

The Irreducibly Social Self in Classical Economy: Adam Smith and Thomas Chalmers meet G.H. Mead¹

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Abstract: The idea of a ‘natural harmony’ in human affairs runs like a *leitmotif* through Adam Smith’s work. Naturally enough, modern economics has read into this allusion its own preoccupations with the coordination of the strategic decisions of essentially egoistic actors. We will want to argue here, however, that for Smith and his disciple, Thomas Chalmers, successful human interaction is founded on a yet deeper competence and a more complex form of selfhood than conventional economic analysis has been able and/or willing to admit. We try to explicate that irreducibly social self that Smith and Chalmers have in mind by drawing on the philosophy of the act that characterises the work of the social psychologist, G.H. Mead.

1 Introduction

The idea of a ‘natural harmony’ in human affairs runs like a *leitmotif* through Adam Smith’s work. Unsurprisingly, given Smith’s own predilections, his allusions to this ‘harmony’ or ‘concord’ are typically interpreted as the possibility (and desirability) of a liberal political economy. Such allusions, according to Arrow and Hahn, would then make Smith the first in a ‘long and fairly imposing line of economists...who have sought to show that a decentralised economy motivated by self-interest and guided by price signals would be compatible with a coherent disposition of economic resources that could be regarded...as superior to a large class of alternative[s]’ (1971, pp. vi-vii). Or again: ‘Adam Smith’s “invisible hand” is a poetic expression of the most fundamental of economic balance relations, the equalisation of rates of return, as enforced by the tendency of factors to move from low to high returns’ (1971, p. 1).

Now, as Khalil (2000) points out, Smith’s explicit references to an ‘invisible hand’ apparently bear little or no relation to the coordinational properties of prices and markets. But there is a more substantive issue at stake here. Let us pause for a moment to consider how the science of economics is in fact constituted. So, for example, this is Edgeworth in *Mathematical Psychics*: ‘the first principle of Economics is that every agent is actuated only by self-interest’ (1881, p. 16). Or again, Irving Fisher, in his *Mathematical Investigations in the Theory of Value and Prices*, specifically excludes all social-psychological inquiries save for the simple postulate that ‘each individual acts as he desires’, a postulate that then serves as the basis for an ideal social equilibrium, ‘correspond[ing] to the mechanical equilibrium of a particle’ (1925, p. 11).

We have no wish in this paper to take issue with the way in which the science of economics defines itself, excluding as it does any consideration as to how self-interest is constituted. But we do want to point out that this is a serious attenuation of Smith’s project. For Smith it is clear that it takes a certain form of self-interest to sustain liberal political-economic arrangements, and thus the analysis and explication of this form becomes a matter of some concern. But then

this should (and does) lead Smith into a more fundamental investigation of the human self and its actions – an investigation primarily carried out in *The Theory of Moral Sentiments* (henceforth *TMS*).

There is now widespread agreement that something important in Smith is overlooked in the modern-economic appropriation of his work; that there is more to Smith than the founder of a tradition which works outwards from an unexplicated (simple) view of the self and its interests in order to demonstrate the possibility of a liberal-economic order. But we feel that what that something is seems to move in and out of focus. So, for example, Rosenberg's (1982) Smith wants to emphasise the necessity of socialisation in the liberal-economic process, and in the same context Evensky (1987, 1992, 1993) sees Smith as recognising the need for ethical foundations. Likewise, Tribe writes of 'the division of labour...[and]...its efficient functioning...presuppos[ing for Smith] the formation of institutions capable of generating a moral order' (1999, p. 630). But does this mean that Smith envisages the possibility of a self which may not be 'socialised', the possibility of a self which does not have 'ethical foundations' or which is not part of a 'moral order'; the possibility that there is *first* a self (and an accompanying self-interest) which is *then* socialised, or *then* made ethical? Heilbroner, for one, sees it in just this way, with socialisation 'shaping or blunting the impact [of the passions] to change human behaviour from that which it might be, were man solely the product of his unfettered drives' (Heilbroner 1982, p. 431) – as though there could be 'human behaviour' outside of or apart from the social. On our reading of Smith the human self is an irreducibly social self, an irreducibly ethical being that can be moralised in various ways, but is always already somehow moral². The self does not *become* socialised, moralised or ethical, but is in itself social, moralised and ethical. For us, this is the essence of Smith's talk of a 'natural harmony': that the human being, the human self, is hard-wired for harmony, so to speak.

