Abstract: Scholars of Adam Smith know well that the “sympathy” of the *Theory of Moral Sentiments* is not identical with the colloquial meaning (now or then) of the word. The opening pages of the *TMS*, however, intermix Smith’s unique version of sympathy with the more familiar one in a way that might mislead casual readers. But it is in fact Smith’s own idiosyncratic concept of sympathy that proves essential in his account of the origin of moral sentiments, and particularly the sentiment of justice. The dependence of these sentiments on “Smithian” sympathy arguably explains why Smith is sometimes reticent in his attacks on policies that are, from his stated general principles, not just inexpedient but deeply wrong. Achievement of the kind of market society he envisions at his clearest moments— one beneficial to ordinary people— sometimes requires a sensivity amounting to craftiness about how “Smithian” sympathy is shaped and evoked.

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**The Sympathies of Adam Smith**

That the meaning of the word “sympathy” in Adam Smith’s *Theory of Moral Sentiments* (TMS) differs from its meaning in modern Hallmark cards is well known. Unfortunately, Smith’s exposition of his unique definition for sympathy seems almost designed to mislead modern readers with some background in economics. The critical first paragraph of the TMS very strongly implies that Smith is using a version of what might be called welfare sympathy, a
concept largely shared with later political economists and modern economists. While the correct understanding of Smithian sympathy as “fellow-feeling with any passion whatsoever” (TMS, I.I.I, 10) has been ably explored elsewhere (see Sugden 2002), to actually reconcile the opening salvos of the TMS with this understanding requires careful retracing of Smith’s arguments. The reward for such a reading is a sharper understanding of the role of both forms of sympathy, both the welfare and the Smithian variant, in generating sentiments of justice in the system of the TMS.

This understanding, in turn, may help illuminate a puzzle found in both Smith’s great works. Smith exhibits an inconsistency of tone when commenting on contemporary policies which clearly violate his own principles of justice. Some, such as the Law of Settlements, receive his harsh and overt condemnation. Others, such as slavery or the Combination Acts, receive instead a careful and almost evasive treatment. These indirect and muted statements seem craven to modern readers, but they make much more sense in the light of his own theory of moral sentiments and its key building block, Smithian sympathy.

In what follows, Section I examines where and how two distinct concepts of sympathy—welfare and what I will call Smithian sympathy—surface in the Theory of Moral Sentiments. Section II reviews the inadequacy of welfare and the vital role of Smithian sympathy, in the system of the TMS, for the creation of sentiments of justice. Section III suggests that appeals to Smithian sympathy illuminate cautious statements about patently unjust contemporary policies, both in the TMS and in the WN. Section IV concludes.
1. Two Models of Sympathy

An entry point for wrestling with Smith’s idea of sympathy can be found in the forthright opening lines of the *Theory of Moral Sentiments*. Here we expect Smith to signal a central theme of his book, and he does so with clarity and brevity:

> How selfish soever man may be supposed, there are evidently some principles in his nature, which interest him in the fortune of others, and render their happiness necessary to him, though he derives nothing from it except the pleasure of seeing it (TMS, I.I.I, 9).

To properly assess this passage requires that economists, especially, be aware of extra-textual context shaping their reaction. Though Smith has not actually mentioned the word sympathy yet, economists who know what is coming may identify the phenomenon he is describing as the sympathy of Jeremy Bentham, Francis Edgeworth, Gary Becker and many others (Bentham 1879, 313; Edgeworth 1881, 53; Becker 1974; Becker 1976; Sally 2002; Fontaine 2007, 2; Bruce and Waldman, 1990). In this tradition sympathy, sometimes called altruism, explains why (or at least *that*) agents care about one another’s well-being; as a shorthand this concept will be called “welfare sympathy” here. In Bentham’s *Principles of Morals and Legislation*, for instance, sympathetic pleasure was merely another name for the “pleasures of benevolence,” one of the fourteen “simple pleasures of which human nature is susceptible” along with the pleasures of wealth, skill, the senses, and malevolence (Bentham 1838, V.II.X). Bentham is clear that sympathy creates a kind of conduit between agents by which the welfare of one directly affects the welfare of another:
Under the head of a man’s connexions in the way of sympathy, I would bring to view the…persons in whose welfare he takes such a concern, as that the idea of their happiness should be productive of pleasure, and that of their unhappiness of pain to him [for instance, family and friends]… (Bentham, 1879, pp. 53–54).

In this passage Bentham seems to build on a similar statement from Smith’s own teacher, Francis Hutcheson, who in Short Introduction to Moral Philosophy (published years before the Theory of Moral Sentiments) wrote that

scarce any man can think himself sufficiently happy though he has the fullest supplies of all things requisite for his own use or pleasure; he must also have some tolerable stores for such as are dear to him; since their misery or distress will necessarily disturb his own happiness (Hutcheson 1747, 14).

