Social Philosophy and Policy (2025), **42**: 2, 237–249
doi:10.1017/S0265052525100460

SP&P Social Philosophy & Policy

RESEARCH ARTICLE

Adam Smith the Dissenter

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Abstract

Adam Smith was against mercantilism and against monopolies in a time when mercantilism and monopolies prevailed. He was against slavery in a time when slavery was the norm. He was against the British Empire in a time when the empire he was a subject of was at its peak. He was against colonialism in a time when colonialism was the backbone of power. He was against taxation without representation in a time when democracy did not exist. He was against the established Church in a time when the Church had the power of life and death over people. He was against endowed universities in a time when education and its prestige were in their hands. When taken all together, one appreciates the extent to which Smith was a dissenter.

Keywords: Adam Smith; dissent; mercantilism; slavery; empire; taxation without representation; university; church

Adam Smith the dissenter

Vernon Smith and I once had a discussion over dinner about Adam Smith's standing as an intellectual of his time. Vernon claimed that Adam Smith was a dissenter. We agreed on several positions in which Adam Smith was indeed swimming against the current of his time. With Vernon's blessing, here I elaborate some of the positions on which Adam Smith went against the tide in *An Inquiry into the Nature and Causes of the Wealth of Nations*[1] to show he was a dissenter. None of these analyses is new if taken in isolation. But when these dissenting views are brought together, they highlight the extent to which the *Wealth of Nations* was in opposition to the then-current establishment, even if packaged in what may prima facie appear nondissenting tones. Similarly, other contemporaries of Smith criticized individual issues, but it is difficult to think of another book where dissent was so systematic and comprehensive.

[1] Adam Smith, *An Inquiry into the Nature and Causes of the Wealth of Nations*, ed. R. H. Campbell and A. S. Skinner (1776; repr., Liberty Classics, 1981).

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https://doi.org/10.1017/S0265052525100460 Published online by Cambridge University Press

In 1776, the year of the first publication of the *Wealth of Nations*, Britain was the most powerful empire in the world. It was a hereditary monarchy, whose power was believed to be based in large part on its colonial possessions, monopolistic trade, and enslaved labor. Its colonies extended from the East Indies to the West Indies, from North America to Ireland. Its cultural primacy was believed to be based on its political and economic primacy as well as its long-established universities.

Then, from "Northern Britain," from a land of "naked unarmed Highlanders,"[2] arrives a non-aristocratic man, raised by a single mother and educated in both a parish school and non-endowed university, who refused to join the Church despite having studied to become a minister. In what would become his most famous book, he criticizes the three pillars of British society—the mercantile system, the university, and the Church[3]—and condemns slavery, colonialism, taxation without representation, and the British Empire itself.

That Smith held these critical views about the institutions of his time is not new. I myself have written on them as separate individual topics. My point here is that the whole is more than the sum of its parts. When we bring all these dissenting views together, Smith emerges as a powerful dissenter in ways that, so far as I am aware of, have not been appreciated until now. There is no aspect of the establishment of British society that Smith does not attack.

I am not in a position to try to explain why, despite his views, Smith was not *perceived* as a dissenter. It is true that his first biographer, Dugald Stewart, wrote an "Account" of Smith for the Royal Society of Edinburgh in 1793, which was then often republished as an introduction to the *Wealth of Nations.*[4] Stewart most likely wanted to distance himself and Smith from the French Revolution, emphasizing the natural harmony of society rather than revolutionary ideas. Even then, though, there were readers who denied the presence of the idea of natural harmony in Smith's work,[5] but without presenting Smith as a dissenter.

This is striking because Smith's closest intellectual friend, David Hume, made enemies with some of his dissenting positions, especially with regard to religion.[6] Despite his intellectual achievements, Hume was not even able to secure a university position. And yet Smith, who seems to condemn everything, seemingly did not make enemies and did not suffer for it. On the contrary, he was loved and respected by most of his contemporaries.[7] Maybe the ten-year gap in age between Hume and Smith made a difference. However, it was in 1793, only

[2] Adam Smith, *The Correspondence of Adam Smith*, ed. Ernest Campbell Mossner and Ian Simpson Ross (Liberty Classics, 1987). See also, Adam Smith, *Lectures on Jurisprudence*, ed. R. L. Meek, D. D. Raphael, and P. G. Stein (Liberty Fund, 1978), LJB, 331.

