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## **A Review of Wight, Jonathan B.: 2002. Saving Adam Smith: A Tale of Wealth, Transformation, and Virtue. Upper Saddle River, NJ: Prentice Hall**

By: **J. Thomas Whetstone** [[biography](#)]

In his novel, *Saving Adam Smith: A Tale of Wealth, Transformation, and Virtue*, University of Richmond professor Jonathan B. Wight introduces "the father of economics" to twenty-first-century readers. Using the literary mechanism of allowing the spirit and voice of Adam Smith to channel through a Romanian-born working man, Wight represents Smith as challenging today's readers to actually read and apply the lessons he wrote two centuries ago.

The legacy of Adam Smith (1723-1790) is often represented in contemporary economics textbooks and the press as being virtually the same as Mandeville's in *The Fable of the Bees*, that private vices, including selfishness, are public benefits, and that all government intervention is bad. For example, even self-interested corporate raiders, if not restrained, will unintentionally serve as something on the order of superheroes to cleanse through free market action the admittedly perverse market manipulating power of inefficient combinations in the restraint of perfectly free trade. (See Grubel, 2002: A14.) However, Wight's novel presents Smith as disputing the psychological egoism of Mandeville, rather than supporting it. Is this the correct interpretation? The answer lies in Smith's writings.

Wight rightly depicts Smith as proclaiming his masterwork to be the seldom-read *The Theory of Moral Sentiments*, being more basic than *The Wealth of Nations*. Smith's most important

contribution was in moral development, not economic development.

According to Smith, self-love is a human virtue. It is right that man look after his own body and welfare. It is incorrect to equate this with selfishness, a vice. Influenced by Plato, Aristotle, and the Stoics, Smith insists that a balance (golden mean) is required among the three types of virtue (prudence, strict justice, and proper benevolence), essentially integrating the modern consequentialist and deontological with the classical virtue perspective of ethics. Maintaining this balance requires imagination and feeling, sympathy for others. (Smith expert Patricia Werhane follows up on this in her *Moral Imagination and Management Decision Making*, 1999).

Who was Adam Smith? This Scot was a professor of moral philosophy, an author, a British patriot, and a brilliant thinker of the Enlightenment. Rigorous in observation and rational thinking, his insights concerning human nature have continuing wisdom for today. He studied with distinction under Frances Hutchinson at Glasgow University, who taught him the importance of the virtue of love. In his *The Theory of Moral Sentiments*, Smith expressed great admiration for Hutchinson's viewpoint, while pointing out its insufficiency for moral philosophy. He went on to study at Oxford in pursuit of the pastorate, where he discovered his calling was elsewhere. After becoming a popular lecturer in Edinburgh where he met Hume, he was elected to the Chair in Moral Philosophy at Glasgow University in 1752, lecturing on natural theology, ethics, jurisprudence, and expediency. In 1759, he published the first edition of *The Theory of Moral Sentiments*, largely based on his lectures on ethics and natural theology. He published revised editions throughout his life, the seventh in the year of his death. In 1776, he published his most well-known work, *An Inquiry into the Nature and Causes of the Wealth of Nations*, drawing on his lectures on expediency. He planned a major separate work on justice or jurisprudence but death intervened. His writings reflect his skill in rhetoric and attention-getting examples and phrases, those used by this entertaining lecturer to stress his points to his large audiences of young students. For example, in *TMS* he writes: "In China, if a lady's foot is so large as to be fit to walk upon, she is regarded as a monster of ugliness." Although not always politically correct by twenty-first-century standards, his epigrams are often witty: "The fair sex, who have commonly more tenderness than ours, have seldom so much

generosity."

In his own day, TMS was received with great applause. His observations and descriptions, especially in *The Wealth of Nations*, can fatigue the modern reader, but the insights are there for the persistent. For example, in TMS he observes:

The great mob of mankind are the admirers and worshippers, and, what may seem more extraordinary, most frequently the disinterested admirers and worshippers, of wealth and greatness. (This is) the great and universal cause of the corruption of our moral sentiments.

A close friend of David Hume, Smith met and interacted with some of the luminaries of the Enlightenment, including Voltaire, Quesnay, Turgot, and perhaps Rousseau, while touring the Continent as a personal tutor in the mid 1760s. During the winter of 1766-67, he engaged in researching the problem of Great Britain's national debt for Lord Townshend, the Chancellor of the Exchequer. He returned to his birthplace of Kirkcaldy to live with his mother, where he wrote *The Wealth of Nations* 1767-1773, hoping to influence Parliament to accept the merits of free trade and thus to avoid a war over the colonies in North America. He moved to Edinburgh in 1778, serving as Commissioner of Customs for Scotland, and continued to issue revised editions of his books until his death in 1790.

Wight's fictional account depicts the spirit and voice of Adam Smith returning to twenty-first-century America, channeling through an elderly, unemployed truck mechanic. He comes to set the record straight concerning his views on moral philosophy, including economics. Smith laments, "I've become a caricature!" "Economists may honor me with their lips, but not with their hearts. In vain do they worship me, teaching their own precepts as my doctrines." "You've all missed the essence of what makes a market work in society....A market can't exist in isolation from people....Even if the market mechanism is disinterested, I as a person cannot be, must not be."