Let us briefly rehearse here what we think this does, and does not, mean. *Apropos* the now discredited *Das Adam Smith Problem*, it does not mean that the Smith of the *TMS* postulates a naturally altruistic, rather than a naturally egoistic, actor – a view that he is then supposed to have reversed in the *Wealth of Nations*. Of course it is true (to paraphrase Smith himself) that we should not expect our dinner from the benevolence of the (commercially-oriented) butcher and baker. On the other hand, it would be surprising (and worrying, for all sorts of reasons) if the dependent child did not expect his dinner from the benevolence of his kith and kin (who, for some people at least, are also commercial butchers and bakers). Smith recognises that, depending on circumstances, we are capable of both behavioural dispositions – but that is not his (only) point. He wants to explain *how* we are capable, or rather how *any* form of (harmonised) behaviour is possible. Smith's talk of a 'natural harmony', we believe, alludes to the human capacity to act, rather than to the inclination or motives of the actor.

To put it bluntly, the key to that capacity for Smith is that as actors *we do expect*. For Smith, the human self and the characteristically human way of acting involve the taking within, and thus the pre-reflective anticipation, of the attitudes of others. Smith calls this process sympathy. Sympathy for Smith, then, is not one of a number of attitudes that the self might strike in relation to others. Rather sympathy is how the human self and its interest are constituted, and is thus the condition of the possibility of all human action. Various authors come close to making the point that we want to make. Thus, for example, Macfie (1967a, p. 64) writes of Smith's 'analytical purpose' as the 'trac[ing of] how rational sympathy...produce[s] the

effective actual institutions of society'. In a similar vein Censolo (2000, p. 112) views Smith in the *TMS* as 'offer[ing] a general theory of action', with sympathy as the organising principle. Yet in both contributions Smith's more general action-theoretic thesis is occluded by an emphasis on his development of it in the particular context of liberal-economic relations, thus blurring the distinction that Smith draws between the nature of virtuous conduct and the way in which all forms of human conduct, virtuous or otherwise, are constituted.

One writer who makes exactly the point we want to make is the early nineteenth-century political economist, social critic and religious reformer, Thomas Chalmers. Like Smith, Chalmers comes to the action-theoretic question from the standpoint of a liberal political economy, but also like Smith for Chalmers the self that enables liberal-economic arrangements is an *irreducibly social self*. Inevitably, the idea of a social self is fraught with interpretive difficulty. By social self one could mean an instinctive and/or reflective care for others. Both Smith and Chalmers do, of course, identify such a concern, but neither confuses personal attributes (such as benevolence) with the way in which personality is constituted. In saying, then, that both hold to the view that the self is irreducibly social is not to say that the human being is essentially benevolent, or that even the most 'private' of actions has consequences for others, but rather that the characteristically human form of acting presupposes a pre-reflective anticipation of the responses of others.

Of course the writer most readily associated with the idea of an irreducibly social self in the sense given above is the twentieth-century philosopher and social psychologist, George Herbert Mead. Our point is not that one finds in Smith or Chalmers Mead's arguments for an irreducibly social self fully developed or articulated. Rather the point is that something like Mead's conception must lie behind what they do argue, albeit in a somewhat inchoate form. Our purpose is then to reconstruct what they do argue so as to bring their background presupposition of an irreducibly social self to the fore. Hence our claim: that in their attempt to situate their political-economic theorising in a wider moral framework, Adam Smith and Thomas Chalmers meet G.H. Mead.

2 Mead's Social Psychology

The social psychology of George Herbert Mead (1863-1931) may be seen as an attempt to re-think the presuppositions of successful human interaction. Such a re-thinking is necessary, in Mead's view, so as to avoid the sterile opposition of a neoclassical economics, in which strategic thinking is made to bear the full weight of the coordination problem, and a sociology of action, in which the social rules, roles and regulations that fortuitously guarantee the mutual compatibility of individual activities somehow develop a life of their own. For Mead, the meeting of minds that successful interaction presupposes comes earlier than the calculative and/or conventional taking account of the responses of others. For Mead, how the other might respond to one's behaviour is not some afterthought – though it can be that as well – but is in any case already built into the structure of the individual human act.