[3] Smith, *Correspondence*, ed. Mossner and Ross, Letter from Hugh Blair, April 3, 1776, 181, and Letter from Adam Ferguson, April 18, 1776, 193.

[4] Dugald Stewart, "Account of the Life and Writings of Adam Smith," in *On the Wealth of Nations: Contemporary Responses to Adam Smith*, ed. Ian Ross (Thoemmes Press, 1998).

[5] James Maitland, Lord Lauderdale, "An Inquiry into the Nature and Origin of Public Wealth," in *On the Wealth of Nations*, ed. Ross.

[6] Dennis C. Rasmussen, *The Infidel and the Professor: David Hume, Adam Smith, and the Friendship That Shaped Modern Thought* (Princeton University Press, 2017).

[7] Ian Simpson Ross, *The Life of Adam Smith* (Oxford University Press, 1995).

https://doi.org/10.1017/S0265052525100460 Published online by Cambridge University Press

https://doi.org/10.1017/S0265052525100460 Published online by Cambridge University Press

three years after Smith's death, that the Scottish sedition trials began. As Emma Rothschild reminds us,[8] Thomas Muir, a lawyer accused of the crime of "exciting dissatisfaction to government" was condemned to fourteen years of "transportation" (that is, of being relocated to a penal colony). Maybe Smith's moderation in life made a difference. Yet, he did receive "abuses," just not for what one would have expected. Despite his "very violent attack [he has] made upon the whole commercial system of Great Britain,"[9] Smith was seen as charming and attracted several people to his intellectual and social circles.[10] He himself seems to have been surprised by the lack of "abuse" the *Wealth of Nations* brought upon him, especially in comparison to his published description of the peaceful death of his friend Hume.[11]

Against mercantilism and monopolies

Let us start with Smith's own characterization of his *Wealth of Nations*, which he tells us in a letter is a "very violent attack against the whole commercial system of Great Britain." While this has been a focus of my recent research,[12] I think it is only by unpacking this claim that one can appreciate how violent that "very violent attack" was.

Smith explains his dissent against the view that mercantilism is beneficial to society in the following way:

> Consumption is the sole end and purpose of all production; and the interest of the producer ought to be attended to, only so far as it may be necessary for promoting that of the consumer … . But in the mercantile system, the interest of the consumer is almost constantly sacrificed to that of the producer; and it seems to consider production, and not consumption, as the ultimate end and object of all industry and commerce. (WN IV.viii.49)

So, the mercantile system supports the interest of producers at the expense of consumers. For Smith, that is a problem because consumption is what justifies production and not vice versa. But why is the interest of the consumer sacrificed? And how?

Early in the *Wealth of Nations*, Smith introduces us to the butcher, the brewer, and the baker. We do not appeal to their benevolence, but to their own interest,

[8] Emma Rothschild, "Adam Smith and Conservative Economics," *The Economic History Review* 45, no. 1 (1992): 74–96.

[9] Smith, *Correspondence*, ed. Mossner and Ross, Letter to Andreas Holt, October 26, 1780, 251.

[10] Nicholas T. Phillipson, *Adam Smith: An Enlightened Life* (Yale University Press, 2010).

[11] Dennis C. Rasmussen, *Adam Smith and the Death of David Hume: The Letter to Strahan and Related Texts* (Lexington Books, 2018).

[12] Maria Pia Paganelli, "Adam Smith and the Morality of Political Economy: A Public Choice Reading," in *Interpreting Adam Smith: Critical Essays*, ed. Paul Sagar (Cambridge University Press, 2023), 111–23. See also Paul Sagar, "Adam Smith and the Conspiracy of the Merchants," *Global Intellectual History* 6, no. 4 (2021): 463–83.

to receive our dinner (WN I.ii.2). They treat us with respect[13] and we eat our dinner without much trouble. Here, there seems to be little tension between consumers and producers.

