continuation in the human world of the Providence that governs all things.” Similarly perhaps, Muller (1993, 104) argues that Smith follows a long line of Protestant theodacists “who attributed a providential role to man’s passions” (Muller 1993, 104) and Evensky (1998, 18) claims that Smith’s “belief in the progress of humankind rests ultimately on . . . faith in the existence of a benevolent deity as the designer of the universe.” Or, finally and most strongly, Hill (2001, 1) writes that “Adam Smith’s social and economic philosophy is inherently theological and that its Providentialist underpinnings cannot be removed without impairing his theory of social order.”¹⁴

Informed by the “complacent, providentialist suggestion” that things would be worse if subject to “human contrivance” (Winch 1996, 64), we would expect Smith’s political economy to lean towards a relative political quietism. Theodicy is often thought to perform this function. As Terrence Tilley (2000, 231-4) notes: “In writing theodicies individuals detach themselves from the realities of sin and suffering.” Perhaps driven by “the Enlightenment obsession with reducing the muddy and mixed to the clear and distinct,” thinkers like Smith distance themselves from sin and suffering in order to restore the “spotless hands” of the creator/creation. Thus, theodicy leaves us “oblivious to the commitment, practical wisdom and constancy needed to counteract some evils.” But,

¹⁴ Of course, some reject this idea altogether. Rothschild (2002, chapter 5) reads Smith’s references to Providence and the invisible hand as ironic. Fleischacker (2004, 44-5) dismisses any providentialist element in Smith altogether. Many scholars just assume a “secular” reading: for example, Hill (2001, 1-40) surveys a long list of such secularist readings of Smith. We admit that it is inconvenient when attempting to establish Smith’s relevance for contemporary social thought that he comes with so much religious baggage. As Shearmur (1996, 55-6) suggests in his examination of the idea of the divine corporation, “explicitly theological ideas” are “of no real use to the secular liberal.”

as we shall see, Smith's theodicy is more nuanced and ambiguous than Tilley's characterization. Though stressing natural harmony that turns evil to the good, Smith recognizes the existence of social/moral evils that requires conscious human effort to redress. More strikingly, Smith also covers cracks on the order of nature, simultaneously recognizing and denying the presence of social/moral evils.

Smith seems to distance himself from suffering precisely as Tilley explains where he describes the Stoics in an approving fashion in *The Theory of Moral Sentiments* (1976b, 36):

The ancient stoics were of opinion, that as the world was governed by the all-ruling providence of a wise, powerful, and good God, every single event ought to be regarded, as making a necessary part of the plan of the universe, and as tending to promote the general order and happiness of the whole: that the vices and follies of mankind, therefore, made as necessary a part of this plan as their wisdom or their virtue; and by that eternal art which educes good from ill, were made to tend equally to the prosperity and perfection of the great system of nature.¹⁵

Smith (1976b, 253) similarly assures us that the “great disorder in our moral sentiments,” including in his accounting “hatred and contempt,” are often turned to the good and we may “admire the wisdom of God even in the weakness and folly of men.” Smith (1976b, 78) insists that the “passions” that drive human beings tend to produce, though without intending, the “beneficent ends which the great Director of nature intended to produce by them.” Elsewhere Smith (1976b, 235-6) argues that “wise and virtuous” men should remember that God as a

benevolent and all-wise being can admit into the system of government, no partial evil which is not necessary for the universal good[;] he must consider all the misfortunes which may befall himself, his friends, his society, or his country, as

¹⁵Smith did not uncritically incorporate a stoic theodicy as we shall see. On Smith's complex relation to stoicism, see Muller (1993, 96-98), Fleischacker (2004, 138-140), and Vivenza (2001, especially 2.10). Agamben (2011, 283-4) notes the debt to stoicism but treats Smith as generally heir to an economic theology that emerges along with early Christian thought.

necessary for the prosperity of the universe, and therefore as what he ought, not only to submit to with resignation, but what he himself, if he had known all the connexions and dependencies of things, ought sincerely and devoutly to have wished for.

Such passages serve to make the case for Smith as “quasi-Augustinan” theodicist (Waterman 2002, 918) and there is little doubt that he aims to demonstrate ‘vices and follies’ equally are part of Nature’s plan, which to our fortune ‘educes good from evil.’

Yet, in the very next sentence, just after he has educes good from evil, Smith (1976b, 36) warns that we should not confuse vice and virtue. He argues that such “speculations” about nature’s plan and the intentions of the Director do not “diminish our natural abhorrence for vice, whose immediate effects are so destructive, and whose remote ones are too distant to be traced by the imagination.” Smith hints at the imperfections of the natural order that remain. Human vices have their own ‘destructive’ effects that are immediate, despite any smoothing operations that nature might provide. And it is less clear here that nature invariably educes good from ill in its ‘remote’ effects. Whatever Smith’s view, and we will argue that Smith adopts all of these positions to some degree, it is clear Smith refuses to give up the moral vocabulary necessary to evaluate the goods and evils of human social life. Smith’s theodicy does not eliminate continuing concern with social evils, nor does it remove the need for human responsibility to right social wrongs. This should not surprise us given the tensions in the structure of theodicy.

I elaborate this claim about Smith’s theodicy in three and a half steps. First, I show how Smith uses the invisible hand in *Wealth of Nations* and *Theory of Moral Sentiments* to produce the good from evil, but also works to re-value individual self-love as a relative moral good. Here Smith works to cover the fracture between virtue and vice

he finds in contemporary social order. Yet Smith also acknowledges this fracture in what I have called step 1a. Though the social good may be achieved, this is not necessarily accompanied by individual well-being. Second, and contrary to the arguments in Step 1, where he reduces the gap between vices and virtue, Smith also resorts to claims about the lesser evil. Though nature does educe good from evil, evil continues to have its immediate destructive effects. In some cases, Smith acknowledges the presence of social evils that require redress by a visible hand, lest these *moral* evils undercut the harmony of a system of ‘natural liberty.’ Third, Smith also performs what appear as acts of disavowal, where his thinking reveals serious social ills that he refuses to acknowledge. Here his work is ideological: he asks us to act *as if* such glaring social evils of a commercial society are simply not present.

Step 1: Smith covers the fracture (mostly)

Smith’s most famous use of the term ‘invisible hand’ seems to vindicate the theodical principle that good may be educed from evil. In *Wealth of Nations* (1976a, i 477-8), Smith warns of the dangers of governmental intervention in commerce, particularly in foreign trade. He says, famously:

. . . it is only for the sake of profit that any man employs a capital in the support of industry; and he will always, therefore, endeavor to employ it in the support of that industry of which the produce is likely to be of the greatest value, or to exchange for the greatest quantity either of money or of other goods. . . . As every individual, therefore, endeavors as much as he can both to employ his capital in the support of domestic industry, and so to direct that industry that its produce may be of the greatest value; every individual necessarily labours to render the annual revenue of the society as great as he can. He generally, indeed, neither intends to promote the public interest, nor knows how much he is promoting it. By preferring the support of domestic to that of foreign industry, he

intends only his own security; and by directing that industry in such a manner as its produce may be of the greatest value, he intends only his own gain, and he is in this, as in many other cases, led by an invisible hand to promote an end which was no part of his intention. Nor is it always the worse for the society that it was not part of it. By pursuing his own interest he frequently promotes that of the society more effectively than when he really intends to promote it. I have never known much good done by those who affected to trade for the public good. It is an affectation, indeed, not very common among merchants, and very few words need be employed in dissuading them from it.

Smith seems clear: virtue does not produce the national economic good.¹⁶ Rather, it is non-virtuous behavior that promotes industry. The good of society is educed from narrow acts aimed at individual gain by an invisible hand: an automatic mechanism, operating as a law of nature without the conscious intention of the actors, produces an agreeable effect.

Despite this familiar story, the issue is not so simply closed. Smith does not simply vindicate human vices with the invisible hand. In *Theory of Moral Sentiments*, he stresses that his thinking should not be confused with Bernard Mandeville's, where the distinction between virtue and vice is flattened; where all behavior, whatever the appearance of virtue, is in fact motivated by vanity or self-love (Smith 1976b, 308-13). Smith instead means to re-value self-interest as a category within virtue. What appears as vice may be, when seen from a deeper vantage point, something closer to virtue.

