

Symposium on *The Cambridge Companion to Adam Smith*

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Whose impartiality? Which self-interest?

Adam Smith on utility, happiness
and cultural relativism

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Robert Shaver's chapter, 'Virtues, utility, and rights', in the *Cambridge Companion to Adam Smith* begins by noting that '*The Theory of Moral Sentiments* was a great success upon publication; now it is obscure' (189). 'Obscure' may be a bit of an overstatement, as the existence of this *Companion* attests, but it is certainly true that Smith's moral philosophy is not nearly as widely studied as those of Hume and Kant, for example. Shaver aims to offer one reason why this might be the case, and he finds an explanation in the fact (or, rather, the claim) that Smith's moral theory is weaker than a utilitarian moral theory in many respects. Shaver concedes that Smith's theory is an attractive one, but he points to a number of what he sees as defects in it that might help to explain its relative obscurity. His arguments on this score are numerous, but there are three contentions that seem to be central to his case: that Smith's explanatory moral theory has no real normative weight, that he relies on utility in making (some) normative claims even while insisting that doing so is illegitimate, and that his moral theory is susceptible to a kind of cultural relativism. I will briefly touch on the first two of these criticisms before discussing the third at somewhat greater length.

One of the most appealing elements of Smith's moral theory, Shaver concedes, is that it seems to constitute an improvement over utilitarianism as a description or explanation of our moral psychology: our moral feelings – approval and disapproval, gratitude and resentment – are generally motivated not by utilitarian calculations but by feelings or sentiments. People typically demand that murderers are punished, for example, because they feel outrage or resentment and not because they calculate that doing so may make society better off in the long run by deterring other potential murderers. Yet, Shaver notes (195–6), Smith also frequently makes normative claims in TMS; in addition to describing the way people *do* in fact make moral judgments, Smith seems to suggest that people *ought* to act in such a way that an impartial spectator would approve of them. And Shaver suggests that this is where he runs into trouble.

First, Shaver asks (196–8), how does Smith justify his normative conclusion – that we ought to follow the dictates of the impartial spectator

– based on his premises? Where does the normative weight come from? He implies that Smith does not have a good answer. This is far too large and complicated an issue to resolve here, but we can note that Smith could equally ask, why are we morally obligated to maximize utility – or to obey the categorical imperative, for that matter? Shaver seems to be seeking a level of normative purchase that is rarely found outside of theological arguments. Moreover, the divide between an explanatory moral theory and a normative one is perhaps not as stark as Shaver implies: it does not seem entirely tautological to claim that following the dictates of the impartial spectator is moral because that is what we *mean* when we say that someone is a moral person. Charles Griswold rightly notes in his chapter, ‘Imagination: morals, science, and arts’, in the *Cambridge Companion*, that even if our moral norms do not ‘correspond to some completely mind-independent reality’, such norms ‘are nonetheless “real” in the sense that they organize the world; that we rely on them in making decisions, from the most inconsequential to the gravest; and that we both appeal to them and develop them in praising and blaming our fellows, which praise and blame, in turn, guide much of human life’ (54).

Shaver’s second key criticism (198–9) is that there are instances in TMS in which Smith appeals to utility in making normative claims, despite his opposition to normative utilitarianism. For example, Smith argues that a sentinel who falls asleep at his watch ought to be executed, in accordance with common laws of war, even though to an observer this punishment seems to far exceed the crime, because this kind of carelessness can endanger an entire army (TMS II.ii.3.11). He also implies that it is proper to feel more gratitude toward someone who tries to help you and succeeds than toward someone who tries equally hard but fails, because rewarding realized rather than latent virtue ensures that people will try harder to do good; rewarding luck is desirable because it promotes happiness or utility (TMS II.iii.3.2–3). Shaver contends that these kinds of apparently utilitarian statements fit uneasily within Smith’s spectatorial moral theory.

It is entirely possible, however, to account for these moral judgments through impartial spectatorship, without recourse to the idea of utility. While we as partial spectators may sympathize with the sentinel who accidentally falls asleep, an impartial spectator would presumably also sympathize with the great multitude of people whose lives were thereby put into danger and thus resent the sentinel’s ostensibly minor infraction more. Similarly, an impartial spectator might approve of realized virtue more than latent virtue because he sympathizes with the person (or people) being benefitted. This is not to say that these judgments do not contribute to utility; in fact, Smith explicitly concedes that morality sometimes *seems* to arise from utility and often *does* serve a utilitarian purpose (the sentinel example is found in a chapter of TMS entitled ‘Of the utility of this constitution of Nature’). Indeed, he seems to believe that moral action generally benefits both the individual who so acts and the society of which he or she is a part; James Otteson has

(to my mind persuasively) argued that the ‘meta-argument’ of Smith’s moral theory ‘takes the form of a hypothetical imperative: if you wish to obtain a tranquil and happy psychological state, then you should abide by the system of morality that has arisen naturally and unintentionally in the way described in TMS’ (Otteson 2002: 236; cf. TMS III.5.7). Smith’s claim is not that moral actions are not conducive to utility or happiness, but rather that the utility or happiness that results from an action is not what makes that action moral; normative utilitarianism conflates the ‘efficient’ and ‘final’ causes of our moral sentiments (TMS II.ii.3.5).