However, most people did not believe that the opulence of Great Britain comes from the butcher, the brewer, and the baker selling us dinner. They thought Great Britain was great because of the activities of its great merchants and manufacturers. While Smith tells us that we may not appeal to the benevolence of the butcher, the brewer, and the baker, Smith does attribute "rapacity" to the actions of big merchants and manufacturers (WN IV.iii.c.9).

Here is where the problem lies. The problem that Smith sees is that "[t]he interest of the dealers, however, in any particular branch of trade or manufacturers, is *always in some respect different from, and even opposite to, that of the publick*" (WN I.xi.p.10, emphasis added). This is because merchants and dealers want to expand the market, which would actually be beneficial for society, because a larger market allows for more division of labor and thus for increasing productivity. From the opening of the *Wealth of Nations* we are told that division of labor is the source of opulence and is limited by the extent of the market. Larger markets thus imply increased opulence through the increase in productivity brought about from increased division of labor. But merchants and manufacturers also want to restrict competition in the market. Restricting competition implies lower production, higher prices, and thus higher profits for them at the expense of everyone else in society. The most effective way to restrict competition is to have a government-backed monopoly.

Big merchants and manufacturers, for Smith, are therefore hypocrites. They buy where buying is cheap, but they want others to buy from them at their higher prices. Many fall for their sophistry and accept the incorrect idea that what is good for them is good for all, even if the opposite is true:

> That it was the spirit of monopoly which originally both invented and propagated this doctrine, cannot be doubted; and they who first taught it were by no means such fools as they who believed it. In every country it always is and must be the interest of the great body of the people to buy whatever they want of those who sell it cheapest. The proposition is so very manifest, that it seems ridiculous to take any pains to prove it; nor could it ever have been called in question, had not the interested sophistry of merchants and manufacturers confounded the common sense of mankind. *Their interest is, in this respect, directly opposite to that of the great body of the people.* (WN IV.iii.c.10, emphasis added)

Mercantilists, with their monopolies, are not promoting the well-being of society, but only their own at the expense of society. But how is it possible that "the clamour and sophistry of merchants and manufacturers easily persuade them that the private interest of a part, and of a subordinate part of the society, is the general interest of the whole" (WN I.x.c.25)?

[13] Maria Pia Paganelli, "Smith at 300: The Dignity of Trade," *Journal of the History of Economic Thought* 45, no. 2 (2023): 193–94.

https://doi.org/10.1017/S0265052525100460 Published online by Cambridge University Press

For Smith, the majority of people have an intuitive sense that trade makes a country better off, but they do not understand the actual process through which this improvement takes place. Merchants play on this ignorance:

> [M]erchants [address themselves] to parliaments, and to the councils of princes, to nobles and to country gentlemen, [as] those who were supposed to understand trade, to those who were conscious to themselves that they knew nothing about the matter. That foreign trade enriched the country, experience demonstrated to the nobles and country gentlemen, as well as to the merchants; but how, or in what manner, none of them well knew. The merchants knew perfectly in what manner it enriched themselves. It was their business to know it. But to know in what manner it enriched the country, was no part of their business. (WN IV.i.10)

We see that the merchants know how to enrich themselves and we believe their false claim that they also know how to enrich the nation. We may trust their words because we tend to believe the rich and powerful, just because they are rich and powerful.[14] We look up to the wealthy, we admire them, so we follow their authority.[15] And so we entrust them with designing trade legislation. In Smith's account, merchants and manufacturers are thus effective interest groups that can lobby successfully to seek rents, if I may use today's language,[16] and because they play on the ignorance of the people to push through their own policies.

After all, merchants and manufacturers are relatively few in numbers and they are relatively concentrated in small places, usually cities. They know each other and are easily able to collude: "The inhabitants of a town, being collected into one place, can easily combine together" (WN I.x.c.22). The people who bear the costs of their gains are instead many and dispersed in the country: "The inhabitants of the country, dispersed in distant places, cannot easily combine together. They have not only never been incorporated, but the corporation spirit never has prevailed among them" (WN I.x.c.23).