For both Hutcheson and Bentham happiness (or utility) is the currency of sympathy and caring about others creates the conduit its transmission. In the nineteenth century, Francis Edgeworth would give this idea simple mathematical form to paint a contrast between the pure egoism of homo oeconomicus and a pure utilitarianism in which another’s well-being has the same weight as an agent’s own. Between these two extremes, Edgeworth perceives, would be an “impure” utilitarianism in which the good of another would count, not for nothing, but neither for quite as much as an agent’s own welfare:

…if we suppose our contractors to be in a sensible degree not ‘economic’ agents, but actuated in effective moments by a sympathy with each other’s interests...we might suppose that the object which X (whose own utility is P) tends-in a calm, effective moment-to maximize, is not P, but P + λπ, where λ is a coefficient of effective sympathy. And similarly Y…may propose to himself an end π + μP. (Edgeworth, 1881, p. 53)
In Edgeworth’s formulation lambda, the “coefficient of effective sympathy,” is the size of the conduit through which happiness or unhappiness flows. Though developed with less mathematical complexity, this underlying concept for sympathy is essentially identical to the idea of altruism in twentieth-century economics; a concept deployed to great effect by Gary Becker (1974, 1976) and whose contemporary meaning is summarized in the Handbook of the Economics of Giving, Altruism, and Reciprocity as

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\text{[the] positive valuation of the beneficiary’s wealth by the donor…feelings of individual sympathy, such as liking or love; in charity contexts, as philanthropy (sympathy towards mankind), frequently associated with feelings of pity or compassion; in socio-political contexts, as feelings of solidarity (sympathy towards community members) or fraternity (sympathy towards equals).}
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(Kolm & Ythier, 2006, p. 233)

Similarly, for Amartya Sen, sympathy is the phenomenon whereby “concern for others directly affects your own welfare…one is oneself pleased at others’ pleasure and pained at others’ pain” (Sen 1977, 326). Whether explained by altruism, benevolence, or sympathy, such preferences serve in modern economics as an epicycle reconciling rational-choice, individualistic analysis with observed other-regarding behavior (Sugden 2002, 66). Finally for Daniel Hausman, for instance, “…sympathy is the way in which benefits and harms to other people register within self-interested preferences…” (quoted in Peter & Schmid, 2007, p. 57). With this weight of later historical developments, a modern reader is tempted to read welfare sympathy into Smith’s first paragraph. Is this correct?
Even guarding against extratextual assumptions, the answer still initially seems to be yes. Suppose one to be reading the *Theory of Moral Sentiments* for the first time with a prior assumption that Smith is describing welfare sympathy. We imagine, in other words, a crude model of agent A’s utility such as $U_A = u_A + \Lambda u_B$ where $\Lambda$ is A’s “coefficient of effective sympathy.” Where and when is this assumption first contradicted? Certainly not in the first paragraph. Though the word sympathy itself does not appear, Smith obviously conveys the idea of an agent drawing “pleasure” from the happiness of others as well as “deriv[ing] sorrow” from their sorrow. Furthermore the idea that the happiness of others is “necessary” to an agent seems to imply the stability and continuity of interpersonal utility (TMS, I.I.I, 9). In one respect only does Smith depart here from his teacher Hutcheson who, it will be recalled, claimed that the”misery or distress” of “such as are dear to [a person]...will necessarily disturb his own happiness” (Hutcheson 1747, 14, emphasis added). Smith drops the condition of a durable emotional connection (dearness) and instead requires an agent to see or at least “conceive…in a very lively manner” someone else’s sadness or happiness (TMS, I.I.I, 9). Though ultimately this is a very significant change, there is nothing immediately to suggest that the underlying concept Smith discusses in this paragraph differs from the sympathy of Hutcheson or Bentham.

The second and third paragraphs do nothing to weaken this impression. Smith proposes a mechanism – the imaginative change of persons between observer and observed – that explains why the well-being of a spectator can be affected by that of another even if he has no prior relationship with the person observed. The pungently physical nature of Smith’s examples in these paragraphs – the blow to the limbs, the beggar’s sores, the man with sore eyes – drive
home the idea that we have “fellow-feeling for the misery of others” (TMS, I.I.I, 9-10), an idea seemingly compatible with direct sympathy. Only with the fourth and fifth paragraphs of the book does the imagined attentive reader suspect that Smith is describing something else. He learns that imaginative interchange enables readers of “tragedy and romance” to share both the misery, the happiness and the “gratitude [and] resentment” of literary heroes. Then Smith explicitly defines sympathy for the first time:

Pity and compassion are words appropriated to signify our fellow-feeling with the sorrow of others. Sympathy, though its meaning was, perhaps, originally the same, may now, however, without much impropriety, be made use of to denote our fellow-feeling with any passion whatever. (TMS, I.I.I, 10)

