



AgEcon SEARCH
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search

<http://ageconsearch.umn.edu>

aesearch@umn.edu

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*



Massey University

DEPARTMENT OF APPLIED AND INTERNATIONAL ECONOMICS
DISCUSSION PAPER NO. 04.08
SEPTEMBER 2004

**A CRITICAL REVIEW OF LISA HILL'S VIEW OF
ADAM SMITH'S 'HIDDEN THEOLOGY'**

James E. Alvey

Te Kunenga
ki Pūrehuroa



www.massey.ac.nz
0800 MASSEY (627 739)

This series contains work in progress at the **Department of Applied and International Economics, Massey University**. Comments and criticism are invited. Quotations may be made on explicit permission of the author(s).

Further copies may be obtained from:

The Secretary
Department of Applied and International Economics
Massey University
Private Bag 11222
Palmerston North
NEW ZEALAND
Phone: 06 350 5799 Extn 2679
Fax: 06 350 5660

Discussion Paper 04.08
ISSN.1174-2542
Price: \$10

A CRITICAL REVIEW OF LISA HILL'S VIEW OF ADAM SMITH'S 'HIDDEN THEOLOGY'

James E. Alvey¹
Massey University, New Zealand
J.E.Alvey@massey.ac.nz

and

The University of Tokyo, Japan
alvey@phiz.c.u-tokyo.ac.jp

ABSTRACT

Lisa Hill has recently provided a new assessment of Adam Smith which attempts to reveal the 'hidden' theology which underpins his providential or 'optimistic' system of thought. Her interpretation breaks with the mainstream view of Smith as a follower of the secular, or atheistic, David Hume. While Hill concedes that there are resemblances to modern theories of evolution and spontaneous order in Smith's writings, the latter's own views differ. Darwinian evolution and Hayekian spontaneous order theories are thoroughly secular. Smith's ideas, however, are located in, what Hill calls 'a transitional phase in the history of ideas' in which belief in teleology was still mainstream. Hence, while society may change very slowly over time, in something like an evolutionary manner, according to Hill, Smith insists that it is evolution 'by design.' Similarly, spontaneous order is a sign of the divine ordering of the world. In Hill's reading, the 'invisible hand' doctrine not only emerges as a central component in all of Smith's works but it has a theological meaning: it is Smith's shorthand for the divinely-constructed spontaneous order.

Hill's article makes an innovative contribution both to the 'new theological and teleological view' of Smith and to Smith scholarship generally. Whilst broadly sympathetic to the 'new view,' and Hill's version of it, I believe that some issues need further consideration. Her Panglossian interpretation of Smith seems to me to be overly 'optimistic.' This difference in interpretation manifests itself particularly in our differing presentations of Smith's view of history and the characterization of apparent 'defects' in nature. Where Hill finds Smith to be a thoroughly 'optimistic' theorist, I have presented him as a theorist who uneasily (and at times inconsistently) combines 'optimism' with 'pessimism.'

¹ The author wishes to acknowledge the financial support of the Japan Society for the Promotion of Science under which he is a Postdoctoral Fellow for Foreign Researchers. An earlier version of this paper was presented to the Adam Smith Society of Japan, 8 May, 2004, Tokyo, Japan.

1. INTRODUCTION

These days theology is detached from, and essentially irrelevant to, social science; yet in a recent contribution, Lisa Hill makes an important, interesting, powerful (albeit controversial) case that a coherent understanding of Adam Smith depends on *rejoining* his theology to his other views (Hill 2001).² Hill claims that ‘Adam Smith’s social and economic philosophy is inherently theological’ (p.1). Whilst conceding the ‘apparent secularism of Smith’s cold calculation,’ she claims that Smith’s ‘invisible hand’ doctrine is not ‘an essentially secular device,’ rather it is indicative of his ‘hidden or “secret” theology’ (pp. 16, 1).³ Contrary to the mainstream view, Smith’s ‘Providentialist underpinnings cannot be removed without impairing his theory’ (p.1; see p.3). By removing its theological underpinnings, and hence its ‘integral providentialism,’ the mainstream, secular interpretation has made ‘Smith’s optimism ... unwarranted, if not inexplicable’; his system is rendered incoherent and it collapses (pp. 1, 13 quoting Viner 1972, pp.81-2; see Klay and Lunn 2003). I agree that a sound interpretation of Smith’s *oeuvre* requires a correct interpretation of his fundamental beliefs, including his views on theology and teleology. Hill has addressed an important topic. Nevertheless, I have some questions relating to gaps in Hill’s presentation; I also have some concerns about the general nature of the theology and teleology attributed to Smith.

The remainder of the paper consists of six sections. The first section places Hill’s contribution in the context of previous Smith scholarship. The second section summarizes her interpretation. The third section discusses teleology and the ends of nature. The fourth section discusses the teleological view of history which Hill finds in Smith. The fifth section discusses ‘apparent’ defects in nature. The final section provides a brief conclusion.

2. HILL’S VIEW IN THE CONTEXT OF SMITH SCHOLARSHIP OVER TIME

Although Hill presents a thorough literature review (pp.1-4), it is organized thematically whereas a chronological approach may have been more appropriate. Over the past two hundred years, commentators have held widely differing views on the role of theology in Smith’s work. A nice summary of the flow of these views is presented in Kleer (2000). Kleer argues that the initial commentators through to the latter half of the nineteenth century held that theology and teleology played an important role in Smith’s writings; early in the twentieth century a more secular view arose;⁴ and after World War II a thoroughly secular view was developed. I would add that, in the last decade or so, a ‘new theological and teleological view’⁵ has arisen which returns, in large part, to the view of the early commentators. This characterization of the trend of the literature has certain exceptions, such as Jacob Viner’s work in the period from the 1920s

² The importance of her article has been recognized already in being reprinted (in Oslington 2003).

³ ‘Smith’s apparently cold, utilitarian equations’ seem to be the product of ‘a secular mind’ but his “invisible hand” elaboration’ was, according to Hill, ‘his particular contribution to eighteenth-century theodicy’ (p.22).

⁴ The view tended to be either that a) Smith held a teleological view in his first book but dropped it in his second, or b) Smith’s references to teleology could be removed without damage to his argument. On the latter, see Haakonssen (1981, 77). On the former, see Minowitz (1993). Hill rejects this variation on *Das Adam Smith Problem*. For her, these works are consistent (p. 4); also see Section 5 below.

⁵ Advocates of the ‘new view’ include Kleer 1995; Denis 1999; Kleer 2000; Waterman 2002; Tanaka 2003.

through to some posthumous publications beginning in the 1970s. Hill's contribution is consistent with the 'new view' of Smith and she singles out Viner's teleological interpretation of Smith as her inspiration. Whilst the secular interpretation of Smith remains orthodox, the interpretations of those who adhere to the 'new view,' have started to undermine the orthodoxy.⁶

Obviously, over such a long period of commentary on Smith, there have been various shades of interpretation and all of these nuances cannot be discussed here. The simplest division of the numerous interpreters is between those supporting and those opposing the view that Smith's system rests on a theological foundation. In agreement with Viner's earlier suggestion, Hill hypothesizes that the gradual shift from the theistic to the secular interpretation reflects the general trend of thinking within the social sciences (pp. 1, 22 citing Viner 1972, pp. 81-2; see Kleer 2000, p.26). Hence, the chronological approach to the literature may have been better: to help demonstrate that the interpreter's own context impacts significantly on the interpretation offered. For example, the publication and popularization of the Darwinian thesis led to the gradual acceptance of evolution as a secular *alternative* to divine design and this obviously impacted on the trend in Smith scholarship. Similarly, the recent fashion in intellectual circles, which promotes attention to historical context in the interpretation of old texts, may have helped to promote the 'new view' itself.