In the posthumously published fragments known as *The Philosophy of the Act*, Mead distinguishes three forms of being: inorganic, organic and, as a special case of the latter, human being, the last characterised by the capacity for (reflective) thought. In each case, Mead's theme is the (internal) relation between individual and environment. Even in the case of inorganic nature, the key to an adequate

understanding of events, he argues, is the idea of process, of interaction, of sociality. For even in that (relatively) simple case – say, for example, in the action of light on a photographic plate or, again, in the action and reaction of chemical processes – the emergent state of affairs is the outcome of (environmental) stimulation and (individual) response or (re)action, but importantly one which modifies both individual and environment. Rather than viewing reality in a mechanistic fashion – according to which everything that there is should be conceived of as some agglomeration or rearrangement of ordinary, primitive, always (in principle at least) well-defined elements – for Mead action always implies qualitative as well as quantitative adjustment, requiring a re-interpretation of old as well as new: ‘the novel event is in both the older order and the new which its advent heralds’ (Mead 1945, p. xvii). In his introduction to Mead’s *Philosophy of the Act*, Morris puts it thus: ‘the mechanistic interpretation of change denies emergence’, or, more precisely, ‘interprets emergents in terms of the [already well-defined and immutable] conditions necessary for their emergence’, and so forgets that the emergents themselves call for a reinterpretation or reconstruction of those conditions out of which they arise (Morris 1945, pp. li, xvii).

What Mead takes to be true of the inorganic holds *a fortiori* for the organic life-form and its environment. Action here, whether that of a thinking, conscious being or of a lower, purely impulsive individuality, takes the form of conduct, that is, ‘the sum of the relations of living beings to their environments’, and ‘conduct does cut out and fashion the objects upon which action is directed’ (Mead 1922, p. 159; 1925, p. 259). It is not merely that organism and environment are (or should be thought of as) constitutive of one another, as is the case with what Mead calls ‘inanimate being’, but rather that the organism selects its environment, constituting it in such a way that it stimulates or releases impulses immanent in the living form itself. Thus, as Mead puts it, ‘[i]n the twisting of a plant towards the light, the later effect of the light reached by the twisting controls the process’ (Mead 1945, p. liii). Or, again: ‘a digestive tract creates food as truly as the advance of a glacial cap wipes out some animals or selects others which can grow warm coats of hair. An animal’s sensitiveness to a particular character in an object gives the object in its relation to the animal a particular nature’ (Mead 1922, p. 158).

As noted earlier, Mead wants to claim that sociality in a certain sense is a property of all action, inorganic as well as organic, indicating as it does no more than an internal relation between individual form and environment. In this sense, then, all acts should be thought of as social. In *The Genesis of the Self and Social Control*, however, his usage is more specific – or, rather, he wants there to distinguish different types of sociality. In the case of organic beings, he writes, ‘[a] social act may be defined as one in which the occasion or stimulus which sets free an impulse is found in the character or conduct of a living form that belongs to the proper environment of the living form whose impulse it is’ (Mead 1925, p. 263). This of course takes us no further than the instance (given above) of the flower ‘twisting towards the light’ and thus selecting its environment so as provide stimulation. In particular, no consciousness or thought of this process is supposed to be involved here; rather individual and environment are attuned to one another through the physiology of the former. The same may also be said of that class of act which, though social in the more usual sense of entailing a cooperation between individuals belonging to the same group, relies on physiological differentiation alone. To be sure, in this case the completion of the (complex) act comprises a succession of (more elementary) operations carried out by various members of the

group, and, thus, '[t]he objective of the act is then found in the life-process of the group...[and] not in those of the separate individuals alone' (Mead 1925, p. 264). But still for Mead there is no compelling evidence that in such a case this objective – the 'social object', so to say – is 'in the experience' of each individual, that the response of the ant or bee, necessary for the construction of the nest or hive, is called out by anything other than the various physiological characteristics of its collaborators. On the other hand, 'another type of social act, and its corresponding society and object, has been at least suggested by the description of the social act based upon physiological adjustment. Such an act would be one which the different parts of the act which belong to different individuals should appear in the act of each individual' (Mead 1925, p. 264).