The great gains they can expect by monopolizing the colonial trade give big merchants and manufacturers incentives to "conspiracy against the publick" (WN I.x.c.27; see also WN IV.iii.c.10). They are willing and able to limit competition by asking for and obtaining monopolies. Butchers, brewers, and bakers are unable to cartelize as effectively as merchants and manufacturers, being many, and their gains for doing so are not as large anyway. The gains from controlling

[14] Spiros Tegos, "The Two Sources of Corruption in Adam Smith," *Adam Smith Review* 7 (2013): 130–47.

[15] Adam Smith, *The Theory of Moral Sentiments*, ed. D. D. Raphael and A. L. Mcfie (1759; repr., Liberty Classics, 1982), I.iii.2.

[16] Gordon Tullock, "The Welfare Costs of Tariffs, Monopolies, and Theft," *Economic Inquiry* 5, no. 3 (1967): 224–32; Anne O. Krueger, "The Political Economy of the Rent-Seeking Society," *The American Economic Review* 64, no. 3 (1974): 291–303; Mancur Olson, *The Logic of Collective Action: Public Goods and the Theory of Groups*, 2nd ed. (Harvard University Press, 1971).

https://doi.org/10.1017/S0265052525100460 Published online by Cambridge University Press

and monopolizing international trade are instead quite significant, and the lobbying efforts of big merchants and manufacturers proved successful:

> It cannot be very difficult to determine who have been the contrivers of this whole mercantile system; not the consumers, we may believe, whose interest has been entirely neglected; but the producers whose interest has been so carefully attended to; and among this latter class our *merchants and manufacturers have been by far the principal architects.* (WN IV.viii.54, emphasis added)

The powerful rhetoric of Smith's time was thus that monopolies were the cause of the wealth and power of Britain. But Smith dissents. He highlights the distinction between international trade and monopolistic trade. International trade is always beneficial. Monopolistic trade never is.

Merchants and manufacturers wanted and obtained larger markets and wanted and obtained monopolies in those markets. Competition was thus choked by the force of the state. Monopolies constrained the growing capacity of the economy linked to the expanding markets. Britain experienced a high growth rate not because of its monopolies, but *despite* its monopolies (WN IV.vii.c.50).

Against empire

But what exactly have "our merchants and manufacturers ... been by far the principal architects" of? Smith's answer is disconcertingly clear: the entire British Empire is a creation of the "mean rapacity" of merchants and manufacturers:

> *A great empire has been established for the sole purpose of raising up a nation of customers* who should be obliged to buy from the shops of our different producers, all the goods with which these could supply them. For the sake of that little enhancement of price which this monopoly might afford our producers, the home-consumers have been burdened with the whole expence of maintaining and defending that empire. (WN IV.viii.53, emphasis added)

Smith's dissent against mercantilism and monopolies thus morphs into a critique of the entire British Empire. Differently from the empires of the past, which were formed to release population pressure, Smith sees modern empires as a creation of merchants and manufacturers to enrich themselves at the expense of society. Differently from the butcher, the brewer, and the baker, Smith holds that merchants and manufacturers have been willing and able to use the actual "blood and treasure of their fellow citizens" (WN IV.vii.c.63) to enrich themselves under the pretense of enriching Britain.

After all, the British Empire was built and maintained through wars, and through wars Britain could gain and maintain monopolistic trade. Thus, merchants and manufacturers capture the government in such a way to lead it

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straight into wars.[17] For Smith, all the recent wars had been fought to protect these monopolies. Even the very large naval force of Britain was built to guard against smuggling (WN IV.vii.c.64).