Consistent with the 'new view' emphasis on context, Hill suggests that 'insufficient knowledge of eighteenth-century discourse' is one source of the failings of the secular interpretations (p.3; see also p.22; Rashid 1998, p.3). She correctly points out that 'teleology and the argument from design were still intellectual staples in Smith's time' (p.3). While Diderot and Voltaire on the Continent and Hume in Britain opposed the teleological mainstream, they had little impact in Britain at the time (see Hurlbutt 1985, pp. 170, 177; Stewart 2003, p.54). Their insights came to be appreciated much later, when the teleological view was overturned by the Darwinian view (which denied any divine purpose in nature).

Hill, and the 'new view' theorists generally, therefore propose a revisionist, contextualist, reading of Smith. In order to maintain this theistic interpretation, however, they reject Hume's influence on this aspect of Smith's thinking. In viewing Smith as a theist, he becomes a more conventional eighteenth-century thinker; his views become anachronistic not foundational for modern thought. Next, let us turn to the substance of Hill's presentation of Smith.

⁶ Of course, many commentators retain the secular interpretation of Smith (Haakonssen 1981; Minowitz 1993; Haakonssen 1996; Griswold 1999).

3. HILL'S INTERPRETATION IN BRIEF

In this section I will summarize Hill's interpretation of Smith. Several questions will be addressed below. Does Smith believe in God? What is the status of his 'invisible hand' doctrine? Is his work a precursor of modern theories of evolutionary and spontaneous order?

Let us begin by stating what Hill's interpretation rejects. Contrary to prevailing views, Hill says that Smith is neither a Humean nor a proto-Darwinian (see pp. 1, 3, 8-11, 15, 17, 21). Nor is he a proponent of 'wholly secular, evolutionistic systems of spontaneous order' along Hayekian lines (p.22). Nor does Smith, as many neoclassical economists suggest, consider the 'invisible hand' to be 'a mere euphemism for a profane competitive/equilibrium mechanism' or 'Pareto efficiency' (pp. 19, 2). All of these interpretations distort 'Smith's intention' by removing Providential design from his system (p.19).

Now let us consider the positive side of Hill's interpretation. For Hill, Smith is a theist but eclectic, evasive and somewhat unorthodox in his theology (p.4). Let us flesh out these points. Hill's third section addresses Smith's views on the existence of God. Contrary to the interpretations of Edmund Burke, Karl Marx, Peter Minowitz, and others, Hill shows that Smith has 'a genuine faith in the existence of God' (p.6; see p.3 Minowitz 1993). Hill makes a significant contribution to scholarship, showing that Smith appeals to four of the traditional proofs of the existence of God (the cosmological argument, the teleological argument, the moral argument and the common consent argument); she correctly points out, however, that Smith's stress is on the teleological argument (p.6; see Alvey 2003, pp.31-173).

Next, let us consider Smith's eclecticism. Hill's presentation brings out Smith's 'synthetic if somewhat patchwork theology' (p.4). Smith adopts natural theology;⁷ his version of natural theology draws upon elements from 'Aristotle, the Stoics, Christianity and Newton, with the greatest emphasis on Stoicism' (p.4). From Aristotle, he accepted the conception of God as an 'unmoved mover' and a version of teleology; from the 'scientific religion' of the Stoics, he adopted the design argument and a version of their physics, cosmogony and theodicy; from Christianity, he adopted anthropocentrism, some version of 'free will' and the modern, 'Protestant variant' of the teleological argument; and from Newton, he adopted the latter's 'approach to scientific explanation,' the view that 'the miraculously balanced elements of Nature' could not be due to chance, and a version of teleology in which God operates through the laws of nature (pp. 5-7, 11; see Smith 1980, p.115)

As to his evasiveness, Hill says that 'Smith seems to have been deliberately evasive about his precise personal convictions' (p 4). No explanation for his evasiveness is offered. An obvious hypothesis that comes to mind is that he felt his own unorthodoxy was beyond the tolerable limits of the Scotland of his day.⁸ Next, let us consider Smith's orthodoxy.

⁷ Hill's characterization of Smith as a natural theologian is well developed in Waterman (2002).

⁸ As we will see, Hill generally presents Smith as a deist. The tolerable bounds of orthodoxy were loosening in Smith's day. Could Smith's allegedly deistic views be stated openly or not?

Perhaps because of his evasiveness, Hill says that ‘establishing Smith’s precise personal belief system is probably an impossible task,’ although he ‘may have thought of himself as a “theist” ... [or] even a sort of Christian,’ as self-identification as a Christian no longer required acceptance of all of the Church dogmas (p.3). Despite these ambiguities, Hill generally presents Smith as a Desist and this is evident in her view that Smith rejects divine interventions in nature (pp. 4-6, 17). His mix of views ‘distances him from conventional Christianity while at the same time committing him to a belief in one God who stands *in some kind of unique relationship to human beings*’ (p.4 emphasis added).⁹

With this sketch in mind let us now fill in some details. Despite his unorthodoxy, some of Smith’s views are quite traditional. ‘God exists, the world is the product of design and the observable order of regularity in human affairs is a direct result of this design and purpose in Nature’ (p.5). He had: ‘a belief in first and Final Causes; a belief in the existence of a benevolent “Providence”; [and] a belief in the limited extent of human control over events’ (pp. 4-5). While God does not intervene directly in human affairs through miracles, *the operation of the laws of nature is, in itself, miraculous* (pp. 6-7, 15, 17, 22 emphasis added). Smith conceives the ‘universe in optimistic terms as perfect and self-regulating’ (p.7; see also pp. 12, 15-6, 21). It ‘is a coherent system: “[E]ven the smallest of the co-existent parts of the universe, are exactly fitted to one another, and all contribute to compose one immense and connected system”’ (p.13 quoting Smith 1976, 289; see p.11).¹⁰ Anthropocentrism and a type of chain of being framework are two of the principles which give coherence to the system of nature (p.13). Given the excellent divine design, ‘*human design is redundant*’ (p.7 emphasis in original). For Hill, Smith is a Panglossian (see also Denis 1999).

Hill’s conclusion is that Smith has a ‘two-tiered model’ of human society, with a ‘clear line of demarcation’ between the tiers (p.14). The first tier, the ‘big picture,’ or ‘social systems level,’ is ‘the realm of Final Causes and therefore reserved for God’ (pp. 14-5 citing Smith 1979, 687). The second tier is the ‘individual goal level’ and some scope for human free will exists there (pp. 14-5; see p.11). ‘Individual agents represent efficient causes in Smith’s system’; their ‘immutable, uniform instincts ... trigger the disclosure of the divine blueprint through time’ (p.15). Given the superhuman rationality of the ‘system’ level, Smith’s well-known disparagement of *human* rationality makes perfect sense; the ‘feeble efforts of human reason’ fall well short of the ‘supreme wisdom’ of God (Smith 1979, p.803; Smith 1976, p.166; see also Smith 1976, pp. 225-6, 293). Humans must follow their well-designed passions and exercise their limited rationality in learning *not to interfere* in the operation of nature at the ‘system’ level; consequently, ‘their sole duty is to respond to immediate drives [instincts] and to desist from social engineering and large-scale planning’ (p.14). Collective goals are a matter for God; ‘The grandiose schemes of “Great Legislators” are cast in a blasphemous light, as heresies against an already perfect, divine order’ (p.15). Thus, Smith recovered and updated ‘[t]he resignation dimension of Stoicism’ (p.15).

