SYMPOSIUM

Eric Schliesser, *Adam Smith: Systematic Philosopher and Public Thinker*, New York: Oxford University Press, 2017. pp. 432, $74, ISBN 9780190690120.

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ON SMITH'S METHOD

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The questions of Adam Smith's method have been tormenting Smith scholars for long, mainly because Smith himself is not explicit about his own methodological commitments. In this piece I will take up cues from Eric Schliesser's discussion and offer some afterthoughts. Smith emphasizes his reservations about political arithmetick (Smith 1981: 534), and generally about the profound application of mathematics in inquiry, natural or moral, because it does not suit the phenomena: 'It rarely happens, that nature can be mathematically exact with regard to figure of the objects she produces' (Smith 1982: 95). Not surprising then, Smith's method is not mathematical: it is not driven by mathematical idealizations or theory-based measurement and calculation, but by the *comparative analysis* of individual cases. This does not entail, however, that mathematical reasoning is altogether missing from Smith methodology: as Schliesser (2017: 115–118, 325–329) emphasizes, setting up *proportional relations* between components of compound phenomena plays a crucial role in his comparative method.

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Proportional reasoning plays a central role in inquiries conducted by Smith's philosophical friends: in Joseph Black's ordering of elective attractions, in William Cullen's efforts to determine what is required for restoring animal economy to its healthy state, in David Hume's analysis of the influence of concurrent passions on behavior.[1] And it is also there in Smith's recipes for restoring the health of the 'body politick' when 'some of the vital parts are overgrown' (Smith 1981: 605–6), but also in his account of our moral practice while making judgments of propriety and merit (Smith 2002: 24–25). As Schliesser rightly points out, judging proportionality is a mathematical skill that does not require advanced mathematics, not even exact calculation. But it does require context-sensitive judgment that cannot be regulated by mechanical rules of philosophizing, and so it ascribes *imagination* a central role in inquiry: science for Smith is not 'a mere extension of common sense – there can be genuine discontinuities between the expert's view of the world and common life' (Schliesser 2017: 273). Specifying proportions of components and following their fluctuations drives toward a dynamic view of connecting principles and representing society as an organic system of mutual influences that might not be visible from a common-sense point of view.

Smith applies proportional reasoning in his comparative analysis of 'natural' and 'market prices' that bears several traces of Newtonian influence, so much so that some contemporary commentators perceived indeed the *Wealth of Nations* as an exercise in Newtonian *analysis and synthesis* (see Montes 2013 and Schliesser 2017: 290–302). This seems to be the method that Smith follows too when he first analyses the idea of a 'natural price' in terms of components such as 'the rent of the land, the wages of the labour, and the profits of the stock employed in raising, preparing, and bringing it to market' (Smith 1981: 72). And then in the second step he explores those conditions that might cause the deviation of the market price from what its natural constitution would explain.[2]

'Natural price' is the core concept of Smith's analysis of economic processes. It is analysed as consisting of the rent paid for the land, the wages paid for the work, and 'the profits of the stock employed' while bringing any commodity to the market. Natural price is thus compounded from these constituents as they emerge under the circumstances of free market competition – i.e., in the condition of 'perfect liberty' (Smith 1981: 72–73, 78). The market price and the natural price of a commodity *can* be identical occasionally, but due to fluctuations in the institutional and economic environment, this situation is quite rare and does not last long. But despite its elusiveness, natural price, *pace* Schliesser, is a real economic phenomenon, and *not* a purely fictional or theoretical construct. It can be analyzed from a case-by-case comparison of the causes and circumstances of deviations from the natural price. Smith's method while so doing can be fruitfully compared to Hume's analysis of the natural functioning of faculties from their several potentially disturbed functioning. In this process Smith relies on easily available yet 'curious facts', as Hume

(1776/1932: 2, 311) sees them, that function as instructive crucial instances of analysis.

Natural price is a useful device for analyzing reality through a series of comparisons between the natural and actual course of events that opens up the path of *successive approximation* and theory refinement in a characteristically Newtonian fashion (see Schliesser 2017: 301–302). So exploring the causes of deviations, their proportions and interdependence, the principles of economic change can be refined and classified. As a result, the deviations from the natural price can be explained by two basic kinds of cause: they are either due to limited supply of its components because of natural causes or to various institutional causes (legal regulations concerning monopolies, labor, trade, etc.) (Smith 1981: 26, 28, 78–79). The second kind of cause is a policy issue whose effective solution is facilitated by knowledge of the principles, and the effects of the first kind of cause can also be mitigated. So, if a pathological state of the 'body politick' arises from, then a change in regulations can help, and 'can by degrees restore all the different branches of it to that natural, healthful, and proper proportion which perfect liberty necessarily establishes, and which perfect liberty can alone preserve' (Smith 1981, 606). This analysis also reveals that there are self-correcting mechanisms countering not only the distorting causes, but even misplaced policies aimed at redeeming them: they arise from 'the uniform, constant, and uninterrupted effort of every man to better his condition. [. . .] Like the unknown principle of animal life, it frequently restores health and vigour to the constitution, in spite, not only of the disease, but of the absurd descriptions of the doctor' (Smith 1981: 343).

This methodological and physiological outlook connects Smith's project to Black's and Cullen's philosophical chemistry and medical theory as well as to Hume's moral philosophy (see Demeter 2016). As Robert Schofield (1969: 91–93) points out, an important transformation in the British intellectual climate took place around 1740, marking, among other developments, the emergence of a new style of inquiry in which explanations based on 'the mathematical analysis of motions to find forces' gave way to the exploration of 'different qualities from experimentally observed characteristics'. This new style of explanation proceeded in terms of qualitatively different substances, instead of explaining phenomena in in terms of the interaction of qualitatively homogenous particles. *Opticks*, and especially its Queries, inspired this process, and it had a very strong presence in Scottish universities for the rest of the century.[3] These new methods were founded 'on the principles of comparison, resemblance, affinity, analogical reasoning', and this is, I think, a plausible context in which Smith's methodology can find its proper historical home.

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NOTES

[1] For a more detailed discussion see Demeter (forthcoming).

[2] For a detailed discussion see Schliesser (2017: 290–301). See also Montes (2013). James Stuart also shared these commitments, notwithstanding his substantial theoretical disagreements with Smith; see Skinner (2006: 73–76).

[3] These tendencies toward new styles of explanation and inquiry were not peculiarly British phenomena. Discontent with mathematized philosophies of nature was widespread in eighteenth-century Europe, particularly in France and Germany. As Reill (2009) shows, there was a vitalistic movement in the Enlightenment which responded to problems, particularly those of living matter, that mathematized mechanical theories could not solve.

SMITH/SCHLIESSER'S ENLIGHTENMENT

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Eric Schliesser's *Adam Smith* is an illuminating book. It illuminates much more than it admits. Among several other 'big themes' that remain by and large implicit, but receive much new light in its pages, is nothing less than the Enlightenment, which in the past two decades has made a forceful return to the agendas of