Given the usual reading of Smith, it is necessary to stress that self-love is not the primitive category or starting point of his moral psychology. The psychological primitive is identification with others, or what Smith calls "sympathy" (Force 1997, 54-5; 2003, chapter 1). Smith (1976b, 9) begins *Theory of Moral Sentiments* with a section, "Of Sympathy," and with the line: "How selfish soever man may be supposed, there are

¹⁶ Brown (1994, chapter 7) notes the importance of interpreting this passage in relation to Smith's general suspicion of industrialists and his embrace of agriculture. It also is noteworthy that Smith assumes that industrialists prefer investments of domestic investments to those risk capital overseas.

evidently some principles in his nature, which interest him in the fortune of others, and render their happiness necessary to him, though he derives nothing from it except the pleasure of seeing it.” Displays of “pity or compassion” are equally “original passions of human nature”—not “confined to the virtuous and humane, though they perhaps may feel it with the most exquisite sensibility,” since even “the most hardened violator of the laws of society . . . is not altogether without it.” Though somewhat variable in its depth, sympathy for others is a basic feature of human nature.

Yet we do not have direct access to the feelings of others, Smith (1976b, 9) cautions, so that sympathy operates only through acts of “imagination.” How we imagine the feelings of others, including how we imagine they view us, is critical to Smith’s moral psychology. How others view us is so important that we judge the propriety of our own behavior—its justice or appropriateness—in terms of the “sympathetic emotions of the spectator” (1976b, 16). Smith (1976b, 20, 22) tells us that we judge as spectators and treat the judgments of us by spectators “as right, as accurate, as agreeable to truth and reality,” not according to its instrumental effect on us. That is, we *naturally* take on a disinterested stance as a spectator; we learn to consider the situation of others in “a candid and impartial light” and this capacity shapes our moral perspective and our behavior (1976b, 22).

Smith (1976b, 26) calls this the standpoint of the “impartial spectator” and, later in the text (1976b, 128-30), he makes the internalization of this human capacity central to Nature itself:

The all-wise Author of Nature has, in this manner, taught man to respect the sentiments and judgments of his brethren; to be more or less pleased when they approve of his conduct, and to be more or less hurt when they disapprove of it. He has made man, if I may say so, the immediate judge of mankind; and has, in this

respect, as in many others, created him after his own image, and appointed him his viceregent on earth to superintend the behavior of his brethren. . . .

But though man has, in this manner, been rendered the immediate judge of mankind, he has been rendered so only in the first instance; and an appeal lies from his sentence to a much higher tribunal, to the tribunal of their consciences, to that supposed impartial and well-informed spectator, to that of the man within the breast, the great judge and arbiter of their conduct.

Conscience naturally and powerfully guides us to seek not only the admiration of others, but to be worthy of that praise; not only to appear unworthy of blame but to actually be so (Smith 1976b, 131). Though Smith's account of this standpoint is complex, the impartial spectator is at the heart of his understanding of moral thought and the possibility of human society. The cultivation of the standpoint of the impartial spectator is central not only to our capacity to regulate our passions so that we might live a happy life as part of a just society, but also to know what counts as a just society.¹⁷

With the impartial spectator Smith aims to demonstrate that a decent human society emerges spontaneously from the operation of each individual's naturally given passions. We are still in a realm of natural order and its automatic mechanisms, but here evil is covered. Human sentiments naturally orient individuals towards right and wrong behavior upon which reason builds, though the system remains imperfect since it requires a certain "resolution of mind" often found "wanting" (Smith 1976b, 319-24). Habits also are crucial in forming human sentiments, building into established customs. But customs vary, Smith (1976b 204-11) tells us, shaped by "different ages and countries." However, variation by country is immediately translated into evidence of different times or stages—savage and barbarian v. civilized customs. We can expect improvements by the workings of natural order as we shall see below. Smith also

¹⁷ On the importance of the "impartial spectator" to Smith, see Griswold (1999), Muller (1993), Long (2011) . . .

suggests that societies with particularly barbarous customs cannot long “subsist.” A kind of natural principle guides human societies away from the worst customs. Thus, we find little need for the kinds of lawgivers Plato or Hobbes or Rousseau offer, all who introduce constitutions from the outside or down upon people and places. Rather, moral order “*appears* to derive exclusively from efficient causes,” from the uncoordinated but causally efficacious actions of individual agents. These spontaneous outcomes may be unintended by individuals, but they are intended by ‘the author of Nature’ (Hill 2001, 14-6). Put differently, for Smith the “visible” acts of individuals achieve these outcomes through the operation of “invisible principles which reveal the hidden organization of the system” (Fiori 2001, 443).

Such teleological explanations that appeal to nature and its author or to invisible principles are generally out of favor with political economists in our times; nature has no purpose, only laws, and an empirical science is grounded in observation. But this way of talking excludes precisely what Smith wants to stress: that human society, though an unintended product of human actions, has ethical purpose and meaning.

The role of individual self-interest may be viewed in the same light. Smith believes that the kind of self-interested action displayed in commercial society is not simply given but requires an explanation. He grounds that explanation in the principles of sympathy and their extension in the idea of the impartial spectator. Smith (1976b, 50-1) begins with the fact that we naturally sympathize “more entirely with joy than with sorrow” to explain why we “make parade of our riches, and conceal our poverty.” Indeed, “it is chiefly from this regard to the sentiments of mankind, that we pursue riches and avoid poverty.” The pursuit of wealth is derivative of vanity, not a primary

passion. Smith likewise dismisses the idea, so central to utilitarian thought and modern economics, that differences in material well being contribute that much *directly* to human satisfaction: “It is the vanity, not the ease, or the pleasure, which interests us.” It is “emulation which runs through the different ranks of men” that motivates us to seek riches: “The rich man glories in his riches, because he feels that they naturally draw upon him the attention of the world.”¹⁸

Though riches provide a powerful motivation, happiness, says Smith (1976b, 172-3), comes not from the assiduous calculation of every “saving or gain” nor the passion for acquiring some object, but from attention to the general rules of moderate behavior. Though this also cuts against the grain of popular views and may embarrass some of his contemporary proponents, Smith (1976b, 183) asserts that most of the gains are “in the highest degree contemptible and trifling.” As he elaborates:

Power and riches appear then to be, what they are, enormous and opulose machines contrived to produce a few trifling conveniences to the body . . . which must be kept in order with the most anxious attention . . . They are immense fabrics, which it requires the labour of a life to raise, which threatens every moment to overwhelm the person who dwells in them . . . They keep off the summer shower, not the winter storm, but leave him always as much, and sometimes more exposed than before, to anxiety, to fear, and to sorrow; to disease, to danger, and to death. (Smith 1976b, 182-3)

And, in the end, both rich and poor and powerful and obscure find equality in death.

With human satisfaction so tenuously linked to material well-being, Smith (1976b, 28-9) recommends that individuals command their appetites—that self-love be moderated and refined.¹⁹ What he calls “self-command” appears as the key virtue of an

¹⁸ Contemporary studies of happiness (or social well being) provide mixed evidence on the relation of material advantage and happiness, but certainly vindicate the operation of social comparison in establishing human happiness. See Diener and Biswas Diener (2008) as representative.

¹⁹ This becomes a command in Kant and what civil society learns as it becomes the state in Hegel.

individual in a modern, commercial society.²⁰ Instead of giving free rein to the passion for gain, Smith (1976b, 215) recommends “the steadiness” of “industry and frugality” that sacrifices “the ease and enjoyment of the present moment for the probably expectation of the still greater ease and enjoyment of a more distant but more lasting period of time.” We might read this as a sign of higher calculative capacities—optimizing across time—but Smith means to suggest more.

