

BOOK REVIEWS

Donald Rutherford, *In the Shadow of Adam Smith: Founders of Scottish Economics 1700–1900* (Basingstoke, UK: Palgrave Macmillan, 2012), pp. vii, 344, US\$95 (hb), US\$40 (pb). ISBN 978-0-230-25209-7 (hb); 978-0-230-25210-3 (pb).

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Contemplating the ‘national’ contributions to the formation and development of political economy in the eighteenth and nineteenth centuries, one may reasonably suggest that Scotland ‘punched above its weight.’ But do the various contributions by Scots over this period constitute a distinctively *Scottish form* of political economy? Or is the common nationality of these various writers an irrelevant characteristic, akin to the significance for intellectual history of blond hair or brown eyes? Adam Smith’s political economy is the political economy of a Scot; but is it in any substantial sense a ‘Scottish’ political economy?

This book is entitled “in the shadow” of Smith, and, of course, all the other characters in this story *are* in his shadow, intellectually speaking. Scottish or otherwise, one has to stand very tall in the history of economics to escape *that* shadow. But is there also another sense in which the shadow metaphor is apt? Whether or not Smith’s political economy is in some sense intrinsically Scottish, are the Scottish contributors to political economy discussed here, who came after Smith, Smithian in their intellectual sensibility or outlook or approach?

These are the questions one naturally brings to Donald Rutherford’s book. That the book is organized in terms of chapters addressing substantive subject matter of economic inquiry might suggest an interpretation in terms of some degree of unity and coherence across two centuries of Scottish economics. Apart from a brief introduction and conclusion, there are six chapters: “Trade,” “Money,” “Public Finance,” “Condition of the People,” “Condition of the Economy,” and “Economic Ideology.” Some eighty Scottish contributors are discussed, with the lives and works of the fifteen major figures usefully summarized in an appendix: James Anderson, Thomas Chalmers, Adam Ferguson, David Hume, Francis Hutcheson, James Maitland (Lauderdale), Joseph Shield Nicholson, John Millar, Thomas Reid, Adam Smith, John Sinclair, William Smart, James Steuart, Dugald Stewart, and Robert Wallace (pp. 308–311). One notices from this collection of mini-biographies that ten of these fifteen were dead by 1828, and all but two of them (Smart, Nicholson) before 1850. Perhaps this is a story of decline. Rutherford’s concluding contrary suggestion seems, at best, a little bit wishful (p. 307).

The book proceeds by describing the views of the major and minor writers who fall within its scope on each of the chapters’ themes and subthemes. Hence, Chapter 5, for example, “Condition of the People,” deals successively with theories of population size and population growth, property rights and functional income distribution (rents, profits, and wages), arguments for and against emigration, and policies for remedying poverty. Here, as in the other chapters, there is a vast amount of descriptive detail

across a large cast of characters. Even though the material is thematically organized, the reader would have benefited from somewhat more interpretive structure to the description. One is in some danger of getting lost in the detail. In a way, the book can be described as first and foremost a compendium of what Scottish writers over these two centuries have had to say about a wide range of economic phenomena and economic problems, though it also often defers to secondary literature. In all this, there are almost inevitably many specific interpretive points with which a reviewer will disagree (for this reviewer, particularly with respect to Smith). But let us leave that aside. It would be impossible to list them all.

Both the long Chapter 5, easily the longest of the book (pp. 151–238), and Chapter 7, “Economic Ideology,” stand out as involving somewhat unusual topics in a general history of economics monograph. The discussion in the latter chapter, in terms of various notions of ‘natural liberty’ versus varieties of ‘socialism’ (under which term Rutherford includes ‘utopias,’ ‘cooperatives,’ ‘trade unions,’ and ‘national economic planning’) is disappointingly unsophisticated (pp. 276, 295). Rutherford himself comes out firmly in favor of economic liberalism: “Natural liberty is, I would argue, inherent in individuals and has powerful and beneficial consequences for economic life” (p. 279). The natural liberty doctrines of the Scottish economic writers, we are told, came to be at odds with subsequent developments in law and government; but “[p]erhaps what the Scots were storing up for future generations were strongly argued principles, which would inspire people tired of interfering governments” (p. 286). It seems as if Scottish economic liberalism was awaiting the arrival of Margaret Thatcher and Ronald Reagan.