⁹ The ‘unique relationship’ is that humans are the peak of creation and, in the operation of nature, priority is given to human well-being over that of other creatures. It does not mean that God has ‘a direct, personal relationship’ with humans (p.17).

¹⁰ This is one of the strongest pieces of evidence that Hill finds to support her Panglossian reading of Smith. The difficulty with her use of this quotation (and the same problem occurs elsewhere) is that it is used as if it is Smith’s view, whereas Smith is actually presenting his interpretation of the Stoic philosophy. His *own* view may differ.

Despite the archaic, Panglossian character of this interpretation, Hill concedes that Smith did, indeed, have some views which *appear* to be similar to modern notions of evolution and spontaneous order. She makes several points which oppose a modern evolutionary reading of Smith, two of which are worth noting here. First, Smith's is not an 'open-ended, evolutionary theory of progress'; it is a modernized version of the chain of being model 'predicated on the design principle' (p.18). Further, while social progress is 'slow and gradual ... what he [Smith] insists upon is that it is *evolution by design*' (p.17 emphasis added).¹¹

Second, for Smith, spontaneous generation and order are parts of the comprehensive 'divine blueprint' (p.9). The universe is portrayed as 'a vast equilibrium generated and upheld by divinely endowed natural laws'; 'spontaneous order rests on the "fact" that the world with all of its miraculous equilibria is the product of a ... loving creative demiurge' (pp. 14, 22; see Klay and Lunn 2003, pp.556-7). For Smith, spontaneous order is the visible embodiment of the 'invisible hand' doctrine: the latter is Smith's 'shorthand' for the former (p.14). The 'invisible hand'/spontaneous order idea is central to Smith's vision: he applied it 'to every aspect of his system of thought, including his moral and political theory, his historiography, his explanation for the generation of social institutions and his model of human motive forces' (p.13).

From spontaneous order let us move to spontaneous generation. Hill lists ten examples of 'natural laws of spontaneous generation,' and even this list is 'far from exhaustive' (p.14). I wish to refer to some of these:

selfishness and greed inadvertently produce universal abundance ...; the division of labour, which is responsible for so much human progress and material abundance, emerges as an incidental by-product of the instinct 'to truck barter and exchange'; specialization, in turn, leads to amazing and infinite technical developments ...; the 'gradual improvements of arts, manufactures, and commerce' destroyed the undesirable system of feudalism and the power of the medieval Church ...; the consumer's [*sic* producer's] natural preference for domestic over foreign goods [*sic* production], benefits her/his own country...; well-regulated government is the incidental effect of a peculiar aesthetic desire for 'love of art and contrivance' ...; wealth stimulates population growth. (p.14 citing Smith 1976, pp. 183-6; Smith 1978, p.527; Smith 1979, pp. 21-5, 98, 418-9; 422; 456, 566, 802-4; see Kleer 1995, pp.281-2)

¹¹ If Occam's Razor is applied to evolution, the need for God is removed.

The reader should keep these ‘laws’ in mind and refer back to them. The conclusion that Hill draws from them is that: ‘[t]he uncoordinated, self-regarding acts of individuals, ultimately form part of a wider beneficent pattern orchestrated by Providence’ (p.14; Klay and Lunn 2003, p.554). Whilst order may *appear* to be due to efficient causes (as stressed by Haakonssen (1981, pp. 55-9, 77-9), and other ‘secular’ commentators on Smith), they are ‘actually triggered by first and Final Causes’ (p. 15). ‘The explanatory primacy of secondary or “efficient” causes, is not, therefore, incompatible with a Providential view of motion’ (p.15).¹²

Elaborations on three points would help to fill out Hill’s account. First, did Smith’s theological views change significantly over time? Second, given the accusations of atheism against him by some commentators, was he perceived as orthodox during his lifetime? Third, why was he evasive about his theological beliefs? Could he have legitimately feared persecution for clearly stating his views? We will return to the first question subsequently.

Despite these gaps in her account, Hill makes her main points clearly. First, Smith is a Deist who writes works of natural theology. Second, this framework is indispensable for a sound interpretation of his works. Third, his ideas (including his views on evolution and spontaneous order) are not modern; rather they are located ‘in a transitional phase of the history of ideas’ (p.11).¹³ In the next three sections we focus on a small number of themes in Hill’s discussion, beginning with teleology.

4. TELEOLOGY AND THE ENDS OF NATURE

In Sections 4 and 5 of her article, Hill presents Smith’s views on teleology and the *telos*. What is teleology? What is the *telos*? What does Hill say about Smith’s views on these topics?

The teleological doctrine refers to final causes or purpose in nature and it has been alluded to above. For Hill, Smith ‘relies heavily on teleological arguments’; ‘Smith’s entire vision is underpinned by the design principle and by a belief in Final Causes’ (pp. 10,7; see pp. 4-5, 9). In doing so, Smith distanced himself from Hume. Hume fits more comfortably with modern thought, whereas Smith is located at a ‘transitional’ stage of the evolution of ideas. Although Smith was a close associate of Hume’s, contrary to any ‘type of “contagion” argument,’ he did not follow all of his doctrines (p. 3). This aspect of Hill’s presentation is obviously rejected by the mainstream interpretation of Smith today. A full discussion of Hill’s presentation of Smith’s differences with Hume is not relevant to my present purpose. A few points should suffice. According to Hill, Smith ‘uses pre-Humean and anti-Humean arguments in expounding his theology’ (p. 10). She stresses that Smith rejected Hume’s view of causation.

¹² At this point it is useful to refer to a parallel controversy in the usage of theological language. Minowitz refers to the absence of explicit references to God, and so on, in the *Wealth of Nations*, as *proof* of Smith’s atheism (1993, pp.139-64). Implicitly supporting Hill’s position, Waterman says that ‘the theology of the [*Wealth of Nations*] is entirely “natural theology”’ and that the absence of such words was not unusual in works of that type (2002, 918; see p.919).

¹³ She concedes that ‘there are ... many elements of a proper theory of evolution in Smith’ but he did not ‘link’ them together (p.19). Hence, ‘[h]is insistence on the immutability, distinctiveness and superiority of the [human] species places him much closer to traditional theological perspectives on the origin of the human species than ... early evolutionism’ (p.19 citing, amongst others, Smith 1979, pp.25-6).

In explaining Smith's theories of causation Hill says that the analogy to an acorn or a seed is apposite: 'Causes are not contiguous in space and time but may be better understood as seeds, gradually disclosing and unfolding their potential towards a (softly) determined goal' (p.11; see pp.10-1). God 'organized the human world via entelechy' (p.7). Contrary to Hume, the principles and purposes of nature are discoverable and such knowledge is useful for human beings (p.9).