Only now do we see that the phenomena of paragraph one – which include pity and compassion – are meant to be subcategories of a broader class of fellow-feeling. Sharing happiness or pain with others (“when we either see it, or are made to conceive it in a very lively manner” - TMS I.I.I, 9) is precisely analogous to sharing gratitude, or anger, or resentment, or indeed any other emotion. This is a confounding move with respect to the hypothesis of welfare sympathy, which can only register agent movements on a one-dimensional hedonic scale. Although pleasure and pain take myriad forms, they condense to utility (or perhaps preference satisfaction). Yet Smith distinguishes between sympathizing with “happiness and misery” on one hand and with other human emotions, such as gratitude and resentment, on the other. It does not seem possible to reduce fellow-feeling with any and all imaginable emotions to a linear scale. Though (for example) it is usually unpleasant to feel resentment, it does not therefore follow that one sympathizes fully with an angry person simply by being
more or less happy. There are valences to anger (or gratitude, or curiosity, or love, or many other
emotions) not captured by the pleasure and pain with which it is associated.

These considerations suggest that Smithian sympathy is not identical with welfare sympathy, and even
cast doubt whether welfare sympathy can even be a subset of Smithian sympathy. Such doubt is
reinforced if we recognize two sources of sympathetic pleasure within Smithian sympathy itself. The first
is what we might call the pleasure of “sympathetic concord.” In Smith’s words “nothing pleases us more
than to observe in other men a fellow-feeling with all the sentiments of our own breast” (TMS I.i.2.1, 13)
or similarly “[people] passionately desir[e] a more complete sympathy…the entire concord of the
affections of the spectators with his own” (TMS I.i.4.8, 22). According to the TMS, human beings take
pleasure from having their emotions accord with one another independently of what the shared emotions
actually are. Smith is at pains to argue that this pleasure of sympathy does not result only from the
reflected happiness of others; it is not, in other words, that we seek to join others in laughter so that we
can take pleasure in their pleasure through a (welfare) sympathetic utility function (TMS, I.I.2, 14-15).
Such a mechanism cannot in any case explain why grief is mitigated by company; in the world of welfare
sympathy, for Agent A to “sympathize” with grieving B would only make A unhappy (and maybe make
B unhappier still, if B has a coefficient of sympathy for A in her utility function)! If welfare sympathy
were the only operative model, people would seek to avoid the unhappy for fear of diminishing their own
happiness; instead, Smith notes that “we run not only to congratulate the successful, but to condole with
thet afflicted; and the pleasure we find in the conversation [with the afflicted person] seems to do more
than compensate the painfulness of that sorrow with which the view of his situation affects us” (TMS,
I.I.2, 15-16). Nor can welfare sympathy explain the discomfort an observer sometimes feels when he
cannot fully sympathize with another’s emotions. If imaginative projection does not allow us to enter
into the grief of an afflicted person, “instead of being pleased with this exemption from sympathetic pain, it hurts us to find that we cannot share his uneasiness.” The effect applies with happiness as well as sadness; Smith pungently notes that “[i]t gives us the spleen…to see another too happy or too much elevated, as we call it, with any little piece of good fortune…we cannot go along with it” (TMS, I.I.2, 16).

Neither effect would make sense if all sympathy did was draw some of an agent’s happiness or unhappiness into an observing agent. Smith’s statement is only coherent if the pleasure from sympathetic concord can overcome the power of shared grief or (on the one hand) of if the pain of sympathetic dissonance can overcome the pleasure of shared happiness.