Self-interest appears as but one feature of a richly textured ethical life. Smith (1976b, 82-3) refers favorably to the “preference which every man has for his own happiness above that of other people” as “natural;” it is only appropriate that each individual “is more deeply interested in whatever immediately concerns himself, than in what concerns any other man.” Yet the “impartial spectator” cannot abide indulgence of the self at the expense of others or behavior that directly injures others. Though he understands that human sympathies change or weaken as they extend across social and physical space, Smith insists that our concerns naturally extend outward in circles beyond ourselves to include family and neighbors and our fellow citizens, though weakening substantially beyond national borders (Weinstein 2006; Griswold 1999, 119, 142-3). Self-love is moderated, then, by a sense of justice that arises naturally from each individual’s impartial contemplation of the fact that all “stand in need of each others assistance, and are likewise exposed to mutual injuries.” Though a stable society may arise simply on this prudential basis, Smith suggests that a flourishing and happy society will be ornamented by “more generous and disinterested motives” of “mutual love and affection” (Smith 1976b, 85-6). Thus, Smith’s understanding of ‘prudence’ as properly commanded self-love points beyond the kind of preference maximization that today’s

²⁰ On “self-command” in Smith, see Griswold (1999, chapter 5) and Brown (1994, chapter 4).

economist presumes. Prudence should not be confused with unrestrained passion for gain, nor preference maximization confused with moderated self-love.

Though Smith holds humans to higher standards than contemporary economists, he also finds them less consistently capable than his self-proclaimed descendents presume. The common and distinctively human “faculties of reason and speech” remain in most human beings rather “feeble,” vulnerable to superstition and being misled by others (Smith 1976a, i. 17, ii. 324-5). Not only do we necessarily lack foresight, but we are unable to assess risks and gains to our persons and our capital (Smith 1976a, 83, 119). Waterman (2002, 911-2) carefully documents Smith’s various comments that suggest a sober realism about human limits—our follies, stupidity, avarice, etc. But never does this recognition of the fallen nature of man and the imperfection of creation lead Smith to collapse the distinction between virtues and vice.

If natural order retains this weakness, natural order also puts these vices to use: the invisible hand—educing good from evil—steps in. In *Wealth of Nations*, Smith (1976a, ii 362-3) famously argues that humans are distinguished by “the desire of bettering our condition” that “comes with us from the womb, and never leaves us till we go into the grave.”²¹ This desire initially reveals itself as a “passion for present enjoyment,” which in some individuals is “violent and difficult to restrain,” resulting in a kind of “profligacy.” But nature gradually guides enough individuals to more “calm and dispassionate,” prompting them “to save.” As Smith (1976a, ii 363) elaborates:

An augmentation of fortune is the means by which the greater part of men propose and wish to better their condition. It is the means most vulgar and the

²¹ This idea provides the uniformity necessary for a science of society. As Berry (1997, 69) puts it in reference to the Scottish Enlightenment as a whole: “All human behavior . . . is explicable because it is governed by regular springs which have uniform effects.”

most obvious; and the most likely way of augmenting their fortune, is to save and accumulate

Smith (1976a, ii 362-3) claims that frugality thereby comes to “predominate very greatly” in human behavior and the “prodigality” of some in consuming capital is vastly outweighed “by the frugality and good conduct of others” that produce an increase in society’s wealth. Thus, nature does not necessarily produce virtuous behavior; rather it makes do with ‘vulgar’ and ‘obvious’ means. Just as with the invisible hand, the individual propensity to improvement drives general human advancement without any conscious intention (Skinner 1965, 5).

Smith turns this individual acts of self-seeking into a universal history of material and moral improvement involving ‘four-stages’ of human society (Meek 1976; Skinner 1965). Each stage corresponds to a particular mode of acquiring subsistence: “1st, the Age of Hunters; 2dly, the Age of Shepherds; 3rdly, the Age of Agriculture; and 4thly, the Age of Commerce” (Smith, 1978, 14). Smith claims that, as human societies advance through these successive modes of acquiring subsistence, so we see “the natural progress of opulence” (Smith 1976a, 1, 401) and corresponding changes (or, generally, improvements) in institutions, laws, and manners. Human society gradually loses its rudeness; as the arts and industry advance so are the individuals in society refined (Skinner 1967, 42-5; Berry 1997, 93-9, 180-1). Thus, though individual acts may not be especially virtuous, history itself is given a moral reading—as “a repository of exemplars, for good or for evil” (Haakonssen 1996, 6).

All seems nicely tied up. Despite human frailties, natural order works to restore the good. What appears as human vice may, on closer consideration, appear as a kind of virtue. And even where virtue fails, the natural order rescues humanity by educating social

good from individual evil. As Smith (1976b, 166) assures us, the “happiness of mankind . . . seems to have been the original purpose intended by the Author of nature.” We can confirm this by examining “the works of nature.” Here the redemption of natural order by theodicy seems complete; simply “by acting according to the dictates of our moral faculties, we necessarily pursue the most effectual means for promoting the happiness of mankind.”

Step 1a: Cracks in the Invisible Hand

Smith’s own account should leave us with some doubts about nature’s “redemptive activity” (Waterman 2002, 919). Though human pursuit of individual gain may serve to generate social improvement and historical progress, we cannot be certain that individual happiness is served. As we saw, Smith himself suggests that only where individuals pursue gain under the guide of self-command can they realize genuine virtue and happiness. While the pursuit of narrow self-interest necessarily produces the unintended consequence of social improvement, individual happiness does not by necessity follow.

This potential gap opened between social good and individual happiness is further revealed at two points in *Theory of Moral Sentiments* where Smith resorts to what might be read as parables. Smith (1976b, 184) begins the first parable with the “unfeeling landlord,” who imagines that he can consume the entire harvest from his fields without regard to the needs of others. Since his direct consumption is limited by the size of his stomach, he turns his produce into high living and “baubles and trinkets.” In the process,

“he is obliged to distribute” much of his produce to those who provide him services or goods, “all of whom thus derive from his luxury and caprice, that share of the necessaries of life, which they would in vain have expected from his humanity and his justice.”

Then, Smith delivers one of his lines using the language of the invisible hand. Nature works its way so that, “in spite of their natural selfishness and rapacity, though they mean only their own conveniency, though the sole end which they propose from the labour of the thousands whom they employ, be the gratification of their own vain and insatiable desires,” the rich “are led by an invisible hand” to “divide with the poor the produce of all their improvements.” Here again, less than virtuous behavior produces a social good of widely distributing the commodities necessary for human existence. Yet, the landlord’s gratification seems less than secure. His desires are “vain” and “insatiable.” Nor should we be certain of the happiness of the ‘poor, though Smith makes this central to his justification for a commercial society, as we shall see.

Smith (1976b, 181) seems to highlight this point with his parable of the “poor man’s son, whom heaven in its anger has visited with ambition.” His admiration for the rich leads him to despise his own condition and imagine the happiness of possessing all the accouterments of wealth. In pursuit of this “superior rank,” he subjects himself to “more fatigue of the body and more uneasiness of the mind than he could have suffered through the whole of his life from want of” these conveniences. In order to bring his talents forward, “he makes his court to all mankind; he serves those whom he hates, and is obsequious to those whom he despises.” Smith’s punch line is dramatic:

Through the whole of his life he pursues the idea of a certain artificial and elegant repose which he may never arrive at, for which he sacrifices a real tranquility that is at all time in his power, and which, it in the extremity of old age he should at last attain to it, he will find to be in not respect preferable to the humble security

and contentment which he has abandoned for it. It is then, in the last dregs of life, his body wasted with toil and diseases, his mind galled and ruffled by the memory of a thousand injuries and disappointments which he imagines he has met, . . . that he begins at last to find that wealth and greatness are mere trinkets of a frivolous utility. . . (1976b, 181)

We might read this as ideology, rationalizing relatively fixed class ranks, but Smith seems to be reiterating his message that true self-command extends beyond calculative reason at the service of passion for gain. Self-command leads us away not from public affairs or from business, but from the ceaseless struggle for more. Commanding our passions allows us both greater tranquility and the capacity to cultivate things beyond those of ‘frivolous utility.’ Self-command allows us to make a distinction between the higher and the lower. And without this capacity, it is difficult to imagine a good life at all.

Fortunately, effort in the pursuit of wealth is not wasted. Because the “pleasures of wealth and greatness,” however wrongly, “strike the imagination as something grand and beautiful and noble,” we are led to much “toil and anxiety” in their pursuit. Smith (1976b, 183-4) assures us this is another case of good educed from evil:

And it is well that nature imposes upon us in this manner. It is this deception which rouses and keeps in continual motion the industry of mankind. It is this which first prompted them to cultivate the ground, to build houses, to found cities and commonwealths, and to invent and improve all the sciences and arts, which enoble and embellish human life; which have entirely changed the whole face of the globe, have turn the rude forests of nature into agreeable and fertile plains, and make the trackless and barren ocean a new fund of subsistence, and the great high road of communication to the different nations of the earth. The earth by these labours of mankind has been obliged to redouble her natural fertility, and to maintain a greater multitude of inhabitants.