By phrases such as 'different parts of the [social] act...should appear in the act...of each individual' or should appear 'in [her] experience' Mead means something like the following: in doing what I do, I (pre-reflectively) anticipate or expect that the situation which would arise from the completion of my stage of the act will call out in you the response necessary for social completion. In lower forms of life, in which the success of the social act is underwritten by an evolutionary process which ensures a certain distribution of physiological characteristics acting as stimuli across the group, so as to elicit the responses necessary for completion, there is literally no idea in any of the individual collaborators what 'success' or 'completion' might mean. In human society, however, in which physiological differentiation plays little or no role, it is of the essence for successful coordination that each *somehow* has in mind the social object which his/her action will help to construct.

We should clarify the significance of the qualification 'somehow'. Mead does not mean here that successful coordination always and everywhere depends on each of the individual actors having a conception of the greater good to which their own activity contributes. Of course, sometimes we do cooperate in this way: as team members, for instance. Rather Mead is alluding to a more general process at work in the human act, whether we are acting as a team or not: to a process that is going on behind the back of the thoughtful, deliberating actor. Mead's actor may want to *consider*, before acting, how her action is likely to be received by another, in order that her chosen action does indeed further the ends that she has in mind. Mead's point, though, is that, whether she considers or not, the human actor *does* take account of the likely response by the other to her act. Whatever the ostensible aims or purposes of her act, then, Mead is suggesting that the human actor cannot help but put herself in the place of the other to 'see' how her action will be received, and that this instinctive re-positioning helps to make her act what it is.

Human activity for Mead, then, is characteristically minded activity, but minded activity, for Mead, means more than simply purposeful. And central to Mead's thesis is that in gaining a mind, I gain a self. Note well, however, that this self is not the atomic self of neoclassical economic theory that is somehow constituted apart from others and may then take strategic account of their attitudes. Of course the version of the self that Mead has in mind will also come to think and act, and some of that thinking and acting will be about, and directed towards, others. But before all of this there must first be a self, and Mead's self *is* 'an individual who organises his own response [thought out or otherwise] by the tendencies on the part of others to respond to his act' (Mead 1925, p. 267), by a 'sympathetic placing...in each other's roles, and finding thus in [its] own experience the response of others' (Mead 1922, p. 162). Put otherwise, Mead's self

is both an 'I' and a 'me': an active, passionate – one might say, partial – side of being that organises its responses in accordance with a passive, impartial counterpart. Indeed, such a complexity seems inescapable if the idea of self-consciousness is to be taken seriously. For to say that the 'I' sees itself in the act, or to say that the act is mine, is somehow to sense an entity, the 'me', to which the act responds or answers, an entity that is reproduced and/or refurbished in the process, but is somehow distinct from it. But how is this seeing or sensing of myself possible, if not through the 'mirror' of your attitudes and responses to it?

To say, then, that there is always something of the 'me' in the self and its act is to say at the same time that there is always something of the 'you' contained therein also. Thus, in claiming that the self is irreducibly social, Mead means to imply neither that the human being is essentially benevolent, nor that even the most 'private' of actions has consequences for others. Rather the self is irreducibly social for Mead by virtue of the fact that the characteristically human form of acting presupposes a *pre-reflective* anticipation of the responses of others.

Indeed, Mead might have said that the self and its characteristically human form of acting presuppose (another) 'man within'. But it is Adam Smith, not G.H. Mead, who puts it thus. And it is to Smith, with Mead's insight in mind, that we now turn.

3 Smith's Theory of Moral Sentiments

Like Mead's *Philosophy of the Act*, Smith's *TMS* is not moral philosophy *à la* Kant, not concerned with *a priori* principles which, when uncovered, we might give to ourselves as the basis for what ought to be done, irrespective of time and place. It is well known that for Smith, like Hume, moral judgment is situational – what we judge to be right is always context-sensitive³. Unlike Hume, however, Smith insists that what we take to be right is not consequence-oriented: moral judgments for Smith have nothing at bottom to do with utility.

Such a position of course makes no sense in either Kantian or Humean terms. But then, like Mead, Smith refuses what the traditional Kant-Hume juxtaposition takes for granted, namely, that the moral question is concerned with the extent to which an essentially private faculty (that is, reason) can impose itself on and express itself in the essentially public domain of action. For Kant and for Hume, to reason practically I need to put you in mind, as against having something else in mind. But for Smith, like Mead, I cannot help but have you in mind, for this 'I with you in mind' is the self, and it is this self that reasons.