Still, there is room in Smithian sympathy for what we might call “direct sympathetic pleasure” as opposed to the pleasure of sympathetic concord. Its existence is evidenced by the mention of “sympathetic pain” in the last paragraph of chapter two (TMS, I.I.2, 16), the “painfulness of that sorrow with which the view of his situation affects us” in the previous sentence (TMS, I.I.2, 16), and Smith’s explicit statement that “grief of joy…strongly expressed in the look and gestures of any one, at once affect the spectator with some degree of a like painful or agreeable emotion” (TMS, I.I.1.6, 11). It is this effect, too, that Smith seems be speaking of in the first paragraph of the book; and he later describes the process beautifully by saying that “[w]henever we cordially congratulate our friends…their joy literally becomes our joy; we are, for the moment, as happy as they are; our heart swells and overflows with real pleasure” (TMS I.iii.i.11, 47). In other words Smithian observers, in certain circumstances, mirror the emotion of others and experience the pleasure or pain of that emotion directly as if it were there own. Is this direct sympathetic pleasure conceptually identical to the welfare sympathy of Bentham and others? A subtle difference still remains here. Welfare sympathy is usually conceptualized as persistent, such as the love of parents for children, not perhaps indefeasible but at least stable over long periods. It is capable of
motivating wealth transfers, and in fact a welfare-sympathetic agent A will transfer resources to B until A receives the same marginal benefit from increases in his own or his beneficiary’s consumption (Becker, 1976, p. 819). Smith’s direct sympathy seems more evanescent and dependent on either proximity or attention. The observer of paragraph one feels sympathetic sorrow only from the sorrow of another only if he “see[s] it, or…conceive[s] it in a very lively manner” (TMS, I.I.1.1, 9). Making the same point from the opposite perspective, Smith’s imagined European contemplating an earthquake in China is largely indifferent to the deaths of one hundred million people only “provided he never saw them” (TMS III.3.4, 136, emphasis added). Finally, spectators wishing to escape from sympathetic pain can actively repress their fellow-feeling with sorrow “whenever [they] are not under the observation of the sufferer” (TMS I.iii.1.4, 44). It is difficult to imagine someone making a similar effort in respect of a spouse or child! The thought experiment highlights what is probably the key difference between Smithian direct sympathy and welfare sympathy. The latter is not dependent on an emotion actually being shared between agents. It is perfectly conceivable for a welfare-sympathetic agent, perhaps a parent, to be in torment over the welfare of another even if the object of concern, perhaps a sick child, himself felt no negative emotion – if they were asleep, for example. Likewise the transfers implied by welfare sympathy could continue even if the donor agent herself felt largely happy emotions– one can imagine a noblewoman of the Middle Ages giving alms to the poor on her wedding day.

In Smith’s terminology, in fact, it is probably fair to say that “benevolence” fulfills the role of welfare sympathy while Smithian sympathy itself – with its valences of direct and concord sympathetic pleasure – has no direct modern analogue within economics at least. Again in reference to the imagined Chinese earthquake, Smith says that “we are always so much more deeply affected by whatever concerns
ourselves, than by whatever concerns other people” and a moment later contrasts the “the soft power of humanity…that feeble spark of benevolence which Nature has lighted up in the human heart” with the power of conscience and principle (TMS III.3.4, 137). In the context of the example it is clear that benevolence, were it stronger, would cause Smith’s hypothetical European to be more deeply affected by the woes of the Chinese despite his not seeing their suffering – exactly the effect welfare sympathy would have.

2. Sympathy and Justice

The import of this complicated understanding of sympathy in Smith’s thought is visible in his theory of justice – or, to be more precise, in his theory of demerit. Although this aspect of Smith’s system is well understood, it is not perhaps out of place to highlight the role his idiosyncratic version of sympathy plays in it. A firm grasp of these roles illuminates what Smith is up to in his later appeals (both explicit and implicit) to justice in the policy complaints of the Wealth of Nations.

On the somewhat intricate stage that the Theory of Moral Sentiments builds for the idea of justice there are three types of players. There are agents, the performers of actions; there are patients, the recipients or objects of actions; and there are spectators, the observers of actions, sometimes embodied by the famous ideal abstraction of the (single) impartial spectator. The observers in this system evaluate agent actions along two dimensions: first the propriety of the action, that is, whether it is proportionate to its cause; and second, whether the agent deserves gratitude or resentment for the action from the patient. By what Smith calls a “compound
process” these judgments of propriety and worthiness of either gratitude or resentment combine into a judgement of the merit or demerit of the action, its tendency to benefit or harm, and hence whether it deserves either reward or punishment (TMS, I.i.3.5, 18; II.i.2.1-3, 69; II.i.5.1-5).

Justice in this system is essentially a set of rules, the actual or attempted violation of which exposes the transgressor both to the resentment of the victim and forcible resistance or punishment by either the injured party himself or the rest of society. The rules themselves originate from an inherent, universal tendency in humans to “abhor fraud, perfidy, and injustice” and only in rarer, secondary cases from considerations about the overall good of society (TMS, II.ii.3.8-11, 89-91). So the victim’s resentment against the perpetrator of an unjust action becomes more than just a private vendetta because it is approved of by the idealized impartial spectator and also (usually) by “mankind” – that is, actual spectators (TMS II.i.2.1-3, 69; II.i.1.4-5, 79, and II.ii.2.1, 82). But to gain this approval from spectators, it is not enough that a patient receive and resent an injury from an agent. To the resentment must be joined a judgement from spectators that the action proceeded from improper motives – that is, it must have impropriety (TMS, II.i.3.3, 72-73). Otherwise, Smith reminds us, a condemned murderer could rightly resent the judge who condemned him to hang.