Here nature performs a deep “deception”: nature turns pursuit of a lesser value by many into a genuine social good: the process of improvement across time.

What Smith doesn't say here, however, is that what serves to promote the social good may not achieve the happiness of each individual.²² The lesser good is revealed as a necessary deception. This necessary misalignment of individual and social good suggests that Smith's theodicy is an imperfect system, however well adapted to the natural limits of the world (Wasek 1984; Teichgraeber 1986). The market, as did the state for Augustine, serves as "both God's punishment and God's remedy for sin" (Pabst 2011, 112).

While we are enjoined to accept "magnanimous resignation to the will of the great Director of the universe" (Smith 1976b, 236), he does offer us his own primer on virtue, on the practice of self-command and how, if we are capable of discerning nature's more subtle lessons, we may live more virtuously and more happily. With the cultivation of self-command, self-seeking may come closer to serving the self as well as mankind. With such conscious cultivation, we may live lives beyond the *average* moral possibilities offered by nature. Perhaps costs must be borne by many, but Smith also offers the more virtuous *The Theory of Moral Sentiments* as a moral guide for finding happiness despite our disappointments.

Step II: Acknowledging the cracks in the edifice and the Need for the Visible Hand

Despite this confidence in the beneficial effects of the machine of history, Smith's relative quietism is "haunted" by the "moral shortcomings in commercial society" (Teichgraeber 1986, 128). Smith gives substantial play to the moral failings of commercial society in his writings, but he usually works to restore the Providentialist

²² Smith might have accused contemporary economists of committing the ecological fallacy.

narrative after almost every critical discussion. But, at other points, Smith departs from the dominant theme in the text and invokes the visible hand of the state—the power of government to intervene and restore harmony to natural order.

Smith's treatment of poverty might suggest a greater sensitivity to the failings of a commercial society and a more radical direction in his thought than is usually supposed. As we saw earlier, Smith promises that in a commercial society a 'universal opulence extends itself to the lowest ranks of the people.' Indeed, he asserts this as the key criterion by which to assess contemporary society:

No society can surely be flourishing and happy, of which the far greater part of the members are poor and miserable. It is but equity, besides, that they who feed, cloath and lodge the whole body of the people, should have such a share of the produce of their own labour as to be themselves tolerably well fed, cloathed and lodged. (Smith 1976a, i 88)

Smith (1976a, ii 232) holds commercial society to this standard where, he admits, we find "indigence": "Wherever there is great property, there is great inequality. For one very rich man, there must be at least five hundred poor, and the affluence of the few supposes the indigence of the many."

Though admittedly a social failing, Smith, perhaps unsurprisingly, turns this social ill into an advantage of commercial society. We need only remember the parable of the rich man and his profligacy spreading the wealth. Or we might invoke once again Smith's claim that the desire for status motivates human exertion and social development. In his early lectures, Smith (1978, 338) once again makes this assertion but also invokes the visible hand of the state. Here, Smith argues that the gap between 'great property' and the very limited means of the "ordinary day-labourer" requires the imposition of rule of law. Law maintains "the rich in the possession of their wealth against the

violence and rapacity of the poor,” and this is central to commercial society because it works to “preserve that usefull inequality in the fortunes of mankind which naturally and necessarily arises from the various degrees of capacity, industry, and diligence in the different individuals.” Inequality, though perhaps lamentable in some respects, also appears useful—a necessary feature of a system of natural liberty—but a feature of this society that cannot be sustained without the visible hand of active policing of the ‘violence and rapacity of the poor.’

Yet Smith elaborates and softens this point in *Theory of Moral Sentiments*. Here, the harmonious operation of the natural order comes close to being restored by an invisible hand. Inequality proves not so much a problem but the *very basis of* social stability and justice. Smith (1976b, 50) notes that natural sympathy for others extends more fully to the joys of other than to their sorrows. Humans thus possess a natural “disposition to admire, and almost to worship, the rich and the powerful.” Smith (1976b, 61) warns that this disposition corrupts individuals (think worship of celebrity and wealth over virtue), but he stresses that this admiration is “necessary both to establish and maintain the distinction of ranks and the order of society.” Indeed, that this “fascination” with the rich and powerful overwhelms our concern with virtue appears as part of Nature’s plan. Most people naturally defer or submit to the higher ranks of society. As Smith puts it, “Nature has wisely judged that the distinction of ranks, the peace and order of society, would rest more securely upon the plain and palpable difference of birth and fortune, than upon the invisible and often uncertain difference of wisdom and virtue.” Since the “great mob of mankind” can easily identify wealth but lacks the capacity to discern virtue and wisdom, the undue deference shown to wealth and power appears as

part of “the benevolent wisdom of nature” (Smith 1976b, 226). Thus, good is educed from evil: inequality, even where opulence and indigence stand in striking opposition, proves not the stark weakness that Smith seemed to indicate; and the corruption of sentiments that leads most people to favor wealth over virtue and also to defer to the established social hierarchy.

Despite this softening of potential class violence, Smith does not trust the preservation of the social ranks simply to the natural sentiments of humankind. Neither the refinements of self-command, nor a natural deference to rank, removes the need for the visible hand of the civil magistrate. The threat that citizens may do injury to each other requires the promise of punishment by the rules of “justice.” The “negative virtue” of justice takes over where the deeper virtues falter. The “central task of civil government” is to hinder us “from hurting our neighbor” (Smith 1976b, 80-1). But Smith sees the role of policing more expansively than simply protecting individuals from harm. He also charges the “civil magistrate” with “promoting the prosperity of the commonwealth, by establishing good discipline, and by discouraging every sort of vice and impropriety.” Constraining injurious action is but one task; he also “may also command mutual good offices to a certain degree” (Smith 1976b, 91-2). Or in striking comments in his lectures, Smith (1978, 208) argues that, where there is great inequality, “it is necessary that the arm of authority . . . [make] permanent laws or regulations” to secure “the property of the rich from the inroads of the poor, who would otherwise continually make incroachments upon it . . . Laws and government may be considered in this and every case as a combination of the rich to oppress the poor. . .” Natural order is

not fully self-correcting. The visible hand of sovereign power becomes necessary to maintain a system of natural liberty.

Smith's analysis of the division of labor also offers a telling example. In book V of *Wealth of Nations* (1976a, ii 302-3), he delivers a startling condemnation of the modern division of labor:

In the progress of the division of labor, the employment of the far greater part of those who live by labour, that is, of the great body of the people, comes to be confined to a few very simple operations, frequently to one or two. But the understandings of the greater part of men are necessarily formed by their ordinary employments. The man whose whole life is spent in performing a few simple operations, the effects of which too are, always the same, or very nearly the same, has no occasion to exert his understanding, or to exercise his invention in finding out expedients for removing difficulties which never occur. He naturally loses, therefore, the habit of such exertion, and generally becomes as stupid and ignorant as it is possible for a human creature to become. The torpor of his mind renders him, not only incapable of relishing or bearing a part of any rational conversation, but of conceiving any generous, noble, or tender sentiment, and consequently of forming any just judgment concerning many even of the ordinary duties of private life. Of the great and extensive interests of his country, he is altogether incapable of judging; and unless very particular pains have been taken to render him otherwise, he is equally incapable of defending his country in war. The uniformity of his stationary life naturally corrupts the courage of his mind, and makes him regard with abhorrence the irregular, uncertain, and adventurous life of a soldier. It corrupts even the activity of his body, and renders him incapable of exerting his strength with vigor and perseverance, in any other employment than that to which he has been bred.

Turning the common laborer into a specialist has a number of negative consequences: it makes him 'stupid,' incapable of 'rational conversation, unable to 'conceive any generous, noble, or tender sentiment,' and therefore inept at forming judgments concerning the duties of private life,' as well as unqualified to ascertain the 'interests of his country' and powerless in 'defending his country in war.'