Here is the passage concerning how merchants and manufacturers use the "blood and treasure of their fellow citizens" to enrich themselves:

> To found a great empire for the sole purpose of raising up a people of customers, may at first sight appear a project fit only for a nation of shopkeepers. It is, however, a project altogether unfit for a nation of shopkeepers; but extremely fit for a nation whose government is influenced by shopkeepers. Such statesmen, and such statesmen only, are capable of fancying that they will find some advantage in employing the *blood and treasure of their fellow citizens*, to found and to maintain such an empire. (WN IV.vii.c.63, emphasis added)

A nation of shopkeepers—of butchers, brewers, and bakers—would be a flourishing nation. But when shopkeepers collude to capture state power, then we have problems. The state capture by merchants and manufacturers was so effective that the empire was not only created with British "blood and treasure" to benefit them, but it had to be defended with British "blood and treasure" so they could continue benefiting. Furthermore,

> the cruellest of our revenue laws, I will venture to affirm, are mild and gentle, in comparison of some of those which the clamour of our merchants and manufacturers has extorted from the legislature, for the support of their own absurd and oppressive monopolies. *Like the laws of Draco, these laws may be said to be all written in blood.* (WN IV.viii.17, emphasis added)

At the peak of the British Empire, Smith thus contends that it is not a sign of power for Britain, but a source of wealth for very few merchants and manufacturers that was achieved with the equivalent of what today we would call "blood money."

Furthermore, Smith contests, the continuous wars Britain faced were the source of its increasingly higher debt, which faced no hope of repayment. Having debt finance wars implied, though, that citizens who lived far from the battlefield would not feel the burden of either the empire or its wars. They could sit comfortably in their homes reading news about wars in the newspapers. When a war would end, they would be disappointed because a source of entertainment ended for them (WN V.iii.37). Had the wars been financed through taxation, there would not have been so many of them.

So Smith concludes, dissenting from his contemporaries, that Britain did not have an empire, it had only a dream of empire. The concluding section of the *Wealth of Nations* is telling:

[17] Maria Pia Paganelli and Reinhard Schumacher, "Do Not Take Peace for Granted: Adam Smith's Warning on the Relation Between Commerce and War," *Cambridge Journal of Economics* 43, no. 3 (2019): 785–97.

https://doi.org/10.1017/S0265052525100460 Published online by Cambridge University Press

> This empire, however, has hitherto existed in imagination only. It has hitherto been, not an empire, but the project of an empire; not a gold mine, but the project of a gold mine; a project which has cost, which continues to cost, and which, if pursued in the same way as it has been hitherto, is likely to cost immense expence, without being likely to bring any profit; for the effects of the monopoly of the colony trade, it has been shewn, are, to the great body of the people, mere loss instead of profit. (WN V.iii.92)

So here again Smith dissents: the British Empire and its colonies were a burden to, not a source of wealth for, Britain.

Against colonialism

Let us now see why, for Smith, "*[t]he maintenance of this monopoly has hitherto been the principal, or more properly perhaps the sole end and purpose of the dominion which Great Britain assumes over her colonies*" (WN IV.vii.c.64, emphasis added), and what his solutions are. Here again, Smith dissents from common opinion. Smith is against having colonies, from their establishment to their current arrangement. He thinks that Britain should let the colonies go and that Britain would be better off without them—and this is in March 1776.

Smith condemns colonialism from the get-go. The first colonies were established through the massacre of innocent people, through "the cruel destruction of the natives" (WN IV.vii.b.7). In Africa and especially in the East Indies, the extermination of the natives failed because they were increasingly capable of fighting back more than were the natives on the Atlantic coasts in the Americas.

Once the colonies were established, the situation did not get any better. British merchants and manufacturers convinced the legislature to impose high duties to prevent refined manufactures in the colonies, putting their interest above that of the colonists and of the mother country. But for Smith, "[t]o prohibit a great people, however, from making all that they can of every part of their own produce, or from employing their stock and industry in the way that they judge most advantageous to themselves, is a *manifest violation of the most sacred rights of mankind*" (WN IV.vii.b.44, emphasis added). Again, here too, the interest of the colonies is sacrificed to the interest of the merchants.

The exclusive companies that managed trade, especially in the East Indies and Africa, proved to be disastrous for both the colonies and the colonial power: "Monopolies of this kind are properly established against the very nation which erects them" (WM IV.vii.c.91). The devastation that, for example, the East India Company left in Bengal is testified by the extreme famine that caused the death of 300,000–400,000 people in one year alone (WN I.viii.26).