Smith (unlike Mandeville and other authors of 'licentious systems') does not dispute the existence of virtuous conduct, or our capacity to recognise it. For Smith, however, the moral-theoretical problematic factors out into two questions. Firstly, what do we consider right and wrong in regard to 'tenor of conduct'? In other words, '[w]herein does virtue consist'? And, secondly (the transcendental question): how do we come to see things in that way? 'By what power or faculty of mind...is this character, whatever it be...recommended to us?' Or 'how and by what means does it come to pass, that the mind prefers one tenor of conduct to another?' (Smith 1976, p. 265). How, in other words, is moral judgement possible?

Two further points are in order here. Firstly, in distinguishing between those forms of behaviour that are recognised as moral, on the one hand, and the faculties that are supposed to make this recognition possible, on the other, Smith claims to do no more than to make a distinction which is immanent in moral

discourse itself, and so one which is always and everywhere practically made. What Smith also wants to claim, however, is that 'moral-philosophical systems' do not always (or usually) recognise this natural difference, and that this is a major (perhaps the major) source of error. So, for example, benevolence (in the appropriate context) is often identified as both a form of moral conduct and the cause of moral conduct. Or, again, self-love (and again in the appropriate context) is viewed as both a form of moral conduct and its cause. One need hardly add that, ironically, Smith's project itself has subsequently been read in these conflated terms. Indeed, such a reading seems to be the source of the much-discussed *Das Adam Smith Problem*. For the moment, however, it suffices to add that it is all of a piece with his (explicit) recognition of the distinction between the 'what' and the 'how' of moral judgment that, whilst Smith recognises that we recognise (in the appropriate contexts) both benevolence and self-love as virtues, he should not say, and indeed does not say, that they make moral judgment (or conduct) possible. According to Smith's lights, for an explanation - as against a mere explication - of moral judgment, one must look elsewhere.

Smith's palpable concern with moral judgment raises a second issue, however, for to judge is not the same thing as to feel. Presumably, to judge I need to do more (or possibly do other) than to feel: for to judge I need to reflect, to consider, to decide. And if feelings are involved, then to judge means to reflect on or to consider those feelings. Now if one assumes that the title of the *TMS* is deliberately chosen, and that, consequently, for Smith feelings or 'sentiments' are somehow involved, the implication is that our capacity for moral judgment rests on our capacity for moral feeling.

The logic of Smith's position is just this: before I can judge, I must feel. My feeling or sentiment, however, is not of a deliberate kind, and only turns from moral disposition into judgment when my ongoing pre-reflective state is disturbed by a certain incongruity. In my normal pre-reflective mode, I 'expect', or I have 'hopes' (Smith 1976, p. 221), in regard to your conduct, and so long as these are confirmed, no moral judgment ensues. Indeed, it is only when I am 'surprised' by your behaviour, only when I am 'astonished and confounded' (*ibid.*, p. 27), 'enraged', filled with 'wonder and surprise' (*ibid.*, p. 31) by your conduct, when I fail to 'anticipate' your response or reaction, that a moral judgment is formed. Thus it is only when your conduct appears to be out of context, so to speak, that I am forced to consider what might be the appropriate context for that conduct, if any, or in what context such conduct would be appropriate. Normally I just feel, and to feel is not to consider, let alone to judge.

How then does the individual come by these moral sentiments that constitute her ongoing, pre-reflective state, and that, when disturbed, provoke a moral judgment? According to Smith, to have moral sentiment or feeling is to sympathise. Now, as he reminds us, today we are said to sympathise only when we feel 'pity and compassion', when we have 'fellow-feeling with the sorrow of others'. Smith's own usage, however, recalls the origins of the term sympathy in the Greek *sympatheia*, meaning sense of organic connection, and is thus taken to 'denote our fellow-feeling with any passion whatever' (Smith 1976, p. 10). We sympathise, according to Smith, when we 'bring home' to ourselves the case of another (*ibid.*, p. 11); sympathy is the capacity for somehow 'entering into' another's situation (*ibid.*, p. 10). It is well known of course that Hume also makes what he chooses to call sympathy the basis of moral judgment, that 'sympathy is the chief source of moral distinctions' (Hume 1973, p. 618). But Hume's

'sympathy' is quite different from Smith's. For Hume I 'sympathise' by regarding the benefit (or otherwise), the 'pain or pleasure', the 'prospect of...loss or advantage' of another's action (*ibid.*, pp. 295-6). It is in regard to this ensuing benefit, then, that I am able to pass moral judgment on the conduct of another.