Not only does Hill adopt the minority, 'new view' on teleology, she actually finds *two* types of teleology in Smith. First, she finds teleology immanent in the human constitution; instincts are nicely arranged to produce beneficial results without human intention. Hence, Smith 'believes that by acting through ... base instincts ... humans "co-operate with the deity" and serve to "advance" his "plan"' (p.10 quoting Smith 1976, p.166). Whilst instincts are the *efficient causes*, they are designed in order to achieve the various *final causes* (benevolent ends, which will be discussed shortly); there is an 'intimate and necessary ... relationship between efficient and Final Causes' in his system (p.11 citing Smith 1976, p.293). '[T]he seeds of spontaneous [divine] order' are found 'in human psychic or biogenetic conditions' (p.15). Second, as hinted at earlier, Hill also finds teleology operating in history: human beings, as 'the principal bearers of history ... [are] engaged in fulfilling the Creator's telic plans' (p.10; see pp. 10-3, 20-1). We will discuss this view of history further shortly but let us now turn to the logical consequence of a teleological view of nature: the *telos*, or end.

These days it is rare to see mention of the Aristotelian word *telos*, and it is more rarely used in relation to Smith (see Halteman 2003, pp. 453, 470-1; Alvey 2003). Nevertheless, Hill does use it in this connection and even in the heading to her fifth section. While the advocates of the 'new view' accept that a teleological view exists in Smith, until Hill wrote this article, few took the step of speaking about the *telos*.¹⁴

Early in the fifth section Hill says that 'The human constitution and the entire human environment is designed with a hedonistic goal in view: our happiness, prosperity, perpetuation and material comfort' (p.11; see also pp. 5-6). A little later, she adds that God desires 'our physical safety, security, prosperity and perpetuation' (p.16). Elsewhere, the following are also mentioned (implicitly or explicitly) as ends of nature: 'self-preservation' (p.16), 'survival' (p.11), 'perpetuation of our species' (p.11; see p.12), 'peace and order' (p.21), 'good "order of society"' (p.21), 'generalized order' (p.10), 'well-regulated government' (p.14), 'material abundance' (pp. 11, 14), 'happiness' (p. 11, 22), 'human happiness' (pp. 11, 14, 19-20), 'earthly "happiness"' (p.11), 'happiness and well-being' (p.6), 'prosperity' (p.20), 'prosperity and happiness for all' (p.16; see p.12), 'progressivism in human affairs' (p.10), 'human progress' (p.14; see pp. 15, 18, 20), '[m]oral conduct' (p.17; see pp. 14, 16-7), a 'distinctively human existence' (p.20), and even 'the good life' (p.19). Despite all of this, Hill explicitly refers to Smith's *telos* in only four places. First, she says:

¹⁴ Strangely enough, there has been interest in Smith's ideal society in the literature but those who have written on the topic have been on the fringe of the 'new view' (Werhane 1991, pp.155-75).

The *telos* of human activity is not, as might be expected, the attainment of moral perfection,¹⁵ a state of grace or some other desirable point of repose; Smith rejects these more orthodox understandings of the Creator's purpose by replacing them with the definition of *telos* in anthropocentric and utilitarian terms as material abundance and earthly 'happiness.' (p.11 citing Smith 1976, p.236)

Second, Hill says that: 'Another important (though related) *telos* for Smith (later picked up by F. A. Hayek ...) is population growth' (p.12; see p.14). Third, she says that 'all of Nature was created for the benefit of humanity and for its *telos* (happiness)' (p.13). Finally, Hill says that Smith insists 'on happiness as a *telos*' (p.19).

Obviously there is some ambiguity as to the exact enumeration of the ends of nature in Hill's presentation of Smith. A clarification here, listing and explaining the human ends would be useful. Nevertheless, for Hill, in Smith's account there is a *complex and elevated set of human ends* that are promoted by the teleological process in Nature; the simultaneous satisfaction of this set of ends, I assume, is what she means by 'human flourishing' (p.11).¹⁶ A modern, evolutionary reading of Smith, however, rules out such an account.¹⁷ In a Darwinian system no purposes or ends can be attributed to nature, *strictly speaking*; speaking rather loosely one may consider preservation and perpetuation as ends. Even though nature is 'blind,' it is governed by a rule: the *survival* of the fittest. Similarly, the philosopher Thomas Hobbes, who wrote a century before Smith, based his work on the axiom that humans are driven by the fear of death. Joseph Cropsey interprets Smith as a Hobbesian, where the only goal of nature is preservation (see Cropsey 2001). Both the Hobbesian and the evolutionary readings of Smith are implicitly rejected by Hill.

Despite the similarity of our views on this theme in Smith, I suggest that many questions arise in relation to Hill's account of the ends of human nature. There are at least three sets of issues relevant to the collection of ends as a whole.¹⁸ First, are the ends to be understood as applicable to the species, to individuals, or both?¹⁹ Second, given the multiplicity of ends, are they actually *mutually compatible*?²⁰ Third, how orthodox was this set of ends?²¹ In addition,

¹⁵ This point is discussed below in the Appendix.

¹⁶ I am in broad agreement with this account of Smith's ends and the notion of human flourishing implied by it, but some complexities will be raised shortly. Elsewhere (Alvey 2003), I suggested that, for Smith, there are five explicit ends (preservation, procreation, order, happiness and perfection) plus an implicit end (freedom); in addition, the whole set is given coherence by his view that the ultimate end is 'ease and tranquillity.'

¹⁷ Contrary to the evolutionary interpretation, Hill says that even *if* Smith had wanted to 'promulgate a theory of evolution, this would not explain why the order he describes delivers happiness and the good life as opposed to mere survival of the fittest' (p.19). Consistent with Kleer, she argues that Smith's adoption of happiness as a human end is 'strong evidence of his Providentialism' (p.19; see Kleer 1995, p.300).

¹⁸ In addition, one might raise questions about the allegedly 'hedonistic' nature of the ends.

¹⁹ For example, she indicates that both 'perpetuation of our species' and 'prosperity and happiness for all' are natural ends (pp. 11, 16). Denis suggests that Smith's final view seems to be that the ends apply to the species, not individuals (1999; see also Alvey 2003, pp. 261-2, 275-8). Finally, once the position is clarified, how orthodox was this view?

²⁰ At the level of generalities, Hill has portrayed Smith as a Panglossian; nature operates as a 'coherent system ... designed to generate and facilitate human flourishing' (p.11). When one turns to specific cases, and specific texts, however, one discovers Smith's concession that conflicts between ends occur (see Alvey 2003, pp.178-87). Given this, is there some hierarchy of ends which will determine outcomes in such cases? Hill's reference to 'God's 'hindermost goals,' is suggestive in this regard (p.21).

²¹ Hill says that Smith retains 'Providentialism and teleology,' but he 'attempts to "modernize" these

there are significant questions which arise with respect to particular ends of nature. For Hill, does Smith accept that perfection is an end of nature or not (cf. p.11 with p.15; see Appendix below)? Could this be a case of a non-functioning end of nature (p.2 citing Schneider)? Is true happiness a function of material possessions or not (cf. p.12 with Smith 1976, pp. 149-51)?