Smith's criticism of specialization derives additional force when he compares contemporary workman unfavorably with 'savages.' The absence of a division of labor

in savage societies proves an advantage; the existence of “varied occupations” means that inventiveness is “kept alive;” “every man is a warrior” and a “statesman” so that each is able to “form a tolerable judgment concerning the interest of society.” While specialization provides a material plenty unavailable to savage and barbarous societies, this advantage is “acquired at the expense of [the laborer’s] intellectual, social, and martial virtues.” The sober consequence is that, “in every improved and civilized society this is the state into which the laboring poor, that is, the great body of the people, must necessarily fall” (Smith 1976a, ii 303-4). Here, once again, the social advantage derived from an extension of division of labor proves of limited value to common people. In Rosenberg’s (1965, 136-7) terms, the “*collective* intelligence of the civilized society is . . . very great and presents unique and unprecedented opportunities for further technical progress,” but the “*modal* level of understanding is very low.”

It is difficult to tell from these passages if Smith believes that commercial society presents an advance over past societies. So worried is Smith that he calls upon the state to provide public education. If the state does not provide such counter-measures, warns Smith, “all the nobler parts of the human character may be, in a great measure, obliterated and extinguished in the great body of the people” (Smith 1976a, ii 303). In stark contrast to his quietist sensibilities born of a trust in the ultimate goodness of the automatic tendencies of a system of natural liberty, Smith advocates government intervention lest commercial society destroy the very thing it advances—ennobling and civilizing wealth. It is only an actively *reformed* commercial society that can combine wealth creation with a process (often *conscious* and *intended*) of the refinement of the character of human

beings. Nature cannot be allowed to run its course of unintended consequences; complacency in the face of Providence gives way to intended social reform.

Step III: disavowal

At certain points, Smith seems mostly insensitive to the costs entailed by his “system of natural liberty” (Smith 1976a, ii 208). I pursue two examples, revolving around what we might call the problems of absolute and relative poverty in commercial society.

Smith describes the division of labor as a mechanism that matches the varied goods produced to the individuals who need them (1976a, i 15). As Smith (1976a, i 18) famously notes, the workman “has almost constant occasion for the help of his brethren,” but cannot expect that help “from benevolence alone.” Rather, he achieves the steady assistance of others via a set of bargains, where he offers an equivalent in exchange. The meeting of needs happens automatically, without government direction (except for a system of justice compelling individuals to fulfill their legal obligations). And Smith (1976a, i 15) exuberantly announces the beneficial operation of the natural order: a “general plenty diffuses itself through all the different ranks of society.”

Only seven chapters later, however, when Smith examines the allocation of the country’s revenues in more detail, he appears less confident of this bold conclusion about the diffusion of a general plenty. The move from the early to the later chapter also involves traveling some historical distance, from a rude state of society, “in which the labourer enjoyed the whole produce of his own labour,” to a civilized society, in which “the greater part of the workman stand in need of a master to advance them the material

of their work, and their wages.” The consequence,” as Marx also emphasized, “is that the master now “shares in the produce of their labour.” The amount the master shares “depends every where upon the contract made between those two parties, whose interests are by no means the same” (Smith 1976a, i 73-4).

This bargain usually is struck to the disadvantage of the laborers. As Smith (1976a, i 74-5) writes:

It is not, however, difficult to foresee which of the two parties must, upon all ordinary occasions, have the advantage in the dispute, and force the other into a compliance with their terms. The masters, being fewer in number, can combine much more easily; and the law, besides, authorises, or at least does not prohibit their combinations, while it prohibits those of the workmen. . . . In all such disputes the masters can hold out much longer Many workmen could not subsist a week, few could subsist a month, and scarce any a year without employment. In the long-run the workman may be as necessary to his master as his master is to him, but the necessity is not so immediate.

Smith assures us that this is the ‘ordinary’ condition: masters combine to keep wages at their minimum level—the cost of labor or *subsistence*—or even “to sink the wages of labour below this rate.” That workman and their families are threatened by starvation is not lost on them; they act, as Smith says, “with the folly and extravagance of desperate men, who must either stave, or frighten their masters into an immediate compliance with their demands.” Fortunately, this “most shocking violence and outrage” is put to rest by the “civil magistrate” (Smith 1976a, i 75). Though we sense Smith’s relief, he is not simply an apologist for the masters. Lest we become anxious that the society might fall into disorder, he comforts us with the thought that the great machine of nature offers an automatic solution, assuring that wages stay near their natural level.

Smith’s account of the natural level of wages involves population dynamics, the growth or decline in the supply of workmen. Vibrant growth seems to keep the demand

for labor high, pushing wages above subsistence for some time, until the higher wages encourage higher fertility and an increase in the supply of workmen (Smith 1976a, i 76-80). But where the economy stagnates or owners exercise their clout, the wages of labor are 'sunk' below the level of subsistence, which includes the amount required to support a family. Where wages fall, fewer children survive until adulthood, thereby decreasing the supply of labor and forcing wages back to subsistence (Smith, 1976a, i 88). In this respect, people are no different than other commodities: "It is in that manner that the demand for men, like that for any other commodity, necessarily regulates the production of men; quickens it when it goes too slowly, and stops it when it advances too fast" (Smith 1976a, i 89).

Smith's treatment of people as like any commodity at once suggests and obscures the way the market, as Warren Montag (2005, 15) bluntly put it, "ration . . . life itself."

Smith postulates an equilibrium or harmony productive of life that is paradoxically created and maintained by the power of the negative, of death: that the allowing of death is necessary to the production of the life of the universal. Smith's economics is a necro-economics. The market reduces and rations life; it not only allows death, it demands that death be allowed by the sovereign power, as well as by those who suffer it. In other words, it demands and requires that the latter allow themselves to die. From this we must conclude that underneath the appearance of a system whose intricate harmony might be appreciated as a kind of austere and awful beauty, a self-regulating system, not the ideal perhaps, but the best of all possible systems, is the demand that some must allow themselves to die. This of course raises the possibility that those so called upon will refuse this demand – that is, they will refuse to allow themselves to die. It is at this point that the state, which might appear to have no other relation to the market than one of a contemplative acquiescence, is called into action: those who refuse to allow themselves to die must be compelled by force to do so. (Montag 2005, 16)

Smith's account of the regulation of wages via the price mechanism does not suggest the instantaneous adjustments promised by the differential calculus of neo-classical

economists, but adjustments in the pace of human thriving and suffering and, here, Smith implies the potential social costs of the natural operation of a market society.

Smith is less frank about the operation of “necro-economics” in his discussion of corn duties, resorting to what Montag (2005,15) calls “a gesture of theoretical/historical denial” (Montag 2005, 15). Smith defends the free market in the face of calls for government intervention in staples, such as subsidizing grain prices or restricting exports of grain, when grain prices increase. The grain trader, not the government, is the hero of the consumer in Smith’s story. The trader and the consumer share the same interest: “that the daily, weekly, and monthly consumption, should be proportioned as exactly as possible to the supply of the season.” If the trader raises prices too high, consumption will drop, leaving him with excess supplies of a commodity, driving prices down further when the new crop arrives. If he sets prices too low, hungry people will consume at a level that exhausts supplies before the next crop comes in (Smith 1976b, ii 30). The market effects a “disciplining of the hungry” (Montag 2005, 15) that, Smith asserts, will preserve their life through a very lean season.

Smith (1976a, ii 31) uses the analogy of a ship captain, in this case one who rations provisions when they run short, in order to invoke the naturally harmonious workings of the market:

Without intending the interest of the people, [the trader] is necessarily led, by a regard to his own interest, to treat them, even in years of scarcity, pretty much in the same manner as the prudent master of a vessel is sometimes obliged to treat his crew. When he foresees that provisions are likely to run short, he puts them upon short allowance. Though from excess of caution he should sometimes do this without any real necessity, yet all the inconveniences of which his crew can thereby suffer are inconsiderable, in comparison of the danger, misery, and ruin, to which they might sometimes be exposed by a less provident conduct. Though from excess of avarice, in the same manner, the inland corn merchant should sometimes raise the price of his corn somewhat higher than the scarcity of the

season requires, yet all the inconveniences which the people can suffer from this conduct, which effectually secures them from a famine in the end of the season, are inconsiderable, in comparison of what they might have been exposed to by a more liberal way of dealing in the beginning of it.

But what this analogy misses is buying power. The ship captain rations to each seaman equally (or perhaps according to rank); seamen do not depend for their provisions on their effective demand. The market, by contrast, rations provisions according to ability to pay; some can afford the higher prices and will maintain something like their normal level of consumption. Others will be forced to consume less and less, or even be forced out of the market itself. The price mechanism of a free market may well assure that grain supplies last a season, but it will not assure that the masses of grain consumers survive the season.