The far too elastic notion of ‘socialism’ employed here also leads to less than useful judgments, such as the following: Smith “inspired” “many later writers on socialism” and “many utopian communities to avoid occupational specialization” (p. 287); Steuart’s multiple notions of socio-economic ‘balance’ “follows the socialist principles of providing universal benefit from economic activity through integrating many activities” (p. 289), whatever that means. Robert Owen also receives some attention here, due to the Scottish location of his New Lanark cooperative. In the end, little is said about economic thought in relation to the rise of Scottish trade unionism; but for one as ignorant of the subject as this reviewer, the two pages devoted to the subject suggest that there is much more of interest to be said about this (pp. 298–300). Apparently, in his critique of socialism, J. S. Nicholson described Karl Marx as “the Mad Mullah of Socialists” (p. 300; no Nicholson citation is provided)—one hopes, not indicative of the general analytical quality of Nicholson’s approach to the issue. More seriously, one gains the impression from the narrative here, from its silence, that there were no substantial advocates of socialism among economic writers in Scotland at all in the nineteenth century. This is rather surprising. It seems that one would not need to be *too* level-headed an advocate of socialism to be more level-headed than Mr. Nicholson.

We began by raising two questions. Is a distinctively Scottish political economy to be found in this Scottish literature? Is the Scottish economics of this period at all distinctively Smithian? Broadly, the evidence of this book provides negative answers to both these questions. Nevertheless, however diverse or similar the substantive theories and doctrines these Scottish writers arrived at, one gains some sense of a certain commonality of subject matter in terms of the assigning of priority to the issue of

economic development, perhaps derivative from the relatively underdeveloped state of the Scottish economy throughout much of the period of this history. Rutherford himself explicitly endorses essentially negative answers to our two questions, though blurring the second by suggesting “ambiguities” in Smith, “making it difficult to apply simple labels to him such as free trader, arch opponent of state intervention, unsympathetic to the poor” (p. 306). That’s fair enough, up to a point. But, by the end of these two centuries, William Smart, the last-born of the fifteen major figures who are the primary subject of this book, was championing Austrian economics. As Rutherford acknowledges (pp. 70–71), this is a long way, intellectually speaking, from the objective theory of value that the most important of the Scottish economists had propounded in 1776.

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Paul Oslington, ed., *Adam Smith as Theologian* (New York: Routledge, 2011), pp. ix, 142 + index, \$133. ISBN 978-0-415-88071-8.

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This captivating but flawed volume emerged from a 2009 interdisciplinary conference in Edinburgh, sponsored by the John Templeton Foundation. The participants, who hailed from multiple continents, included distinguished professors from Oxford, Harvard, Princeton, and *Sciences Po*. All the contributions are worth reading, and most open up important vistas on a neglected dimension of Smith’s thought. Perhaps the most illuminating entries are those by Paul Oslington, Eric Gregory, Joe Blosser, Peter Harrison, James Otteson, and Brendan Long.

In his lucid, careful, and reference-rich introduction, Oslington usefully conveys biographical information about Smith’s religious activities (e.g., signing the Calvinist Westminster Confession in 1751), about the religious context that early readers perceived in his books, and about the religious perspectives (Stoicism, Scottish Calvinism, British scientific natural theology, and natural law) that might have shaped his views. John Haldane’s essay, “Adam Smith, Theology and Natural Law Ethics,” provides a valuable supplement regarding the activities and the context, while the essays by Harrison and Adrian Pabst provide a compelling sketch of natural theology.

Building regularly on discussions of the competing religious orientations in eighteenth-century Europe, various contributors explore the theological themes that pervade Smith’s first book, *The Theory of Moral Sentiments* (1759): the intimate linkage between morality and religion; Smith’s occasional invocations of divine design when explaining order, beauty, virtue, and happiness; and the echoes of the Augustinian view that although aspects of human nature are tarnished by original sin, God in various respects has apparently chosen to bring “good out of evil” (Harrison’s words on p. 81). This last theme, needless to say, calls to mind Smith’s gargantuan effort in *The Wealth of Nations* (1776) to prove that materialistic selfishness, when efficiently constrained by “the system of natural liberty,” can promote a society that is peaceful and law-abiding as well as industrious, affluent, and free (the volume’s most extensive and penetrating discussion