The third major worry about Smith’s moral theory that Shaver mentions (193–4, 200) is that it entails a kind of historicism or cultural relativism that he himself sometimes seems to want to resist. Given that Smith’s theory is based on sentiments and that people’s sentiments vary widely from time to time and place to place, there does not seem to be any room in his theory to appeal beyond the particular morality of one’s own culture. Insofar as morality consists of what ‘we think’ or ‘we approve’, there does not seem to be any way of judging one culture’s moral standards to be superior to another’s, or of criticizing a practice that an entire society has adopted. Even an impartial spectator seems to have no standards by which to judge other than those of his own society; he simply judges by those standards impartially. Yet Smith often criticizes practices that he sees as appalling, such as slavery and infanticide, even though he is well aware that in some societies (such as the city-states of ancient Greece) these practices have been accepted by virtually everyone (TMS V.2.15). Shaver suggests that Smith has no valid grounds on which to launch such a criticism: even if we were to grant that the viewpoint of the impartial spectator defines morality and provides some kind of normative weight, there is still no room within such a viewpoint to criticize the morality of a culture as a whole.

This last charge seems to me the most compelling and illuminating of the three. There does appear to be a degree of cultural relativism inherent in Smith’s moral theory, and moreover Shaver appears to be right to suggest that this problem (if indeed it is a problem) arises in precisely the area where Smith’s theory improves on utilitarianism, its more plausible description or explanation of real-world moral phenomena. The more realistic one’s explanatory moral theory, the less normative bite that theory will tend to have on a societal level: any theory that accurately captures people’s moral judgments is forced to account for the fact that different people and different societies vary immensely in the judgments they make. Nor is this whiff of cultural relativism in Smith’s thought entirely a disadvantage, as Samuel Fleischacker (2005) has stressed in a recent essay on this subject: most people *do* tend to share many or most of the moral standards of their society on a basic, ‘gut’ level, and to say that most almost everyone is simply and obviously *wrong* in their moral judgments seems implausible as well as demeaning.

On the other hand, Shaver does not give due weight to the possibilities within Smith's moral theory for resisting this kind of cultural relativism. Stephen Darwall (1999; 2004) has argued, for instance, that Smith's notion of the impartial spectator is inherently connected to a belief in the basic dignity of all other human beings, and thus that it stands as a kind of precursor to Kant's categorical imperative. Adopting the viewpoint of the impartial spectator leads people to see that everyone is of equal worth, and that there is no good reason to prefer themselves or their kind over others. And Charles Griswold (1999: 198–202, 349–54, 363–4) has noted that the notion of the impartial spectator does allow people to separate themselves to some degree from their culture's moral standards, particularly because such a spectator would fully sympathize with each actor in a given situation – including, for example, a slave or an unwanted infant. Thus, the impartial spectator might view practices such as slavery or infanticide as unacceptable even in the case where an entire society had accepted them; he would simply conclude that these societies were being partial.

Yet Shaver could rightly insist that neither of these responses are wholly satisfactory. After all, accepting that the viewpoint of the impartial spectator *can* rule out slavery and infanticide even in ancient Greece seems to require retreating somewhat from the notion that the impartial spectator is built out of actual spectators – out of what 'we think' or 'we approve' – and that people properly learn what is right and wrong through their upbringing and their interaction with others. But this idea seems central to Smith's moral theory, and it is also one of its more attractive features, as Shaver notes – it is precisely what makes Smith's explanatory theory so powerful. Either way one tries to solve the problem, it seems, the solution will come with a price: the theory can be given more normative bite at the cost of reducing its explanatory power, or it can retain its explanatory power at the cost of accepting a degree of cultural relativism. Of course, the price of giving the theory more normative bite – that of reducing its explanatory power – is one that utilitarianism has paid from the outset.

I turn now to Pratap Mehta's chapter, 'Self-interest and other interests', in the *Cambridge Companion*, which examines the role of self-interest in Smith's thought. Contrary to the hoary old reading according to which Smith is an apostle of selfishness who builds his economic palace on the granite of self-interest (Stigler 1971: 265), Mehta shows that self-interest in fact plays a nuanced and complicated role in his writings, and that it is just one of a whole range of human motivations that he recognizes. In particular, Mehta argues that the idea of self-interest is suffused with moral connotations even in WN, that even TMS makes plenty of room for a proper pursuit of self-love, and that for Smith it is the imagination, rather than self-interest, that is the more fundamental spring of human action.