Studies of famine confirm that Smith's analogy misleads him. People starve not because improper price signals have emptied the local or international markets of grain, but because they are poor and priced out of the market and have no political clout to alter government policies (see Sen 1981). The most likely scenario is this: famine results where public officials fail to act to secure or augment the buying power of the poor, either because of their incapacity, incompetence, venality, or because they are motivated by free market principles. In the latter case, the integrity of the market may be preserved, but many individuals are sacrificed to its 'austere and awful beauty,' to use Montag's phrase. Here, theodicy performs its most evil work. Social evils that might arguably be justified by other agreeable social effects, as Smith does elsewhere, are simply effaced in his narrative unfolding of the cosmic drama.

A second, though more ambiguous illustration, suggests both disavowal and an implicit acknowledgement of a social evil. Though Smith reclaims inequality as a social good, as we noted above, his argument falters at other points. More specifically, Smith's

puzzling comments about leisure in savage society suggests that poverty poses a social evil that escapes a theodical treatment.

In Smith's providential history, the initial stage of savage hunters and gatherers operates as a baseline and mirror against which Smith assessed the progress of commercial societies. In *Wealth of Nations*, for example, the paltry livelihood of the savage serves as the basis of comparison with the affluence brought by a developed division of labor:

Among the savage nations of hunters and fishers, every individual who is able to work, is more or less employed in useful labour, and endeavors to provide, as well as he can, the necessaries and conveniences of life, for himself, or such of his family or tribe as are either too old, or too young, or too infirm to go a hunting and fishing. Such nations, however, are so miserably poor, that from mere want, they are frequently reduced, or, at least, think themselves reduced, to the necessity sometimes of directly destroying, and sometimes of abandoning their infants, their old people, and those inflicted with lingering disease, to perish with hunger, or to be devoured by wild beasts. Among civilized and thriving nations, on the contrary, though a great number of people do not labor at all, many of whom consume the produce of ten times, frequently of a hundred times more labour than the greater part of those who work; yet the produce of the whole labour of the society is so great, that all are often abundantly supplied, and a workman, even of the lowest and poorest order, if he is frugal and industrious, may enjoy a greater share of the necessaries and conveniences of life than it is possible for any savage to acquire. (Smith 1976a, i 2)

Here, the savage stands in (almost) polar opposition to the achievements of the commercial, the civilized.

This polarity of savage and civilized blurs at certain points, however. In *Theory of Moral Sentiments*, Smith (1976b, 205) notes that "extremities of hunger" impose on the savage a kind of "Spartan discipline." It is precisely this condition of scarcity that Smith believes a commercial society brings to an end. However, Smith (1980, 187; see also 1976b, 219) also observes that savages possess the leisure to sing and dance:

It seems even to be amongst the most barbarous nations that the use and practice of them is both most frequent and most universal, as among the negroes of Africa

and the savage tribes of America. In civilized nations, the inferior ranks of people have very little leisure. . . . Among savage nations, the great body of the people have frequently great intervals of leisure, and they have scarce any other amusement; they naturally, therefore, spend a great part of their time in almost the only one they have.

This abundance of leisure for savages actually is quite damaging to Smith's claim about the nature of their poverty. They cannot 'spend a great part of their time' in music and dance unless they can readily meet their minimum requirements as biological beings, a requirement that would seem to belie claims about their abject poverty (Levine 1977, chapter 2). And the lack of leisure of the masses of modern workers points in the opposite direction: it is modern men who live in a state of scarcity.

What might seem puzzling given Smith's historical narrative is perfectly consistent with Marshall Sahlins' account (1972) of the way of life of hunters and gatherers. It is precisely the presence of abundant leisure that justifies treating hunters and gatherers as "affluent." Hunters and gatherers combine a low level of needs and wants with relatively plentiful means to meet those needs. Hence they are left with abundant free time.

Turning the tables on Smith and contemporary economists, Sahlins (1972, 4) concludes that scarcity is instituted by "market-industrial society," not given by nature. It is industrial society that shrinks leisure time by expanding needs and wants beyond the capacity of the society to readily produce them. And while that society generates wealth to support individualization and self-seeking, it also creates poverty and a subjugation of the least advantaged, such that the working classes suffer a loss, in Hegel's terms (1991 182-7, 241-4), of the "feeling of right, integrity and honor" that makes them part of society.

Smith's own analysis of this loss of 'right, integrity and honor' is similarly astute. The tendency of people to worship the rich leads the poor to "conceal" their poverty (Smith 1976b, 50). While the rich naturally draw attention to their situation,

[t]he poor man, on the contrary, is ashamed of his poverty. He feels that it either places him out of the sight of mankind, or, that if they take any notice of him, they have, however, scarce any fellow-feeling with the misery and distress which he suffers. He is mortified on both accounts; for though to be overlooked, and to be disapproved of, are things entirely different, yet as obscurity covers us from the daylight of honour and approbation, to feel that we are taken no notice of, necessarily damps the most agreeable hope, and disappoints the most ardent desire of human nature. (Smith 1976b, 51)

And the poor man is not wrong in this feeling. He "goes out and comes in unheeded, and when in the midst of a crowd is in the same obscurity as if shut up in his own hovel."

The rest of society "turn away their eyes from him;" "The Fortunate and the proud wonder at the insolence of human wretchedness, that it should dare to present itself before them, and with the loathsome aspect of its misery presume to disturb the serenity of their happiness" (Smith 1976b, 51). In general, "poverty . . . excites little compassion." And, Smith (1976b, 144) stresses: "We despise a beggar; and though his importunities may extort an alms from us, he is scarce ever the object of any serious commiseration."

Though Smith's emphasis on subsistence as the *natural* wage rate for common laborers might lead us to think that his concerns are with 'absolute,' not 'relative,' poverty, his own language of 'tolerably well' quoted above indicates that 'necessities and conveniences' are both involved in understanding economic misery. He recognizes quite well the social stigma and alienation accompanying relative poverty.

If this is so, even assuming Smith's most optimistic assumptions about a commercial society cannot be sustained. Rather, poverty is strikingly associated with, perhaps even tied to the emergence of, commercial society. The notion of scarcity is

itself an Eighteenth-century invention, as Xenos (1989, 7, 35) suggests; our notions of scarcity from which we are to be delivered arises only along with the appearance of expanded neediness and productive capacities. But Smith places scarcity and its “conceptual twin” abundance in a “single linear frame”—a “narrative structure” that dehistoricizes and universalizes the emerging modern problem as a “perennial struggle with a scarcity,” as “an open-ended myth.” If so, then, poverty cannot be assumed as an original condition for which commercial provides the antidote.

Conclusions

Smith’s theodicy proves ambiguous. He certainly defends the wisdom of the ‘Author of nature’: apparent evils are turned into good and the invisible hand produces agreeable effects apart from the morally limited intentions of human actors. But individuals may suffer the consequences of this social good: their lives may be sacrificed in the workings of natural harmony; or their action unintentionally producing a social good may be self-defeating, leading them away from well-being happiness. And at those points where Smith can locate no automatic mechanism that preserves the goodness of creation, where he admits genuine social evil is present, he makes society responsible, often through the visible hand of state action, to redress these evils or to support an order in spite of these social evils. But where social evils seem to challenge the basic harmony of a system of natural liberty or undermine the salutary plan of history, Smith resorts to a disavowal of the problems altogether. We are asked to act as if these failures are not apparent. Asking us to act *as if* these social evils are not present seems to confirm the

ideological character of Smith's justification of capitalism. He no doubt deserves criticism on precisely this point.