For society to adopt a rule of justice, then, requires spectators to form judgments both about the propriety of actions and whether they deserve reward or punishment. In both processes of judgment Smithian sympathy is more salient than the welfare variant. To judge the propriety of a sentiment, for instance, Smith thinks that a spectator must compare the sentiment felt by the observed person with his own; if they match the sentiment has propriety at least from that
spectator’s perspective (TMS, I.i.4.1, 19). There is of course a problem here in that the circumstances of the spectator and the agent may greatly differ, as would be the case for example if the agent had suffered some great loss. To overcome this gulf, the spectator must “put himself in the situation of the other, and to bring home to himself every little circumstance [of the agent]… and strive to render as perfect as possible, that imaginary change of situation upon which his sympathy is founded” (TMS, I.i.4.6, 21). Even a sensitive spectator, however, will not be able to fully project himself into the circumstances of the other, and so his imaginatively felt emotion will probably be less intense than the agent’s. Knowing this – and passionately desiring “a more complete sympathy” (TMS, I.i.4.7, 22), the agent will strive to reduce the intensity of his emotion so that it matches that of the spectator. Though the sentiments felt by the two people may never be completely identical, Smith says that “though they will never be unisons, they may be concords, and this is all that is wanted or required” (TMS I.i.4.7, 22).

To determine whether an action deserves gratitude or resentment, a spectator must perform a similar imaginative projection. Instead of entering into the circumstances of the agent to judge his motives, however, the spectator now enters into the circumstances of the patient who has been affected by the agent’s actions. Looking on the agent “with the eyes with which we imagine he [the patient] must look upon him” (TMS II.i.2.4, 70) the spectator feels either sympathetic gratitude towards good offices or sympathetic resentment at injuries. In the latter case, the spectator both applauds and is ready to join the patient either in self-defense or even, within limits, revenge; and this sympathy with the injured is so strong that it even motivates
vengeance on behalf of the dead, who can no longer feel resentment themselves (TMS II.i.4-5, 70-71).

Despite the seeming finality of the judgement of the judgement about resentment or gratitude, Smith claims that one more step is requisite before an action is finally deemed worthy of reward or punishment. This is the judgement about merit or demerit. The spectator makes this judgment by a “compound” process in which he takes into account both the propriety of the agent’s action – which Smith calls “direct sympathy” – and his “indirect” sympathy with the gratitude or resentment of the patient, the recipient of the agent’s action. An action becomes meritorious both from the spectator’s sympathy with the agent’s motives and from the spectator’s sympathy with the gratitude of patients. An action becomes blameable both from spectator disapproval of agent motives (antipathy) and from sympathy with the resentment of the injured patient (TMS II.i.5.1-5). In this framework, the impact on the patient can be dampered or even trumped by the spectator’s sympathy (or lack of sympathy) with the agent. A thoughtlessly generous prince merits, apparently, less reward from others than his generosity would otherwise command because his motives are frivolous. And likewise the act of killing someone, which ordinarily would merit resentment, does not have demerit when a judge condemns a murderer to hang. Indeed Smith suggests that sympathy with the judge in this case, the agent, actively extinguishes any sympathy the spectator might have for the condemned man’s resentment. Though observers might feel some “compassion” for him, this does not deflect them from their support for the execution – a juxtaposition of sympathies, incidentally, that concord
sympathy can accommodate but that one-dimensional welfare sympathy could not (TMS, II.i.3, 71-73).

It is worth highlighting here that the motivational force of justice – both the motivation to enforce it against wrongdoers and the motivation to avoid committing injustice – flows from Smithian sympathy and specifically from the force of concord sympathetic pleasure. Smith in fact goes out of his way to claim that justice does not draw its force from what I am here calling welfare sympathy. It is this type of sympathy Smith is clearly describing in the following passages, though not in as many words:

There are other passions, besides gratitude and resentment, which interest us in the happiness or misery of others…the love and esteem which grow upon acquaintance and habitual approbation, [which] necessarily lead us to be pleased with the good fortune of the man who is the object of such agreeable emotions, and consequently, to be willing to lend a hand to promote it (TMS II.i.1.2, 68, emphasis added)

Likewise Smith describes malevolence, the dark side of welfare sympathy, in this way;

[The hatred and dislike…which grow upon habitual disapprobation, would often lead us to take a malicious pleasure in the misfortune of the man whose conduct and character excite so painful a passion…dislike and hatred harden us against all sympathy, and sometimes dispose us even to rejoice at the distress of another…(TMS II.i.1.2, 68)

Smith explicitly denies that this kind of benevolence provides motivation to reward people, or that analogous malevolence provides motivation to punish. If an agent has benevolent welfare sympathy for someone, he is pleased to see that person prosper and be happy whatever the source of the happiness. An agent who feels gratitude towards a person, however, feels a special
duty to himself promote the happiness of his benefactor. Analogously – and with perhaps an optimistic view of human nature – Smith thinks that while a malevolent agent might be pleased by the misfortune of another, he would not himself take action to bring about that misfortune unless he had a personal reason to resent the victim, for example because of an injury received (TMS II.i.1.6, 68).

Smith in fact thinks that it is the weakness of welfare sympathy that necessitates some other mechanism to preserve society.