For Hill, Smith accepts a teleological view of the world. This teleology includes an extensive set of human ends. In addition, for Hill, ‘under a Providential regime there is good cause for unbounded optimism’ that these ends will be achieved over time (p.12). This takes us back to the teleological view of history which Hill finds in Smith.

5. THE ‘TELEOLOGICAL’ VIEW OF HISTORY

In Hill’s view, Smith has a teleological view of history, which combines the stadial theory of history with the view of continuing economic growth (see pp. 10-12, 17-20).²² While the two issues should be separated as much as possible (continuing economic growth is most associated with the final stage of history), it is impossible to do so completely. Let us discuss the stadial view first.

In Smith’s view there is a sequence of four stages of history (hunting, shepherding, farming and commerce), with each new stage an ‘advance’ on the previous one (Smith 1979, pp.689-95). In Hill’s view of Smith, ‘all societies had, or would move through a sequence of distinct stages of development.... [Smith] perceived *a distinct and universal pattern to this development*’ (p.18 emphasis added). This ‘Providential’ pattern also helped satisfy the ends of human nature; she contrasts ‘the forlorn poverty of the “savage” age with the “general security and happiness”’ in the commercial stage (pp. 18, 12 quoting Smith 1976, p.205). Now let us turn to the theory of economic growth.

Hill’s discussion of economic growth is analytically incomplete and should be supplemented by Kleer’s excellent ‘new view’ account (see Kleer 2000). In Kleer’s account of Smith there are at least four factors responsible for economic growth: the division of labour; capital accumulation; order and good government (two preconditions for capital accumulation); and discretion for capital owners to invest wherever they choose. Kleer discusses these in turn, tracing them back to human instincts. I will comment on the first three factors.

categories ... to mesh ... with emergent liberalism’s humanism, utilitarianism and political economy’ (p.11). Was Smith’s ‘modernization’ of these ideas consistent with the trends in mainstream theology?

²² Hill says that ‘the accumulation and consumption of material goods ... is the very engine of progress and which is partly responsible for the transition from one historical period to the next’ (p. 20). The fusion of economic growth with the stadial progression is evident in Smith’s account of the transition from the third to the fourth stage of history (and in this transition the obsession with acquiring, and conspicuously displaying, finely-crafted objects plays a critical role). While Smith’s account of the earlier transitions is brief and fuzzy, perhaps the cause of the transitions was population growth (Smith 1978, 14-5, 459). Finely-crafted objects seem to play a role only in the final transition.

Kleer traces back the origins of the division of labour, initially to the unique human ‘propensity to truck, barter, and exchange’ and, ultimately to the desire to persuade (Kleer 2000, pp.17-8 citing Smith 1979, p.27 and Smith 1978, pp. 352, 493-4). Capital accumulation is traced back to the ‘desire to better our condition,’ which, in turn, is traced back to two other propositions: that humans derive pleasure from ‘mutual sympathy’ (namely, ‘when they know that their own sentiments’ are ‘equal in intensity to the spectator’s sympathetic emotions’) and that they have greater capacity to sympathize with joy than with sorrow (Kleer 2000, pp.18-9 citing Smith 1976, pp. 13-6, 45 and Smith 1979, p.341). These factors are the foundation of the admiration of the rich. Further, the ‘enjoyable sentiments produced by owning or contemplating wealth derive mainly from a fascination with well-crafted devices’ (Kleer 2000, 19 citing Smith 1976, pp.179-83). Finally, we turn to ‘order and good government’ (Smith 1979, p.405). Here even Kleer is forced to include material relating to stadial progress through history. Both ‘order and good government, and their concomitants, the liberty and security of individuals,’ were lost after the Fall of Rome; feuding feudal lords came into control of much of Europe (Kleer 2000, p.19 citing Smith 1979, p.405). The weakening of the troublesome lords and the restoration of the control of centralized authority (‘good government’) came about indirectly, and without human design; the factors that Smith mentions include vanity and obsessive purchasing of ‘well-crafted devices’ on the part of the lords, and acquisitiveness on the part of the traders.

If one reconstructs Hill’s reconstruction of Smith, one finds many of the elements outlined by Kleer (see pp. 14, 18, 20 and the laws of spontaneous generation above). For both Kleer and Hill, continuing economic growth is part of Smith’s model. In Hill’s view, Smith accepts that ‘Human development is an *infinite upward spiral* with its broad outlines planned stadially’ (p.11 emphasis added).²³ What is essential to note is that continuing economic growth is linked by Hill to the satisfaction of divine purposes: happiness and population growth. First, she states that, ‘for Smith, happiness is a function of material prosperity’; hence, as the ‘divine order’ produces continuing economic growth, it ‘*infallibly delivers prosperity and happiness for all*’ (p.12 citing Smith 1979, p.96; p.16 emphasis added). Second, ‘population increases as a spontaneous by-product of material prosperity’ (p.12 citing Smith 1978, p.159 and Smith 1979, pp. 97, 99, 180).

While a Providential, or ‘optimistic,’ account of both Smith’s stadial and economic growth theories can be reconstructed from his work, elsewhere I have shown that this *coexists* with a ‘pessimistic’ account of both (Alvey 2003, pp. 79-115, 215-27). A full restatement of the ‘pessimistic’ account cannot be given here; a few points will suffice. Concerning the stadial theory, Smith indicates that a number of climatic and terrain factors prohibit many societies from reaching the commercial stage (Smith 1978, pp. 213, 220-3, 408-9; Smith 1979, pp.31-6). Concerning continuing economic growth, the stationary state, to which Smith refers, stands as a fundamental flaw in the Kleer/Hill interpretation (Smith 1979, 99, 111-3). As land scarcity emerges, wages and profits are driven down; in the stationary state, prosperity is lost,

²³ Further, ‘[e]conomic activity is ... a scene of *infinite mutual enablement*. Smith’s picture of market society is implicitly normative, characterized ...by desired and desirable goals: *more and more material gain and more and more commodious innovations*’ (p.12 emphasis added). Later, she adds that the division of labour ‘leads to amazing and infinite technical developments’ (p.14). As Hill believes that Smith accepts the possibility of infinite progress due to technical innovations, she does not take the stationary state seriously. Smith is actually pessimistic on the possibility of productivity advances in agriculture (see Smith 1979, p.16).

the working population find life ‘hard’ and ‘dull,’ and the population is fixed (Smith 1979, pp. 99, 111). At this stage the divine order’s allegedly ‘infallible delivery’ of the ends of nature breaks down. Hill seems unaware of this ‘pessimistic’ side of Smith’s historical writings.

In short, Hill’s teleological view of history is too optimistic. The next section turns to Hill’s penultimate section (Section 10), which addresses what appear to be ‘defects’ in nature.

6. DEFECTS

As indicated in her abstract and conclusion, Hill regards as critical her discussion of what *appear* to be ‘defects’ in nature (pp. 19, 22, 29).²⁴ According to her interpretation, for Smith, even the apparent ‘defects’ in human nature show a providential design (pp.19-21; see also pp. 15, 16, 18). Hill’s discussion here is useful but I contend that there are actually three types of ‘defects’ and she has addressed only the first: ‘apparent’ flaws which purportedly serve some end of nature. Second, there are flaws which Smith identifies and he is unconvinced that ‘nature’ can produce beneficial effects in the absence of *deliberate* human intervention. Third, there are flaws that Smith does not see or deliberately hides. Let us discuss these in turn.