The claim that self-interest has moral undertones in WN is most certainly correct, even if it will not come as a surprise to many contemporary Smith scholars. So far from attempting to emancipate economics from the restraints

of morality (as is contended by Cropsey 2001 and Minowitz 1993), Smith shows in WN how self-interest can *serve* morality. For instance, the famous passage on the butcher, the brewer, and the baker (WN I.ii.2), which has so often been read as endorsing self-interest at the expense of morality or benevolence, in fact demonstrates that self-interest can serve a moral purpose: if we can rely on the self-interest of the butcher, brewer, and baker for our dinner then we do not *have* to rely on their benevolence, like beggars or slaves. Smith saw this kind of dependence as a sure path to servility and moral corruption and argued that the interdependence of the market can help to ameliorate these problems (LJA vi.6; LJB 204–5). Further, Mehta notes (250), appealing to the self-interest of the butcher, brewer, and baker forces us to focus on *their* interests rather than our own; even if this does not make us benevolent toward them, it does at least make us other-regarding.

Mehta also rightly argues (250–2) that Smith was concerned to show that we are the best judges of our own interests, and that other people (particularly legislators) should not presume to know what is good for us better than we ourselves do. In other words, rather than trying to replace a public-spirited motive with a self-interested one, Smith was concerned to determine who the relevant determinants of a person's interests are and to ensure that an equality of interests prevails. Still further, Mehta shows (252–3) that Smith (like many other thinkers of his time; cf. Hirschman 1997) saw reasonable self-interest as a benign alternative to a host of far more dangerous passions – especially pride, which causes people to do things like maintain colonies, go to war, and enslave people, all in opposition to their real interests. There are, then, numerous ways in which self-interest serves moral purposes in WN.

Mehta's claim that TMS makes plenty of room for a proper pursuit of self-love will be, if anything, even less controversial among Smith scholars. The reader of TMS can hardly fail to note Smith's claim that prudence, the virtue that directs people in their care for themselves, is fully approved of by the impartial spectator, even if does not provoke ardent love or admiration, and that it is connected to a number of other virtues such as frugality, industry, reliability, and so on (TMS VI.1).

In the last part of the chapter, Mehta is particularly concerned with the question of why people act in opposition to their (apparent) self-interest when they labour more than is necessary to satisfy their needs. This is a good example of an extremely common instance in which viewing people in wholly utilitarian terms simply fails to explain the facts; why do we continually strive to 'better our condition' even when we have everything we need, and when labouring is a painful burden? Smith's answer, of course, is that this striving is largely the result of the imagination, which leads us to put ourselves in the shoes of the wealthy and to contemplate how happy we would be if we had their wealth, and if people looked up to us in the way we tend to look up to the rich (TMS I.iii.2.1). We continually strive to 'better our condition' not out of any material need but out of vanity and a trick of the imagination. This, it seems, is why Mehta sees imagination as a more

fundamental spring of human action in Smith's thought than self-interest: imagination is what leads people to pursue their self-interest, or rather to continue striving to 'better their condition' even when doing so is *contrary* to their (apparent) self-interest. The imagination *overrides* pure self-interest in a way that drives the economy in an important sense (WN II.iii.31).

Yet Mehta fails to adequately answer the question of why Smith applauds the seeming disconnect between our perceived self-interest and our true self-interest. He rightly notes that according to Smith happiness consists of a kind of psychological ease or a state of 'tranquillity and enjoyment' (TMS III.3.30); he also rightly notes that Smith thinks continually striving to 'better our condition' requires relentless toil and anxiety and thus undermines our tranquillity (TMS IV.1.8). Mehta remarks that there is something 'deeply odd' and even 'disquieting' about Smith's discussion of happiness, above all his claim that 'the accumulation of the means to happiness, although distinct from happiness and possibly inversely related to it, leads to the general benefit of society' (266–8). According to Mehta, 'This is the language of consolation. Most human endeavor is not aimed at procuring real satisfaction or a secure happiness, but, in transcending ourselves through our imaginations, we embark on the toil that keeps industry in motion and makes opulence a possibility' (269). Such language, however, does not seem particularly consoling. How, after all, could constant toil and the accumulation of the *means* to happiness lead to 'the general benefit society' even if it is *inversely related* to true happiness? What good is 'opulence' if attaining it makes everyone miserable?

This issue is one that I have addressed elsewhere (Rasmussen 2006), so I will not go into detail about it here except to note that Smith *is* ultimately concerned with people's happiness, and not just their opulence or their *means* to happiness. For instance, he writes that 'the happiness of mankind . . . seems to have been the original purpose intended by the Author of nature, when he brought them into existence' (TMS III.5.7), and claims that 'all constitutions of government . . . are valued only in proportion as they tend to promote the happiness of those who live under them. This is their sole use and end' (TMS IV.1.11). Smith hoped and believed that both the spontaneously organized moral system outlined in TMS and the spontaneously organized economic system outlined in WN would promote this happiness. Yet this concern for people's happiness did not make him a utilitarian, at least in the conventional sense of the term; Smith would not have advocated a moral or economic system that pursued only 'the greatest good for the greatest number', because he was concerned not with aggregate totals but with ensuring that *every individual* has a certain basic level of resources, independence, and chances for contentment, as Emma Rothschild and Amartya Sen demonstrate in their excellent chapter in the *Cambridge Companion*, 'Adam Smith's economics'. While Shaver and Mehta raise a number of thought-provoking questions about Smith's thought, in the end his thought is rather more convincing and less disquieting than they depict it.

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