As if this was not enough, the colonies needed defense but were incapable of doing it on their own. Rather than contributing to the military and to the revenue of the mother country, it was the mother country that needed to defend them and support them. This implies that the increasing and increasingly unsustainable British debt was the result of its colonial possessions.

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In a clear cost-benefit analysis, Smith concludes that it is best for Britain to let the colonies go. If that does not happen voluntarily, the colonies will fight for their independence and they will win. War would be a waste of resources for Britain. A voluntary separation would be cheaper and better, leaving the former colonies with a very good relationship with their former colonizer, as opposed to a resentful solution of a war of independence.

The very last words of the *Wealth of Nations* are:

> If the project cannot be compleated, it ought to be given up. If any of the provinces of the British empire cannot be made to contribute towards the support of the whole empire, it is surely time that Great Britain should free herself from the expence of defending those provinces in time of war, and of supporting any part of their civil or military establishments in time of peace, and endeavour to accommodate her future views and designs to the real mediocrity of her circumstances. (WN V.iii.92)

Smith's dissent is striking. Britain is not a superpower but a mediocre nation. It is better off without colonies.

Against taxation without representation

Recognizing that his dissenting voice about a voluntary separation with the colonies may be too radical to be accepted (WN IV.vii.c.66), Smith offers a second-best solution. Put into context, this alternative is just as radical: give the right to vote to the colonies and fully incorporate them into Britain.

One of the main problems with the colonies was that they were too costly to maintain, as they would not contribute to their own maintenance. This problem could be addressed with taxation. Taxes could be imposed by the colonial parliaments or by the British one. The chances that colonial parliaments would voluntarily increase their taxes for the benefit of the empire are close to zero in Smith's account. The colonial parliaments are not even able to raise the taxes necessary to fund their own expenses. An alternative could be taxing by requisition, but for Smith, that would also be a failing option, because it would imply that the British Parliament would tell the colonies how much they need, leaving the colonies to come up with the amount in the way they see fit. But this implies taxing the colonies without their consent.

Yet another alternative is full representation of the colonies in British Parliament, which would allow for taxation. Taxation *with* representation is what Smith suggests. Just like Scotland united with England, Smith is telling his contemporaries to expand that union to include not only Ireland, but also North America, the West Indies, and the East Indies. All of them should be represented in Parliament, and then all of them should be taxed. How much his views dissented from the establishment was shown four months after the publication of the *Wealth of Nations*, in July 1776.

https://doi.org/10.1017/S0265052525100460 Published online by Cambridge University Press

Against slavery

Add to all this that Britain was a nonrepresentative hereditary aristocracy, where blood relations determined not only political power but also social relations and wealth. In this context, Smith makes the dissenting assertion that difference among people comes from nurture rather than nature. His claim is sweeping: Until the age of six or eight, when children started to work, not even their parents would be able to distinguish one child from another (WN I.ii.4). There are no natural differences; they all come from nurture.

Smith's view builds on an explicit claim he makes in *The Theory of Moral Sentiments*, his first book, that blood relations are imaginary links, not real connections. Family relations are all about habits, not blood or nature. Smith gives the example of a jealous husband who is convinced his wife is not loyal to him. His wife has a child and the child is his, but he is convinced the child is from another man. Smith claims that the jealous husband will not love or connect with that child in the way he would with a child he believes to be his own. The child is his blood, but blood does nothing to prevent the resentment, if not hatred, the jealous man feels (TMS VI.ii.1.14).

If this is not dissenting enough, Smith expands his dissent from the dominant view that some group—such as the poor or Africans—are naturally inferior. The majority of labor policies would imply a maximum wage for the working poor because the poor were assumed to be naturally lazy, and thus if paid "too much" they would stop working and fall into debaucheries, but Smith's voice stood out as going in the opposite direction.[18] Smith favors liberal compensation of labor, for he thinks there is nothing naturally different about the working poor. They respond to incentives like everyone else. Wage is an incentive. Since we all want to better our condition, the higher the wage, the higher is the effort we put into our work. The lower the wage, the lower the effort and thus the lower the productivity (WN I.viii).