In Hill’s section on ‘apparent’ defects in nature, she discusses two examples. The first example focuses on the intellectual and moral defects inherent in ‘human progress,’ meaning both progress through the stages of history and continuing economic growth (p.20; see also p.21). As we saw also in Kleer’s presentation of economic growth, Hill grounds the pursuit of wealth and social distinction in ‘aesthetics, conspicuous consumption and vainglory’ (p.20). The pursuit of finely-crafted objects, or ‘trinkets,’ for thoughtful people is ‘contemptible’; nevertheless, this ‘deliberate “deception” engineered by God ... is the most important source of human progress’ (p.20 quoting Smith 1976, pp.181-3). Progress, essentially continuing economic growth here, is due to various natural propensities, some of which Hill calls ‘defects.’ The second example builds on the first and considers how these defects, and our unmerited admiration for the rich and powerful, establish class stability, ‘upon which depends the good “order of society”’ (p.21 quoting Smith 1976, p.226). It is not human calculation but our allegedly genuine sympathy with the rich and powerful that underpins social stratification.²⁵ She concludes, firstly, that Smith’s claim that ‘defects’ were ‘deliberately and purposefully endued’ is ‘strong counter-evidence’ against an evolutionary reading and, secondly, that ‘all of Nature’s works, including apparent defects, are accommodated within a vast, purposeful, beneficent perfection’ (p.21). Whilst I agree that Smith presents certain ‘defects’ as socially useful, I dispute Hill’s Panglossian conclusion.

²⁴ Some adherents to the ‘new view,’ such as Kleer, have drawn attention to similar aspects in Smith’s work but most have yet to do so (1995, pp.288-9; see also Alvey 2003, pp.180-5).

²⁵ Kleer gives a better presentation than Hill on this theme (1995, 284-6). Nevertheless, neither presentation addresses the problem that Smith actually seeks to undermine class stability in a number of ways (Alvey 2003, pp.231-2; see also Fitzgibbons 1995, pp.160-3).

Now let us turn to what I call the second set of ‘defects.’ Hill does not discuss these in the section on ‘defects’; nevertheless, she does so twice (elsewhere, and briefly). In one case she commented on the well-known deleterious effects of the division of labour (p.18). She notes that, for Smith, ‘on balance,’ the negative consequences of specialization are ‘far ... outweighed by the benefits’ (p.18). For Hill, Smith saw the world as ‘neatly and propitiously ordered’ and if ‘negative ... side effects of that order’ existed, these were ‘generally correctable’ (p.18). Hence, Smith does not suggest a limitation on specialization or a dramatic change of the ‘existing social and political arrangements’; his solution is merely the addition of ‘a state funded education programme’ to the responsibilities of the government (p.18 citing Smith 1979, pp.781-8). Even if Hill’s view of the ‘correctability’ of the negative consequences of specialization is valid, one must ask some tough questions. Is the ‘correction’ of nature automatic? Is ‘feeble’ human reasoning the effective agent which ‘corrects,’ or even overcomes, nature so that a socially-beneficial outcome is achieved? If securing the ends of human nature depends on *human reasoning and design*, Hill’s central argument (which rests on the role of instincts) is damaged.

Hill’s second discussion on this theme is also instructive. The context is a presentation of Smith’s neo-Stoic resignation: humans must restrict themselves to their own limited realm. Hill elaborates that this did not ‘lead Smith to a strictly non-interventionist view of the state,’ citing his three well-known functions of government (p.25 n.24 citing Smith 1979, pp.689-947). She adds that ‘Smith’s further acknowledgement that government intervention was sometimes necessary for the correction of market behaviour errors (usury laws, monopolies) also *presents a problem for his theodicy which is difficult to reconcile*’ (p.25 n.24 emphasis added). As the actual list of interventions that Smith proposed is considerable (see Viner 1927), this statement seems to me to raise serious problems relating both to the ‘coherence’ of the natural order and to the role of human reasoning within the teleological system.²⁶ By advocating the adoption of particular public policies, Smith means to suggest that nature does *not* provide the solutions: in Griswold’s words, ‘nature must be helped’ (1999, pp.328-9). Indeed, contrary to Hill, Smith heaps considerable praise on the legislator and the great statesman (Smith 1976, p.216). This greatly complicates Hill’s presentation, even if teleology cannot be removed without harming Smith’s argument.

Excluding these two discussions, Hill’s Panglossian reading leads to the conclusion that Smith was a genuine supporter of *laissez-faire* (see also p.12). By contrast, secular commentators in recent times have done a good job in recovering a role for politics (and the legislator) within Smith’s system (see Winch 1978; Haakonssen 1981). While human control over events is limited, Hill seems to overstate Smith’s ‘resignation’ to fate; the purportedly clear distinction between the two tiers, in Smith’s ‘two-tiered model’ of society, turns out actually to be fuzzy.²⁷

²⁶ Human reason may be incorporated into a teleological interpretation. Hill, however, has emphasized the role of the passions rather than the capacity of human reason (see pp. 12, 14-5, 20-1 and Kleer 1995; Kleer 2000).

²⁷ Alternatively, her interpretation in this area is fundamentally flawed.

Next, let us turn to what I have called the third set of ‘defects’: those flaws that Smith does not see or deliberately hides. This category of flaws is not discussed by Hill at all. Consider again the inevitable emergence of the stationary state. If *material prosperity, happiness and population growth* are ends of nature, as Hill suggests, Nature utterly fails at the end of history. The purportedly Providential path of history collapses.

Before concluding this section, another issue should be raised in the light of Hill’s Panglossian interpretation of Smith. Hill finds no inconsistency between Smith’s books (p.4) and implies that his writings are consistent over time. Unlike Hill, three other ‘new view’ commentators have suggested that a ‘pessimistic’ side of Smith exists and have implicitly rejected Hill’s Panglossian interpretation. Evensky (1989) and Tanaka (2003, pp.144-7) have suggested that Smith became progressively more *pessimistic* over his lifetime and hence lost faith in the operation of divine design. It was for this reason, according to them, that Smith allocated a more active role to the legislator. By contrast, Fitzgibbons (1995) has suggested that Smith became progressively more *optimistic* over his lifetime. Even with his increasingly optimistic disposition, according to Fitzgibbons, Smith still sees a significant role for statesmanship. These three commentators have seen the problem of Smith’s pessimistic views and proposed that an explanation for them may reside in the changing nature of Smith’s views over his lifetime. The inconsistency between these authors suggests that making Smith’s writings consistent is difficult. Nevertheless, it seems to me that they have made progress over Hill who maintains that Smith is a *consistent* Panglossian (see also Denis 1999).

I accept Hill’s claim that Smith presents certain flaws as though they are actually useful in the divine plan. What is in question, however, is Hill’s claim that Smith follows Marcus Aurelius’s view that ‘[w]hatever happens, happens rightly’ (quoted in Hill p.7; see also p.12). What I have called the second and third sets of flaws undermine this optimistic reading of Smith. An enlarged role for human reasoning emerges to ‘correct’ nature in some cases. In other cases, there are major flaws in nature which have no human solution (and no divine solution either, if divine interventions are excluded). Thus, the Panglossian interpretation of Smith is invalid.