But moving so quickly to dismiss Smith as ideological misses the deeper structure of theodicy integral to modern political economic thought and the ways Smith may be given a more nuanced and sympathetic reading. Seeing political economy as theodicy highlights a fundamental moral fracture within its moral economy even as it covers it. Put differently, it reveals the problematic moral economy central to the invisible hand metaphor. Doing so rehabilitates the big and inadequately answered ethical questions at the center of thinking about modern political economy that are part of justifying social evil. Or, more dramatically, it suggests that political economy justifies capitalism via a set of framings "constructed . . . out of the debris of broken theologies" (Connolly 1991, 2). We might say that religion forms the "constitutive outside" of a secular political economy. Thus, it is not necessary to bring religion into IR or IPE, as some suggests is required to address contemporary events, but to recognize that political economy has always already been theological. This paper provokes directly by highlighting the language of evil or social evil central to political economy as moral economy or economic theology. Indeed, it contributes to resisting political economic strategies that convert social evils into natural evils. In this way, it fosters thinking about the social evils of capitalism. Though I recognize the dangers of trading in the language of evil, this point demands that we develop an ethics for the deployment of the language of evil in political economy. Fourth, justifications of capitalism implicate issues of responsibility and hence, as Connolly (1991, chapter 4) reminds us, questions about evil. And

questions of evil provoke thinking, however much the notion of evil may be abused (Bernstein 2005, vii-viii, 9-13).

Rehabilitating Adam Smith might even serve to vitalize IPE, threatened with dormancy in its US variants. Benjamin Cohen (2010, 887-8), himself, declares that IPE work (in the US) has become boring because it “tends to concentrate on narrow individual relationships isolated within a broader structure whose characteristics are assumed, normally, to be given and unchanging.” This framing of the political economic problem limits the questions that can be asked and the kinds of answers that can be given, generating a “distinct loss of ambition.” In order to restore such ambition, Matthew Watson (2012, 1-2) has deployed Adam Smith against Cohen’s self-proclaimed “American School” of IPE. In short, Watson mobilizes Smith in support of an understanding of economic agency as constituted within the “historically-specific cultural basis of prevailing world economic structures” and against the misguided presumption that Smith is the basis for “assuming that all economic agency follows the same abstract behavioral type.” Watson (2012, 3) also reminds us, as he has elsewhere (Watson 2005), that serious engagement with Smith allows us to return to the origins of economics as moral science so as to make ethical inquiry central to IPE.

Though sympathetic with Watson’s diagnosis (see Blaney and Inayatullah 2010, chapter 1), I want to approach the issue from a slightly different vantage. My hesitancy stems partly from my attention in the paper to the limits of Smith’s “moral economy of a recognizably modern civil society” (Phillipson 2010, 2) and partly because I want to push back against characterizations of contemporary IPE as morally empty. Indeed, I would re-present the American School of IPE itself as a moral economy (whatever denials such

an accusation would prompt). In this, I follow my teachers James Caporaso and, especially, David Levine (see Caporaso and Levine 1992 and Levine 1998). As a way of summary, Deborah Boucoyannis (2007, 709) lays clear the assumptions of the utilitarian moral economy central to US IPE: “Utilitarians are the real radicals.” By assuming that “all preferences have a common denominator: rationality” and that “a bargaining space always exists, within which solutions can be found to reconcile initially competing demands,” we can imagine a world in which harmony is possible.” As she notes, “Human interests are negotiable, divisible, and exchangeable. The concept of an indifference curve—whereby one good can be substituted for another—represents the measurable expression of this idea (with the important substitution of measurable preferences for utility). These principles lead to the expectation, if not of a harmony of interests, at least of a possible bargain.” The global political economy appears as harmonious: an outcome of bargaining that disadvantages some relative to others, in that they may find their preferences or demands less well fulfilled, but without any real moral loss. The contrast with Smith is clear.

That is, it is not so much that US IPE doesn’t ask big questions; it is that the intellectual apparatus of IPE is a set of answers to big questions, including key ethical questions, that are no longer asked, either because the questions have been forgotten, or less charitably because academic training in IPE disables memory, or more damning because remembering the questions would reveal that other answers are possible—an exposure that would implicate IPE in the production of relations of domination.²³

²³ Cohen (2008; 2010) himself suggests the first two interpretations, particularly in his story of the emergence of IPE and the arrival at contemporary standards for proper scholarship. The third interpretation might be seen as an implication of his discussion of hegemonic stability theory. See Blaney and Inayatullah (2010) and Inayatullah and Blaney (2004).

References

Asad, Talal (2003) *Formations of the Secular: Christianity, Islam, Modernity*. Stanford, CA: Stanford University Press.

Bauckham, Richard (1984) “‘Only the Suffering God can Help’: Divine Possibility in Modern Theology,” *Themelios* 9(3): 6-12.

.....

Becker, Carl L. (1932) *The Heavenly City of the Eighteenth-Century Philosophers*. New Haven and London: Yale University.

Berry, Christopher (1997) *Social Theory of the Scottish Enlightenment*. Edinburgh: University of Edinburgh.

Blaney, David L. and Naeem Inayatullah (2010) *Savage Economics: Wealth, Poverty and the Temporal Walls of Capitalism*. London: Routledge.

Blumenberg, Hans (1983) *The Legitimacy of the Modern Age*, trans. By Robert M. Wallace. Cambridge: MIT.

Boucayannis, Deborah (2007) “The International Wanderings of a Liberal Idea, or Why Liberals Can Learn to Stop Worrying and Love the Balance of Power,” *Perspectives on Politics* 5:4 (December), 703-27.

Brown, Peter (2000 [1967]) *Augustine of Hippo: A Biography*. Berkeley: University of California.

Brown, Vivienne (1994) *Adam Smith’s Discourse: Canonicity, Commerce and Conscience*. New York and London: Routledge.

Brown, Wendy (2010) *Walled States, Waning Sovereignty*. Cambridge: MIT Press.

Rex Butler (2004) “What is a Master-Signifier,” excerpt from *Slavoj Zizek: Live Theory*. Oxford: Polity. Accessed at <http://www.lacan.com/zizek-signifier.htm>.

Caporaso, James A. and David P. Levine (1992) *Theories of Political Economy*. Cambridge: Cambridge University Press.

Cassirer, Ernst (1955) *The Philosophy of the Enlightenment*. Boston: Beacon.

Cohen, Benjamin J. (2010) “Are IPE Journals Becoming Boring?” *International Studies Quarterly* 54, 887-91.

- Cohen, Benjamin J. (2008) *International Political Economy: An Intellectual History*. Princeton: Princeton University.
- Connolly, William E. (1991) *Identity\Difference: Democratic Negotiations of Political Paradox*. Ithaca and London: Cornell University Press.
- Connolly, William E. (2008) *Capitalism and Christianity, American Style*. Durham and London: Duke University.
- Davis, Mike (2006) *Planet of Slums*. London: Verso.
- Diener, Ed and Robert Biswas-Diener (2008) *Happiness: Unlocking the Mysteries of Psychological Wealth*. Wiley-Blackwell.
- Elshtain, Jean Bethke (1995) *Augustine and the Limits of Politics*. Notre Dame: University of Notre Dame.
- Emerson, Roger L. (1989) "The Religious, the Secular and the Worldly: Scotland 1680-1800," in James E. Crimmins (ed) *Religion, Secularization and Political Thought: Thomas Hobbes to J.S. Mill*. New York and London: Routledge, 68-89.
- Evensky, Jerry (1998) "Adam Smith's Moral Philosophy: The Role of Religion and its Relations to Philosophy and Ethics in the Evolution of Society," *History of Political Economy* 30:1 (Spring), 17-42.
- Fiori, Sefano (2001) "Visible and Invisible Order: The Theoretical Duality of Smith's Political Economy," *European Journal of Economic Thought* 8:4 (Winter), 429-48.
- Fleischacker, Samuel (2004) *On Adam Smith's Wealth of Nations: A Philosophical Companion*, Princeton, NJ: Princeton University.
- Force, Pierre (1997) "Self-Love, Identification, and the Origin of Political Economy," *Yale French Studies* 92, 46-64.
- Force, Pierre (2003) *Self-Interest Before Adam Smith: A Genealogy of Economic Science*. Cambridge: Cambridge University.
- Gillespie, Michael Allen (2008) *The Theological Origins of Modernity*. Chicago: University of Chicago.
- Griffin, David Ray (1976) *God, Power, and Evil: A Process Theodicy*. Philadelphia: Westminster.
- Griswold, Charles L., Jr. (1999) *Adam Smith and the Virtues of Enlightenment*. Cambridge: Cambridge University.