Men, though naturally sympathetic, feel…little for one another, with whom they have no particular connexion, in comparison of what they feel for themselves; the misery of one, who is merely their fellow-creature, is of…little importance to them in comparison even of a small conveniency of their own (TMS II.ii.3.3, 86).

If society depended on people’s direct sympathy with one another’s welfare to restrain injustice, in other words, justice would be instantly destroyed and with it society. Fortunately Nature has constituted men to fear “consciousness of ill-desert…terrors of merited punishment” so much that the temptation to prey on the weak is overcome (TMS II.ii.3.3-4, 86). Though each individual is naturally inclined to prefer his own well-being to those of others – and hence be inclined to exploit others for his benefit - he also knows that no one else shares the view that his happiness is the most important in the world. As Smith writes, though each person

naturally prefers himself to all mankind, yet he dares not look mankind in the face, and avow that he acts according to this principle…if he would act so as that the impartial spectator may enter into the principles of his conduct, which is what all things he has the greatest desire to do, he must…humble the arrogance of his self-love. (TMS, 1982, II.ii.2.1, 83, emphasis added)
People yearn for the approval of the impartial spectator because they yearn for the pleasure of sympathetic concord, and fear losing it – in fact according to Smith “nothing pleases us more than to observe in other men a fellow-feeling with all the emotions of our own breast” (TMS, 1982, I.i.2.i, 13) and so being conscious of deserved antipathy is a terrible punishment. Someone who transgresses justice—who injures someone else on the principle of preferring “himself to all mankind” – first forfeits the sympathy of actual spectators. These people “readily…sympathize with the natural resentment of the injured” and burn with indignation against the transgressor. Worse, the transgressor himself comes to see his crime in the same light as the spectators once the heat of the moment has passed. Under cool reflection, he sees that his motives can’t be approved by an impartial observer. Remorse begins to torment him; “[b]y sympathizing with the hatred and abhorrence which other men must entertain for him, he becomes in some measure the object of his own hatred and abhorrence” (TMS, 1982, II.ii.1-3, 83–84). He ends (in Smith’s account) by giving himself up to justice, seeking “to supplicate some little protection from the countenance of those very judges, who he knows have all unanimously already condemned him” (TMS, 1982, II.ii.2.3, 85). Smith thinks that this mechanism is so strong as to prohibit even what we might crudely call efficient transfers, situations in which we are tempted to “take from [a neighbor] what is of real use to him merely because it may be of equal or of more use to us,” to “ruin [our neighbor] to prevent [a] small misfortune [to ourselves], [or] even to prevent our own ruin” (TMS II.ii.2.1, 82-83) or as he puts it elsewhere to “deprive another unjustly of any thing, or unjustly to promote [our] own advantage by the loss or disadvantage of
another….though the benefit to the one should be much greater than the hurt or injury to the other” (TMS, 1982, III.3.6, 138).

3. Sympathies for Reform

That the *Wealth of Nations* was once wrongly thought to be in tension with the *Theory of Moral Sentiments* is not on its face such an unreasonable conclusion. The very word “sympathy” does not appear once in the entire later work; and “benevolence” appears only in two passages, once as an accidental and insignificant part of a discussion of inherited wealth (WN III.iv.16, 421-422) and much more consequentially in the paragraph containing the famous “butcher, brewer, and baker” passage which explicitly downplays benevolence’s importance (WN, I.2.2, 26-27). Part of the solution to this illusory “Adam Smith Problem” was to recognize that the conceptual framework of the *Theory of Moral Sentiments* still applied to the world of the *Wealth of Nations* despite this and other presentational differences. If we now accept that the same system is at work in the later book, barring evidence to the contrary, concepts in the *Wealth of Nations* should have the same meaning and scaffolding as was developed for them in the *Theory*. This ought to be true, for instance, for the concept of justice or, more precisely, the theory of how sentiments of justice arise.

This continuity in justice offers resolution for a troubling problem in the WN – Smith’s tendency to become rhetorically indignant and “airborne” about some policy issues but not others that are, seemingly, equally at variance with principles he elsewhere clearly affirms. The
principle at stake here is what we might today call economic freedom, which as Smith articulates it ought to apply to everyone in society and even (or perhaps especially) to the relatively poor and powerless. Numerous statements supporting this view could be piled on one another, but a few highlights will suffice. Smith famously describes the “simple system of natural liberty” as one in which

> every man, as long as he does not violate the laws of justice, is left perfectly free to pursue his own interest his own way, and to bring both his industry and capital into competition with those of any other man, or order of men. (WN, IV.ix.51, 687)

Elsewhere Smith characterizes “the liberal plan of equality, liberty, and justice” as one in which “every man [is allowed] to pursue his own interest his own way” (WN, IV.ix.3,664); that “natural liberty” includes the right of workers to “exercise[e] what species of industry they please” (WN, IV.ii.42, 470) and that workers as the “sacred and inviolable” owners of their own labor have the right to “employ [their] strength and dexterity in what manner [they] think proper” (WN, I.x.c.12, 138).