6. CONCLUSION

Hill’s article is a contribution to the ‘new theistic view’ of Smith which is seeking to replace the secular, mainstream view of Smith. Hill rehabilitates the importance and divine status of Smith’s ‘invisible hand’ doctrine. Smith’s ‘Providential invisible hand is ...the centrepiece’ and ‘the unifying principle ... of his entire *oeuvre*’ (p.2; see also p.13). Advocates of neoclassical economics and Austrian theories of spontaneous order fail to understand that the ‘providential’ outcomes that Smith describes must be understood with a capital P.

The advocates of the ‘new view,’ including Hill, are involved in a battle on two levels. On the surface, they are engaged in a hermeneutic battle over the correct reading of Smith’s views on theology. At a deeper level, the battle is over Smith’s status as a founder of modern liberalism. The issues of teleology, divine design, and the like, have an archaic air about them but they are integral to the political battle for Smith’s soul and status.

Hill's article is a thoughtful, well-argued, well-written, synthetic, and in areas innovative, contribution both to the 'new view' of Smith and to Smith scholarship generally. Whilst broadly sympathetic to the 'new view,' and Hill's version of it, I believe that some issues need further consideration. Some concerns that I have merely require clarification or amplification. Others, such as Hill's list of the ends of human nature, are matters of disagreement concerning interpretation. The overarching source of my disagreement is to be found in what I consider to be her overly 'optimistic' interpretation. This difference in interpretation manifests itself particularly in our divergent presentations of Smith's view of history and the characterization of the 'defects' in nature. Where Hill finds Smith to be a thoroughly 'optimistic' theorist, I have presented him as a theorist who uneasily (and at times inconsistently) combines 'optimism' with 'pessimism.'

APPENDIX

7. HUMAN PERFECTION AS AN END OF HUMAN NATURE

We saw above that Hill denies in Smith's work that '[t]he *telos* of human activity' is 'the attainment of moral perfection, a state of grace or some other desirable point of repose' (p.11 citing Smith 1976, p.236). Elsewhere, Hill actually quotes Smith to the effect that perfection *is* an end of nature (p.15 quoting Smith 1976, p.166). There is therefore some difficulty with her interpretation of Smith's texts but she does not spell out how these views can be reconciled. In this appendix I wish to explore this issue further. First, I consider the textual matter of what Smith says about the ends of nature. Second, I explore the definition of perfection. Third, I turn to the actualization of perfection.

In my account of Smith, perfection is an end of nature. One of the pieces of evidence is Hill's own quotation. Here Smith says that by acting in accordance with our moral faculties we promote:

the happiness of mankind, and may therefore be said, in some sense, to co-operate with the Deity, and to advance as far as in our power the plan of providence. By acting otherwise, on the contrary, we seem to obstruct, in some measure, the scheme which the Author of nature has established for the happiness and *perfection of the world*, and to declare ourselves, if I may say so, in some measure the enemies of God. (Smith 1976, p.166 emphasis added; see Hill p.15).

Soon afterwards, Smith adds that the rules followed by nature and those followed by humans may differ but 'both are calculated to promote *the same great end*, the order of the world, and the *perfection* and happiness of human nature' (Smith 1976, p.168 emphasis added). So I think that there is indeed strong evidence that Smith considers perfection to be an end of nature.

Second, I turn to the problem of the definition of perfection. Hill rejects the view that 'perfection' is a goal in Smith's teleology (p.11). Nevertheless, she suggests that 'human beings ... are engaged in fulfilling the Creator's telic plans for generalized order and progressivism in human affairs' (p.10). She acknowledges that nature works as a coherent system to produce 'human flourishing,' a notion which suggests mental and moral elevation in addition to happiness and the lower ends (p.11). In the penultimate section she refers to economic growth and the movement through the four stages of history; in this discussion she refers to Smith's view that a '[p]rovidential slight of hand' leads us to desire 'fundamentally useless consumer goods,' and this produces 'progress,' 'human progress' and progress of society (p.20). Further, Smith is said to have tried to combine this notion of progress with a chain of being framework: 'The species are arranged hierarchically with humanity at its zenith' (p.13). Unlike other interpreters, who claim that Smith adopts a sort of proto-Darwinian view, Hill says that Smith's is quite different:

Smith's approach varies from earlier conceptions creationist and chain of being models in the sense that he conceives of creation not as a single or simultaneous event but as a continuous, asymptotic process driven by the unremitting desire in humans for improvement. (pp.17-8citing Whitney 1934,p.151;Smith 1979,pp.341-3;Smith 1976, p.50)

Although Smith's view is 'evolutionistic ... in the narrow "gradualist" sense that practices and institutions develop slowly,' it is not Darwinian evolution (p.18). Smith's theory of progress 'locates itself in the "chain of being" tradition (albeit with a modernist progressive twist)' (p.18). In Hill's view, for Smith, 'human adaptivity is achieved via entelechy and is a function of the ... perfectly designed system' (p.18). Something like the story of the progressive economic and institutional improvement throughout history is evident in the gradual, progressive, improvement of the human species itself ('Human development is an infinite upward spiral'); on the other hand, this progressive improvement is not Darwinian, rather it is conceived as the 'disclosure of the divine blueprint through time' (pp. 11,15). Some clarification of Hill's position on this notion of human 'improvement,' as distinguished from perfection, is required. Hill's optimistic notion of progressive improvement of the human species which she finds in Smith may well be what I have in mind when I say that Smith accepts perfection as an end of nature; in my view, perfection refers to the gradual widening and deepening of the virtues throughout the human species, over time. Our divergence here may be partly terminological.

Third, I turn to the realization of the end of perfection. Here I think that Smith is pessimistic. Hill quotes Louis Schneider to the effect that Smith's theology and pieties are "not 'actively operative'" (p.2 quoting Schneider 1967). This interpretation may warrant further consideration as it seems to be implied also by Richard Kleer. Let me sketch out my understanding of Kleer before returning to Hill.

In his recent article on the teleological underpinnings of Smith's *Wealth of Nations*, Kleer (2000) referred to Viner's early work which cast doubt on the role of teleology in Smith (Viner at this time used as evidence the various imperfections in the natural order). Kleer in turn provided two possible 'replies' to the early Viner's concerns: all apparent imperfections turn out to serve some benevolent purpose; and the author of nature only strives to achieve his 'main ends' (2000, p.25). He does not spell out what he means by the 'main ends' here but elsewhere he says that they are preservation, procreation and happiness (1992, p.55).²⁸ On the other hand, 'moral perfection and maintenance of societal relations' serve only as 'subsidiary ends' (1992, p.55; see pp.51-62, 204-5). In short, for Kleer, if the main ends of nature conflict with other ends, perhaps the others can be called non-functioning ends.²⁹ Naturally, this raises the question: Is there any point calling the 'subsidiary ends' genuine ends at all? In any event, this is one way in which Smith's statements suggesting that 'perfection' is an end of nature can be reconciled with his various other statements suggesting that perfection is unlikely to be realized. The relevance of this for Hill is that she herself refers at one point to God's 'hindermost goals' (p.21). It may well be that Kleer's formulation (or at least my presentation of his view) is a way

²⁸ All of the ends are understood by Kleer (1992, p.52 and note) as applying to the species, not to individuals.