Of course, I can *recognise* the benefit or utility given to another (though this does not mean that the recipient recognises these things), but it is not clear how I can *sympathise* with another's benefit or utility, at least not in Smith's sense of the term. For to sympathise in Smith's sense I must have a 'fellow-feeling', literally, a feeling that is a fellow of your feeling. But I cannot have a fellow-feeling of your benefit, utility or advantage because these things are not feelings to begin with. In the sense then that the object of my Humean sympathy is not a feeling, this (Humean) sympathy cannot be a fellow-feeling, and thus it turns out that what Hume calls 'sympathy' is not sympathy (in Smith's sense of organic connection) at all.

It is not then, according to Smith's lights, that I do not sympathise with your benefit, but rather that I cannot sympathise with your benefit: I can recognise your benefit, but I cannot sympathise with it. For Smith, however, I can and do sympathise with your gratitude, with how you feel about the benefit. Otherwise expressed: for Smith there is an organic connection between myself and how you feel (about a certain form of conduct that affects you). But your feeling (or rather how I suppose that you feel) and myself can only be organically connected if your feeling is somehow inside of myself. And 'your feeling, inside of myself' constitutes what Smith calls the 'impartial spectator', the 'man within the breast' (see, for example, Smith 1976, pp. 29-32). Now 'your feeling, inside of myself' is not the same as your feeling, which, as such, cannot be inside of myself. On the other hand, it is not a feeling that *I* have, which is always and everywhere partial. In the sense that this form of spectating generates a kind of feeling or sentiment which is neither of the 'I' nor of the 'you', but, more like, of the 'us', Smith's talk of an impartial spectator is exactly apposite.

Smith's impartial spectator is neither of the 'I' nor of the 'you'. It is however of the self. Smith's talk of an impartial spectator is his way of expressing the norms that we live by, and we come to live by these norms because, as he says, they are re-presented as the man within the breast. It is a moot point as to whether Smith thinks of these standards as absolute or relative. Either way, though, our point is that Smith does not think of these as external standards that we are forced to adhere to, nor as standards of the kind to which, upon reflection, we agree to conform. These are standards that are not external at all but, according to Smith's lights, inhere in me: they are my norms; norms that are somehow taken into myself. Better, this man within is the 'me'.

The 'passionate', partial side of being (Mead would say the 'I'), and its 'impartial' counterpart, the man within the breast (Mead would say the 'me'), together constitute the self. And it is this self that acts. One might say that the 'I' is the active principle here, somehow constrained by the normative 'me'. But this in a very crucial respect misses the logic of Smith's position, suggesting as it does the possibility of an active, 'impulsive' 'I' without its normative accompaniment. For Smith the man within the breast is always present, accompanying the 'I' everywhere. In that sense Smith's otherwise admirable terminology is misleading; for the 'man within the breast' is no man (but rather a constituent part of a man), no more than the man whose breast he inhabits would be a man without him. The human being can no more act according to the passions alone (egoistic theory) than

according to the impartial spectator, or rather according to his representative, the 'man within' (traditional moral theory). Rather, action emerges as a result of what Mead calls a 'conversation' between the two⁴. Smith puts it thus: the actor 'lower[s] his passion to that pitch, in which the spectators are capable of going along with him. He must flatten, if I may be allowed to say so, the sharpness of his natural tone, in order to reduce it to harmony and concord with the emotions of those who are about him...[And]...[i]n order to produce this concord, as nature teaches the spectators to assume the circumstances of the person principally concerned, so she teaches this last in some measure to assume those of the spectators' (Smith 1976, p. 22). Note well: this is not a strategic 'lowering of tone'; I do not have an act in mind which I then modify, having first reflected on your initial response, though of course this can happen too. Rather, I have already, via the 'man within', your anticipated response in mind, an anticipation, which thus constitutes the act: my 'lowering of tone' comes 'naturally'. 'Nature teaches' me to act with your view of the act in mind, just as 'she teaches' you to have my circumstances in mind when you respond, and all of this is instinctive: '[w]e are *immediately put in mind* of the light in which he will view our situation, and we begin to view it ourselves in the same light; for *the effect of sympathy is instantaneous*' (Smith 1976, p. 22-3; emphases added).