Apparent violations of these principles receive, though, very different rhetorical treatments from Smith. To choose only a few examples, the effect of the Poor Laws in restricting labor mobility is excoriated:

> To remove a man who has committed no misdemeanour from the parish where he chuses to reside, is an evident violation of natural liberty and justice…There is scarce a poor man in England of forty years of age, I will venture to say, who has not in some part of his life felt himself most cruelly oppressed by this ill-contrived law of settlements. (WN, I.x.c.59, 157)
Likewise, Smith condemns the effects of the apprenticeship system in restricting trade:

> It is a manifest encroachment upon the just liberty both of the workman, and of those who might be disposed to employ him. As it hinders the one from working at what he thinks proper, so it hinders the others from employing whom they think proper. To judge whether he is fit to be employed, may surely be trusted to the discretion of the employers whose interest it so much concerns. The affected anxiety of the law-giver lest they should employ an improper person, is evidently as impertinent as it is oppressive. (WN, I.x.c.12, 138)

By contrast Smith’s discussions of slavery, maximum wage provisions and restriction of worker’s freedom to form unions (combinations) do not contain such clear denunciations of these practices – despite their apparently being equal or greater violations of natural liberty.¹ Let us examine only one of these issues, worker combinations, because of its longer-lasting and indeed ongoing significance in economic history.

The *Wealth of Nations* discusses worker combinations in two places: in Chapter Eight on the wages of labor, and in Chapter Ten on wage and profit differentials. In the first location, Smith mentions that both workmen and masters (employers) are “disposed to combine” in order to improve their bargaining power in the labor market. Masters have the advantage in this contest, however, because they have more resources to outlast disputes, find it easier to combine because of their small numbers, and (crucially) are not legally barred from forming combinations

¹ Obviously, an even grosser violation of natural liberty – slavery - is likewise discussed in the *Wealth of Nations* without the clear denunciation that might be expected from Smith’s principles. This puzzle is not discussed as likely being too complex for a proper treatment here.
as workers are (WN, I.viii.11-12, 83-84). Smith goes on to say that masters are ‘always and every were in a sort of tacit, but constant and uniform combination, not to raise the wages of labour above their actual rate’ and sometimes even attempt to lower the prevailing rate of wages. Though the workers often try to resist these efforts with ‘defensive’ combinations, or indeed try to raise wages without any ‘provocation,’” their efforts usually fail despite frequent resort to violence (WN, I.viii.13-14, 84-85).

In Chapter Ten, Smith again discusses combinations in the context of wage regulation for “particular trades and particular places” (WN, I.x.c.61, 157). As I have noted in part elsewhere (Martin, forthcoming), what Smith here refers to as the “8th of George III” (WN, 1776, I.x.c.61, p. 157) was an 1768 Act to regulate the wages of journeymen tailors in London. This was itself an extension of a 1720 law with the same purpose: to thwart combinations among the journeymen tailors of London who were seeking better working hours and higher wages (C.J. 19, 1718-1721, p. 416). By the original 1720 law Parliament outlawed combinations among the tailors, fixed a 6 AM to 8 PM workday, and set a maximum wage of two shillings per day during the peak spring production period (Statutes of the Realm, 7 Geo. I, c.13). The 1768 law attempted to thwart the attempts of workers to dodge the first measure’s effects by working outside a five mile radius of central London, which had been the limit of the effect of the original statute.
Smith’s discussion of this measure is curiously elliptical. Noting that “[w]henever the legislature attempts to regulate the differences between masters and their workmen, its counsellors [sic] are always the masters” (WN, 1776, I.x.c.61, p. 157), he concludes that:

When the regulation, therefore, is in favour of the workmen, it is always just and equitable; but it is sometimes otherwise when it is in favour of the masters (WN, I.x.c.61, 157-158).

This rather convoluted statement seems to be a warmup for one of Smith’s denunciations of bad policy. And indeed he next openly states that the law of 8 Geo. III, c.17 is in favor of the masters, that worker and employer combinations are treated unequally, and even that the law is in effect acting as a combination of employers to suppress tailors’s wages. But no direct condemnation of the law as unjust comes, unlike Smith’s forthright denunciation of the Law of Settlements or the Statute of Apprenticeships. Instead, Smith’s parting comment about this rather gross abuse of power is that “the complaint of the workmen, that it puts the ablest and most industrious upon the same footing with an ordinary workman” (WN, 1776, p. 158, I.x.c.61).

That this rather unthreatening argument did indeed come from the tailors (at least those of 1721) explains its inclusion but not its position by Smith as the last word on the matter (The Case of the Journeymen-Taylors residing in the Cities of London and Westminster, most humbly offered to the Consideration of both Houses of Parliament, 1721).