²⁹ In personal correspondence with the author (9 August 2004), Kleer objects to this interpretation. The higher ends are not 'non-functioning' but they do take very long periods of time to be realized.

of reconciling her view with the textual evidence for Smith's adoption of perfection as an end of nature.

Hence, I am in partial agreement with Hill on the achievement of perfection. The realization of human perfect is not presented by Smith as easy or even likely; when conflicts with other ends occur, perfection may have to be sacrificed (see Alvey 2003, pp. 1, 178-87; see also Smith 1976, p.168). Hence, Smith's ends of Nature are broader and more likely to conflict in my interpretation than in Hill's. Alternatively, much of what I call 'perfection' in Smith may be captured in Hill's view of man as a progressive being (see pp. 10, 20).

REFERENCES

- Alvey, J.E. 2003. *Adam Smith: Optimist or Pessimist?* Aldershot: Ashgate.
- Cropsey, J. 2001 [1957]. *Polity and Economy*, 2nd. edn. With further thoughts on the principles of Adam Smith. South Bend: St. Augustine's Press.
- Denis, A. 1999. 'Was Adam Smith an Individualist?' *History of the Human Sciences* 12(3):71-86.
- Evensky, J. 1989. 'The Evolution of Adam Smith's Views on Political Economy.' *History of Political Economy* 21:123-45.
- Fitzgibbons, A. 1995. *Adam Smith's System of Liberty, Wealth, and Virtue*. Oxford: Clarendon Press.
- Griswold, C. L. 1999. *Adam Smith and the Virtues of the Enlightenment*. Cambridge: Cambridge University Press.
- Haakonssen, K. 1981. *The Science of a Legislator*. Cambridge: Cambridge University Press.
- Haakonssen, K. 1996. *Natural Law and Moral Philosophy*. Cambridge: Cambridge University Press.
- Halteman, J. 2003. 'Is Adam Smith's Moral Philosophy an Adequate Foundation for a Market Economy?' *Journal of Markets and Morality* 6(2):453-78.
- Hill, L. 2001. 'The Hidden Theology of Adam Smith.' *European Journal of the History of Economic Thought* 8(1):1-29.
- Hurlbutt, R. H. 1985 [1963]. *Hume, Newton, and the Design Argument*. Rev. ed. Lincoln: University of Nebraska Press.
- Klay, R. and Lunn, J. 2003. 'The Relationship of God's Providence to Market Economics and Economic Theory.' *Journal of Markets and Morality* 6(2):541-64.
- Kleer, R. A. 1992. 'The 'Author of Nature': Adam Smith and Teleology.' Unpublished Ph.D. dissertation, University of Toronto.
- Kleer, R. A. 1995. 'Final Causes in Adam Smith's *Theory of Moral Sentiments*.' *Journal of the History of Philosophy* 33(2):275-300.
- Kleer, R. A. 2000. 'The Role of Teleology in Adam Smith's *Wealth of Nations*.' *History of Economics Review* 31:14-29.

- Minowitz, P. 1993. *Profits, Priests, and Princes*. Stanford: Stanford University Press.
- Oslington, P., ed. 2003. *Economics and Religion*. 2 vols. Cheltenham: Edward Elgar.
- Rashid, S. 1998. *The Myth of Adam Smith*. Cheltenham: Edward Elgar.
- Smith, A. 1976 [1759]. *The Theory of Moral Sentiments*, eds D.D. Raphael and A.L. Macfie. Oxford: Oxford University Press.
- Smith, A. 1978. *Lectures on Jurisprudence*, eds R.L. Meek, D.D. Raphael and P.G. Stein. Oxford: Oxford University Press.
- Smith, A. 1979 [1776]. *An Inquiry into the Nature and Causes of the Wealth of Nations*, eds R.H. Campbell and A.S. Skinner. 2 vols. This ed. first published in 1976. Oxford: Oxford University Press.
- Smith, A. 1980 [1795]. *Essays on Philosophical Subjects*, eds W.P.D. Wightman and J.C. Bryce. Oxford: Oxford University Press.
- Stewart, M.A. 2003. 'Religion and Rational Theology.' In *The Cambridge Companion to the Scottish Enlightenment*, ed. A. Broadie. Cambridge: Cambridge University Press.
- Tanaka, S. 2003. 'The Main Themes and Structure of Moral Philosophy and the Formation of Political Economy in Adam Smith.' In *The Rise of Political Economy in the Scottish Enlightenment*, eds. T. Sakamoto and H. Tanaka. London: Routledge.
- Viner, J. 1927. 'Adam Smith and Laissez-Faire.' *Journal of Political Economy* 35(2):198-232.
- Viner, J. 1972. *The Role of Providence in the Social Order*. Philadelphia: American Philosophical Society.
- Waterman, A.M.C. 2002. 'Economics as Theology: Adam Smith's *Wealth of Nations*.' *Southern Economic Journal* 68:907-21.
- Werhane, P.H. 1991. *Adam Smith and His Legacy for Modern Capitalism*. New York: Oxford University Press.
- Whitney, Lois. 1934. *Primitivism and the Idea of Progress*. Baltimore: The Johns Hopkins Press.
- Winch, D. 1978. *Adam Smith's Politics*. Cambridge: Cambridge University Press.

LIST OF RECENT DISCUSSION PAPERS

- 03.01 J. E. Alvey, *Adam Smith's optimistic teleological view of history*, February 2003.
- 03.02 J. E. Alvey, *Adam Smith's view of history: Consistent or paradoxical?*, March 2003.
- 03.03 H.-J. Engelbrecht and A. Mahon, *Maori and the information workforce, 1991-2001*, April 2003.
- 03.04 J. J. Su, *A note on spurious regression in panels with cross-section dependence*, June 2003.
- 03.05 J. E. Alvey, *Adam Smith's pessimistic view of the future of commercial society: rhetoric or reality?* September 2003.
- 03.06 J. E. Alvey, *Adam Smith's globalization (but anti-secularization) theory*, September 2003.
- 03.07 J. Obben and A. E. Nugroho, *Determinants of the funding volatility of Indonesian banks: A dynamic model*, December 2003.
- 04.01 J. E. Alvey, *Context and its relevance for Adam Smith's theological and teleological views, the foundation of his system of thought*, January 2004.
- 04.02 J. E. Alvey, *The theological foundation of Adam Smith's work*, January 2004.
- 04.03 J. E. Alvey, *The "New, Optimistic, Theistic View" of Adam Smith and the problem of Smith's "pessimistic" views of history*, March 2004.
- 04.04 N. A. Campbell, *Tariffs, Quotas and the Corrupt Purchasing of Inappropriate Technology*, May 2004.
- 04.05 H.-J. Engelbrecht and V. Xayavong, *Information and Communication Technology and New Zealand's Productivity Malaise: An Industry-Level Study*, June 2004.
- 04.06 J. E. Alvey, *The Role of Teleology in Adam Smith's Wealth of Nations: A Belated Reply to Kleer*, July 2004.
- 04.07 R. Gounder, *Stochastic Frontier Analysis of New Zealand's Manufacturing Industries: Some Empirical Results*, July 2004.
- 04.08 J. E. Alvey, *A Critical Review of Lisa Hill's View of Adam Smith's 'Hidden Theology'*, September 2004.