The spirit of Smith desperately desires to clear up the misunderstandings of his ideas, especially the distorted view that self-interest, misunderstood to equate to selfishness, when allowed to guide economic activity among other self-interested agents, leads to wealth creation and happiness for those who succeed in maximizing their wealth. Smith's view is that the natural effort of every individual to better his own condition,

provided he does not violate the laws of justice, is so powerful a principle that it alone is capable of carrying society to wealth and prosperity. Assuming competitive markets and the full accounting for externalities, a self-regulating market will direct resources toward higher profit areas without the need for centralized control and planning. The perennial search for profit leads to continuous innovation and transformation, to the benefit of consumers and their nations. Mercantilists are opposed, because it makes futile their attempts to manipulate profits and court protection from the rigors of competition.

Wight's novel is first-of-all a format for presenting Adam Smith's message for twenty-first century mankind. This multi-faceted novel is also an entertaining read, a romantic adventure featuring a young professor struggling to complete his doctoral dissertation soon enough to present its principal contribution, an asset valuation formula, to a multinational corporation that hopes to use it to corner the aluminum business in post-Communist Russia. Achievement of this goal, with the resulting reward of fame, fortune, and academic acclaim in the form of the most prestigious Samuelson Prize, is problematic due to the professor being saddled with caring for a sick, old man being channeled by the very talkative spirit of Adam Smith, a growing internal conflict over his personal relationship with a young woman, and an Existentialist struggle as to the meaning of his own life.

At the personal level, Wight's novel portrays an encounter between the Enlightenment eighteenth-century genius and Richard Burns, an academic of the postmodern world. A highly rational man with a heart meets an ambitious academic who has suppressed his feelings, his heart, pursuing educational prominence in today's world that produces what C.S. Lewis (1947) calls "men without chests". Burns, a member of the "me" generation, must decide what is ultimately important and even who he is. Can this postmodern academic become an enlightened and happy man? Does the answer lie with Sartre or somewhere else-perhaps in Adam Smith's observations on human nature and happiness?

Burns gradually learns from Smith that one can choose how to listen to one's own conscience, to see through the interior eye of authentic sentiments, to find peace of mind in being rather than just having. This is disturbing to the postmodern man trained to exercise his autonomous ambition.

The action of the novel, while developing slowly for the first few chapters, increases dramatically when Burns, attempting to find the seclusion needed to complete his dissertation, drives his car west. He is compelled by circumstances to take along the extremely talkative man who he is now convinced is truly being channeled by Smith. Suddenly, while Burns and Smith are speeding along a highway, a blue sedan cuts them off, their car is forced off the road down an embankment. Was this a case of road rage or was Burns--or Smith--the target for assassination. The plot thickens!

But in the midst of intrigue, Smith continues throughout to observe and comment, drawing on insights from his original writings. However, does Wight allow his own views, from today's viewpoint of history, to overly influence his characterization of Smith? Passages in the final edition of TMS reveal his personal spiritual struggle, one uncharacteristic of the stereotypical Deist. While believing in God's Providence over His creation, Smith chose to focus his philosophical efforts on worldly concerns, professing a recognition that he could only expect to speculate accurately in the humbler subjects of man's earthly society. Although Wight does have Smith refer to the higher source of standards, the all-wise Author of Nature and the tribunal of the one to come, does the novel properly reflect Smith's spiritual struggles?

Wight implies that Smith would be receptive to current formulations of transformational leadership. But would he apply his rational genius to uncover not only the power but also the danger associated with the various contemporary formulations of a management of transformation? Would he support a leadership that focuses on the establishment of a vision that can inspire and transform the character of followers? Indeed, Smith was opposed to utopian thinking and to human tyranny. His ethic insisted that principled means, especially those provided from external authority such as natural law or a Creator God, are important as well as good ends and character transformation. Whereas prudence and benevolence are virtues, justice is perhaps even more essential in business practice and in other human endeavors.

Would Smith, if he actually were to appear in the twenty-first century, share Burns' green orientation? Perhaps, but Smith's writings do not support such speculations that were not on his eighteenth century agenda.

Nevertheless, Wight is exceptionally skillful job of bringing Smith's heartfelt views to the contemporary reader. Smith, clearly influenced by his close friend David Hume, did argue that a truly complete man must be guided both by his intellect and his heart. No qualities are more entitled to the general good-will and approbation of mankind than beneficence and humanity, friendship and gratitude, natural affection and public spirit, or whatever proceeds from a tender sympathy with others and a generous concern for our kind and species. (Hume, 1888).

As for the economic and social order, Adam Smith would agree with Robert Novak (1996) that capitalism alone is not the sum of our hopes. "The system of natural liberty requires both political and economic articulation. But what else? It also requires a moral and cultural system-a regime of virtue, in a modern if not a classical sense....To protect the rule of law and to secure individual rights, the political order has priority over the economic order. The moral-cultural order has priority over both. Economics is not the be-all and the end-all; it is an instrumental art." (Novak, 1996:94.)

Legal compliance is insufficient; business and other societal organizations and institutions need to demonstrate what Lynn Sharp Paine (1994) calls ethical integrity. It is a mistake to leap from one extreme-socialist/communist despotism-to the other extreme of anarchy and "cowboy" capitalism (as in present day Russia) without tilling the soil in justice. Markets are a means, not an end in themselves. The balance of social and institutional structures is needed as well. Smith realized that the development of the West's moral/cultural system of laws and civic organizations as needed to support justice and promote virtue has involved a long and often bloody struggle.

Wight's novel (in part, due to its informative appendices) is one to put on your reading list. It can well be used to introduce students and business practitioners to the complete Adam Smith, while entertaining them with a interwoven dramatic tale of intrigue and romance not generally associated with academic research. The central message of the novel is that Smith's moral philosophy is on the mark for our current global economy and thus needs to be read, especially the foundational *The Theory of Moral Sentiments*. This is a challenge worthy of taking. The recommendation is to read both Smith and Wight.

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