And so here again, Smith's voice dissents from the established chorus. For Smith, enslaved labor is the most expensive labor there is. People who cannot keep any of the fruits of their labor will do the minimum needed to survive and nothing more: "[I]t is better to play for nothing than to work for nothing" (WN II.iii.12). Enslaved labor is, therefore, the least productive labor there is because enslaved people have no incentive to do work. Enslaved labor, for Smith, can be used only in extremely profitable industries, such as sugar production, because only in industries with exorbitant profits can one afford the exorbitant folly of employing enslaved labor (WN III.ii.10).

The force of Smith's dissent against established positions on slavery was made clear in the use of his arguments in the nineteenth century during the anti-slavery debate.[19] But what is also peculiar about Smith's position is that while it

[18] Christopher Martin, "Adam Smith and Liberal Economics: Reading the Minimum Wage Debate of 1795–96," *Econ Journal Watch* 8, no. 2 (2011): 110–25.

[19] Sandra J. Peart and David M. Levy, *The "Vanity of the Philosopher": From Equality to Hierarchy in Post-Classical Economics* (University of Michigan Press, 2005).

https://doi.org/10.1017/S0265052525100460 Published online by Cambridge University Press

aligns with contemporary anti-slavery positions, it differs from them at its core. As David Levy and Sandra Peart demonstrated,[20] Smith's contemporaries who believed in natural equality did so based on the Christian belief that all people were children of God and offspring of Eve. Smith, on the other hand, offers a system of natural equality without Christian foundations.

Against the universities

Smith distances himself even from the established educational system and from the establishment of the Church. His condemnation of the universities takes two forms, though both relate to the lack of quality of the education provided. Smith criticizes the traditional institutional structure as well as its educational curriculum. It may have been a trope for a Scot to criticize Oxford at the time, yet Smith's words were considered somehow audacious.[21]

Endowed universities may coast on their past glories, but professors there lost even the pretense of teaching (WN V.i.f.8). With a fixed salary, disconnected from merit and performance, they have little incentive to do much, let alone innovate or develop a curriculum that is useful for students. Cambridge and Oxford were Smith's major targets. His personal experience at Oxford taught him, as he states in his correspondence, that endowed universities are places where nobody would get sick from excessive study.[22]

Successful universities or schools in general are ones where professors are chosen and paid directly by their students. This pay structure, according to Smith, aligns the incentives of professors with the needs of students (WN V.i.f). The most effective and innovative professors are the ones attracting the most students and thus earning more. Professors will also have incentives to teach what students want and need, as opposed to what may have been useful in the past or served other purposes, say, the Church's. It may not be an accident that Isaac Newton, despite having worked at Cambridge, was immediately taught in Scotland and only decades later in Cambridge itself.[23]

Here again, the image that Smith offers of the university system is a dissenting one. While everyone thinks that England is a major cultural center—thanks to its prestigious universities—"backward" Scotland has in reality a much better educational system.[24]

[20] David M. Levy and Sandra J. Peart, *Towards an Economics of Natural Equals: A Documentary History of the Early Virginia School* (Cambridge University Press, 2020); David M. Levy and Sandra J. Peart, "Adam Smith's System of Natural Equality" (paper presented at the "Smith, Ferguson, and Witherspoon: Smith at 300" conference, St. Andrews, Scotland, June 2023).

[21] Smith, *Correspondence*, ed. Mossner and Ross, Letter from Hugh Blair, April 3, 1776, 181, and Letter from Adam Ferguson, April 18, 1776, 193.

[22] Smith, *Correspondence*, ed. Mossner and Ross, Letter from Adam Smith to William Smith, August 24, 1774.

[23] Kevin Quinn, "Adam Smith on Education," *Critical Review* 25, no. 1 (2013): 120–29.