Why was Smith so circumspect about condemning this law? It is certainly possible, as I have speculated elsewhere (Martin, forthcoming), that Smith’s caution led him to occlude meanings that might alienate powerful men. The law regulating the tailors had passed the
Commons only eight years before publication of the *Wealth of Nations*, and its drafters included prominent London area politicians including the Lord Mayor as well as MPs for the City of London, Middlesex, Essex, Surrey, Kent, and Hertford (Commons, 1803, pp. 483, 593).

Condemning this statute as “an evident violation of natural liberty and justice” was a much more dangerous move than condemning the laws of settlement or apprenticeship which by this time were more than two centuries old with few unalloyed defenders.

There is, however, an alternative explanation based on the relationship between concord sympathy and justice as we have traced in the *TMS*. (That this explanation is less unflattering to Smith should not influence its acceptance.) Quite simply, Smith may not have felt able to denounce the repressive laws against tailors because the preconditions for doing so – the moral sentiments of the population – were not present. We recall from the earlier discussion that a judgment of demerit for an action (which roughly corresponds to that action being unjust) depended on the observer having antipathy to *agent* motives as well as sympathy with *patient* resentment. Even some degree of sympathy for the patient’s cause, as in the case of the condemned murderer, could be overridden in the observer’s judgment by sufficient sympathy with the motives of the agent. In the case of the combination laws, the agents were the master tailors (the employers) as the chief advocates and beneficiaries of the law, and the patients were the workers. Though the mindset is alien to moderns, the book-reading (and often wealthy or influential) public of Smith’s time would simply not have had natural antipathy to the employees in this instance. In the grip of doctrines prescribing that low wages were good for a nation, and ultimately for the workers themselves, they would not have met the first psychological condition
for judging the combination laws unjust. If Smith believed his own theory of moral sentiments, he would have known that calling them so would have been futile.

This does not mean, of course, that Smith himself didn’t think that the combination laws were unjust. Far from it; it is clear that he thought that they were, and his cagey discussion of them was perhaps designed to build that impression more effectively than if he had openly come out and said it. The distinction between the types of sympathy informed his strategy: instead of appealing to direct compassion for the tailors (welfare sympathy) or making a direct statement about justice, Smith instead endeavored to undermine concord sympathy for the masters while building it for the tailors. This explains the, to us, beside the point argument that maximum wage laws equalized outcomes for both ordinary and especially industrious tailors. Secondary or not from an impartial spectator’s view of the question, it was not secondary to the project of building sympathy between the workers and Smith’s readers. It was a sentiment with which they could be in concord.

4. Conclusion

This paper contended that a deeper understanding of what Smith meant by sympathy, the master concept of the *Theory of Moral Sentiments*, is worthwhile of itself and also helps to illuminate certain puzzles in the *Wealth of Nations*. A close examination of sympathy is especially warranted because its conceptualization in modern economics, in a form that I call “welfare sympathy,” almost perfectly matches the phenomena described in the opening lines of the TMS.
Although it is no secret that Smith’s own definition of sympathy is quite different, reconciling those opening lines with the correct definition requires close attention. The return on this investment is an understanding of that Smith envisions two sources of sympathetic pleasure – direct and concord – both of which exist in the context of shared emotion or fellow-feeling. A concept analogous to welfare sympathy does exist in Smith, but it is not associated with the word sympathy specifically (benevolence is its closest analogue). Importantly, it is the pleasure of sympathetic concord that plays the main role in the generation of Smithian moral sentiments. This mechanism in turn illuminates Smith’s approach to certain policies discussed in the *Wealth of Nations*. If sympathetic agents are caught up in a subgroup or tradition accustomed to an antisocial activity (antisocial, that is, with respect to a more objective spectator – so perhaps the practice of employer collusion) not only their sympathy with the happiness or prosperity of their immediate fellows, but also their sympathy with their judgments and feelings could tend to reinforce and perpetuate that activity. Merely demonstrating the superiority, from an overall social well-being perspective, of abandoning the antisocial activity would not suffice to change those sympathetic judgments. Only a process of educating concord sympathy – of appealing to fairness, for example, or sympathy with a larger goal of national prosperity – could possibly adjust such a pattern of antisocial judgment. Since the target audience of the *Wealth of Nations* included the British educated and political class – the holders of power – Smith may have understood the need to break up self-reinforcing patterns of mutual sympathy within that group – or more specifically to widen concord sympathy to include outsider concepts such as laborers, consumers generally, colonists, people in foreign countries, and so on. This would explain why
Smith’s reformist appeals vary in tone: some are high octane appeals to principle, and some are bafflingly indirect. Yet if Smith were applying his own theory of moral sentiments, this latter group represents not cowardice on his part in confronting the status quo, but rather a crafty approach to changing the sentiment of justice in the ruling class: of educating their sympathy.
References