- Haakonssen, Knud (1996) *Natural Law and Moral Philosophy: From Grotius to the Scottish Enlightenment*, Cambridge: Cambridge University.
- Harrison, Peter (2011) "Adam Smith, Natural Theology, and the Natural Sciences," in Peter Oslington (ed) *Adam Smith as Theologian*. New York: Routledge.
- Hegel, Georg (1991) *Elements of the Philosophy of Right*, Cambridge: Cambridge University.
- Hill, Lisa (2001) "The Hidden Theology of Adam Smith," *European Journal of the History of Economic Thought* 8:1 (Spring), 1-29.
- Hirschman, Albert O. (1991) *The Rhetoric of Reaction: Perversity, Futility, Jeopardy*. Cambridge: Belknap of Harvard University.
- Hopfl, H. M. (1978) "From Savage to Scotsmen: Conjectural History in the Scottish Enlightenment," *The Journal of British Studies* 17:2 (Spring), 19-40.
- Inayatullah, Naeem and David L. Blaney (2004) *International Relations and the Problem of Difference*. New York: Routledge.
- Leibniz, Freiherr von Gottfried Wilhelm (2007 [1710]) *Theodicy*. Bibliobazaar.com.
- Levine, David P. (1977) *Economic Studies: Contributions to the Critique of Economic Theory*. New York and London: Routledge.
- Levine, David P. (1998) *Subjectivity in Political Economy: Essays on Wanting and Choosing*. New York and London: Routledge.
- Long, Brendan (2011) "Adam Smith's Theodicy," in Paul Oslington (ed.) *Adam Smith as Theologian*. New York: Routledge, 98-105.
- Long, Douglas, G. (1989) "Science and Secularization in Hume, Smith and Bentham," in James E. Crimmins (ed) *Religion, Secularization and Political Thought: Thomas Hobbes to J.S. Mill*. New York and London: Routledge, 90-110.
- Mann, William E. (2001) "Augustine on Original Sin," in Elenore Stump and Normal Kretzmann, eds., *The Cambridge Companion to Augustine*. Cambridge: Cambridge University, 40-58.
- Meek, Ronald L. (1976) *Social Science and the Ignoble Savage*. Cambridge: Cambridge University Press.

- Merikoski, Ingrid A. (2002) "The Challenge of Material Progress: the Scottish Enlightenment and Christian Stoicism," *The Journal of the Historical Society* II:1 (Winter), 55-76.
- Mitchell, Timothy (2000) "The Stage of Modernity," in Timothy Mitchell (ed.) *Questions of Modernity* Minneapolis: University of Minnesota, 1-39.
- Moltmann, Jürgen (1973) *The Crucified God: The Cross of Christ As the Foundation and Criticism of Christian Theology*. London: SCM Press.
- Montag, Warren (2005) "Necro-economics: Adam Smith and Death in the Life of the Universal," *Radical Philosophy* 134 (November/December), 7-17.
- Muller, Jerry Z. (1993) *Adam Smith in His Time and Ours*. Princeton, NJ: Princeton University.
- Nieman, Susan. 2002. *Evil in Modern Thought: An Alternative History of Philosophy*. Princeton, NJ: Princeton University Press.
- Oslington, Paul (2011) "Introduction: Theological Readings of Smith," in Paul Oslington (ed.) *Adam Smith as Theologian*. New York: Routledge, 1-16.
- Pabst, Adrian (2011) "From Civil Society to Political Economy: Adam Smith's Theological Debt," in Paul Oslington (ed.) *Adam Smith as Theologian*. New York: Routledge, 106-24.
- Rist, John M. (1994) *Augustine*. Cambridge University.
- Rosenberg, Nathan (1965) "Adam Smith on the Division of Labour: Two Views or One?" *Economica* 32:126 (May), 127-39.
- Rothschild, Emma (2001) *Economic Sentiments: Adam Smith, Condorcet, and the Enlightenment*. Cambridge, MA: Harvard University.
- Sahlins, Marshall (1972) *Stone Age Economics*, New York: Aldine.
- Schmitt, Carl (1985) *Political Theology: Four Chapters on the Concept of Sovereignty*, trans. by George Schwab. Cambridge: MIT.
- Scott, James C. (1977) *The Moral Economy of the Peasant: Rebellion and Subsistence in Southeast Asia*. New Haven: Yale University.
- Schurmann, Reiner (2003) *Broken Hegemonies*. Bloomington: Indiana University.
- Sen, Amartya (1981) *Poverty and Famine: An Essay on Entitlement and Deprivation*. Oxford: Oxford University.

Shearmur, Jeremy (1996) "From Divine Corporation to a System of Justice: Adventures in Individual Motivation and Social Outcome, With Hutcheson, Hume and Smith," in Peter Groenewegen (ed) *Economics and Ethics?* New York and London: Routledge, 46-79.

Skinner, Andrew (1965) "Economics and History—The Scottish Enlightenment," *Scottish Journal of Political Economy* vol. 12, 1-22.

Skinner, Andrew (1967) "Natural History in the Age of Adam Smith," *Political Studies* vol XVI, 32-48.

Smith, Adam (1976a) *An Inquiry into the Nature and Causes of the Wealth of Nations*, edited by Edwin Cannan. Chicago and London: University of Chicago.

Smith, Adam (1976b) *The Theory of Moral Sentiments*, edited by D. D. Raphael and A. L. Macfie. Indianapolis, IN: Liberty Fund.

Smith, Adam (1978) *Lectures on Jurisprudence*, edited by R. L. Meek, D. D. Raphael, and P. G. Stein. Indianapolis, IN: Liberty Fund.

Smith, Adam (1980) *Essays on Philosophical Subjects*, edited by W. P. D. Wightman and J. C. Bryce. Indianapolis, IN: Liberty Fund.

Spiegel, Henry (1976) "Adam Smith's Heavenly City," *History of Political Economy* 8:4, 478-93.

Surin, Kenneth (1986) *Theology and the Problem of Evil*. Oxford: Basil Blackwell.

Taylor, Charles (1982) "The Diversity of Goods," in Amartya Sen and Bernard Williams (eds) *Utilitarianism and Beyond*. Cambridge: Cambridge University, 129-44.

Thompson, E. P. (1971) "The Moral Economy of the English Crowd in the Eighteenth Century," *Past and Present* No. 50(February), 76-136

Teichgraeber, III, Richard E. (1986) *'Free Trade' and Moral Philosophy: Rethinking the Sources of Adam Smith's Wealth of Nations*, Durham, NC: Duke University.

Tilley, Terrence W. (2000) *The Evils of Theodicy*. Eugene, OR: Wipf and Stock.

Viner, Jacob (1972) *the Role of Providence in the Social Order: An Essay in Intellectual History*. Princeton, NJ: Princeton University.

Vivenza, Gloria (2001) *Adam Smith and the Classics: The Classic Heritage in Adam Smith's Thought*. Oxford: Oxford University.

- Waszek, Norbert (1984) "Two Concepts of Morality: A Distinction of Adam Smith's Ethics and its Stoic Origins," *Journal of the History of Ideas* 45:4, 591-606.
- Waterman, A.M. C. (2002) "Economics as Theology: Adam Smith's Wealth of Nations," *Southern Economic Journal* 68(4): 907-21.
- Watson, Matthew (2012) "The Eighteenth-Century Historiographic Tradition and Contemporary 'Everyday IPE,'" *Review of International Studies* vol;no 1-23.
- Watson, Mathew (2005) *Foundations of International Political Economy*. London: Palgrave.
- Weber, Max (1963) *The Sociology of Religion*, trans. Bu Ephraim Fischhoff. Boston: Beacon.
- Weinstein, Jack Russell (2006) "Sympathy, Difference, and Education: Social Unity in the Work of Adam Smith," *Economics and Philosophy*, 221, 82-91??.
- Weithman, Paul (2001) "Augustine and Political Philosophy," in Elenore Stump and Normal Kretzmann, eds., *The Cambridge Companion to Augustine*. Cambridge: Cambridge University, 234-52.
- Winch, Donald (1978) *Adam Smith's Politics: An Essay in Historiographic Revision*, Cambridge: Cambridge University, 1978.
- Winch, Donald (1996) *Riches and Poverty: an Intellectual History of Political Economy in Britain, 1750-1834*. Cambridge: Cambridge University Press.
- Zizek, Slavoj (2008) *In Defense of Lost Causes*. London, Verso.
- Zizek, Slavoj (1994) "The Spectre of Ideology," in Slavoj Zizek (ed.) *Mapping Ideology*. New York: Verso, 1-33.