[24] Maria Pia Paganelli, "Adam Smith and the Scottish Model of Education," *The Adam Smith Review* 10 (2017): 92–104.

https://doi.org/10.1017/S0265052525100460 Published online by Cambridge University Press

Against the Church

Adding to Smith's dissent from the British establishment is his position on established churches. The established churches are presented like any other special interest group, lobbying for government protection[25]—so much so, that Gary Anderson[26] suggests that Smith treats the established churches in a way similar to the East India Company. Both the established churches and the East India Company are international and centralized monopolies; they both generate welfare losses; and they both use the "blood and treasure" of their fellow citizens through the force of the state to defend their monopolies. Both want to reduce competition, and both use language that demonizes their competitors. Both the established churches and merchants claim that they deserve protection through the force of the state. They both also claim that their competitors deserve destruction because they are, for the clergy, destroyers of the peace (WN V.i.g.1), and for merchants and manufacturers, they are public enemies (WN IV.iii.c.9).

The established churches claim their privileges on the ground that what is good for them is good for the sovereign and what is hurtful for them is hurtful for the sovereign (WN I.x.c.25). Just as with commercial interest groups, Smith explains that the interest of the Church not only differs from the interests of the sovereign and of the country, but that they are actually opposed to each other. The clergy wants to maintain authority over the people. The sovereign wants the same authority. But if the sovereign deviates from or rebels against the Church's doctrine or if he protects those who do, he will be accused of blasphemy if not of heresy. And the Church will use all of its religious powers to "transfer [people's] allegiance to a more orthodox and obedient prince" (WN V.i.g.17). Because the authority of religion is superior to all authorities, the only way for the sovereign to maintain power is either to submit without question to the Church or to use violence. But violence is "ten times more troublesome and dangerous" because persecutions with violence render the sect and its doctrine "ten times more popular" (WN V.i.g.19).

The solution Smith sees is that the state should abandon any connection with religion. This can be achieved, in Smith's view, through a multiplication of religious sects. If there are several small sects, none would be big enough to guarantee successful support of a political party. Their religious content would also become more rational (WN V.i.g.8–9).[27]

[25] Maria Pia Paganelli, "Adam Smith and Religious Mercantilism," in *Research in the History of Economic Thought and Methodology: Including a Symposium on Religion, the Scottish Enlightenment, and the Rise of Liberalism*, ed. Luca Fiorito, Scott Scheall, and Carlos Eduardo Suprinyak (Emerald Publishing Limited, 2023), 27–35.

[26] Gary M. Anderson, "The Butcher, the Baker, and the Policy-Maker: Adam Smith on Public Choice," *History of Political Economy* 21, no. 4 (1989): 641–59.

[27] On the effects of competition on religious doctrines, see Laurence R. Iannaccone, "The Consequences of Religious Market Structure: Adam Smith and the Economics of Religion," *Rationality and Society* 3, no. 2 (1991): 156–77.

https://doi.org/10.1017/S0265052525100460 Published online by Cambridge University Press

Conclusions

What is remarkable about the *Wealth of Nations*, in my view at least, is that Smith leaves no stone unturned. He was against monopolies and mercantilism in a time when protections were the norm. Smith was against the British Empire when Britain was considered the most powerful nation in the world. He was against colonialism when the empire was built on colonies. He was against taxation without representation in a time without representative governments. Smith was against slavery in a time when slavery was accepted and considered an effective form of labor. He was against endowed universities, which were the symbol of intellectual superiority. And he was against the established churches when churches still had power to execute their enemies and to block unwelcome people from pursuing specific professions.

Vernon Smith was correct in seeing that the power of Adam Smith's dissent was amplified by the compounding of his dissents. What is further remarkable is that Smith achieved that in such a way as to be perceived not as revolutionary but as a master. But the elegance of his reasoning and prose should not distract us from how radical his message was, especially when taken in its entirety. He was a real dissenter, even in his mode of dissenting.

Competing interests. The author declares none.

Cite this article: Paganelli, Maria Pia. 2025. "Adam Smith the Dissenter." *Social Philosophy and Policy* 42, no. 2: 237–249. https://doi.org/10.1017/S0265052525100460

https://doi.org/10.1017/S0265052525100460 Published online by Cambridge University Press