'If we are to co-operate successfully with others, we must in some manner get their ongoing acts into ourselves to make the common act come off...'. This is Mead writing in *The Genesis of the Self and Social Control* (1925, p. 263). But it could just as easily be Smith writing in the *TMS*.

4 From Adam Smith to Thomas Chalmers

We have seen in Smith's work a conception of self quite different from that usually associated with orthodox economics. That latter version of the self might be characterised as a set of interests, passions or preferences and the capacity to reflect on alternative courses of action with a view to best satisfying those ends. Now, for Smith, it is not that we are not passionate, or that we do not reason strategically, but rather that a view of the self which says that this is *all* we are fundamentally mis-specifies the human self and how it comes to act (and, for that matter, comes to think). Smith's self is an always-already *moralised* self, so to speak. By moralised we do not mean that Smith has in mind a self who is sometimes and in some circumstances disposed towards benevolent or altruistic action, though one may of course be moralised in that way. Rather he means to draw attention to a particularly human form of self and acting: a self that has the feelings and attitudes of others always-already in mind; one who cannot help but act in anticipation or expectation of a certain response. For Smith such a self is the basis of political economy and its science. To be sure, what we have presented above is an attenuated and hindsightful reconstruction of a long and complicated text. But the fact that Smith continued to work on the *TMS* long after the publication of the *WN*, and without really modifying its central themes, strongly suggests that, *contra* the *Adam Smith Problem* theorists, Smith himself saw no inconsistency between the principles governing the two works.

Unfortunately, Smith's proto-Meadean conception of the self finds no place in the subsequent development of mainstream political economy, in which the self is all ego and no alter; all 'I' and no 'me'. It is true that Ricardo also asserts that the moral is the basis of political economy (see, for example, Ricardo 1951,

vol. 7, p. 49, and vol. 9, p. 261). But in Ricardo this is just assertion: no serious argument is proffered as to why this should be so. To be sure, at the level of structure, Ricardo's (albeit uncritical) characterisation of modernity as a system of expanded (material) reproduction is, as Marx was to point out, the classical exposition, the apotheosis, of a principled political economy (Marx 1974, p. 24 and p. 85, note 1). Yet it is in regard to the basis of those principles that Ricardo falls silent. A self capable of acting according to Ricardo's principles is just posited: how the self comes to act thus, or indeed comes to act at all, is not theorised. And in this it is Ricardo, not the action-theoretic Smith of the *TMS*, who sets the tone for the subsequent development of mainstream political economy and economics. From Ricardo onwards, mainstream economy falls back on the egoistic theory of the self that Smith treats with such contempt in the *TMS*.

It is not difficult to see why this is so. Like Ricardo, subsequent mainstream economic theory gets its Smith from the *Wealth of Nations*, in which an all-singing, all-dancing self appears ready-made, as if shot from a pistol, so to speak. To pick up again on Smith's insights into the moral basis of political economy, then, one has to step outside of the mainstream tradition of political economy and go to someone like Thomas Chalmers (1780-1847). Chalmers is one of the forgotten men of political economy but, from what we have just said, this is hardly surprising since the Smithian themes that Chalmers picks up on are those most prominent in the *TMS*.

Chalmers is remembered today not by economists but by theologians and historians of social reform. In his day he became the leading authority on Poor Law reform. His efforts, both intellectual and practical, the latter including application of the Poor Law in his own parish, shaped the debate that culminated in the Poor Law Commission, its report of 1834, and the subsequent Amendment Act. Later, he would be a major influence for the Charity Organisation Society, on the principles of which so much of Victorian social work was based. Character was central to his work as it was to the later Victorians. For Chalmers, like Smith before him, the key to the formation and reproduction of a liberal political economy is the contiguous formation and reproduction of an acting self, a self capable of sustaining such arrangements. As with Smith, then, Chalmers's ostensible concern was with those virtues that would nurture and sustain a liberal economic order. Our interest, though, is in how Chalmers, like Smith before him, imagined those virtues to be inculcated. Chalmers made a point of emphasising in his major theological work that the issue is not virtue as such but rather how people come to act on virtue.

For Chalmers, the self that would feel at home in market society does not come ready-made. Moreover, the self that does come ready-made in mainstream theory – an egoistic or selfish self, one that is narrowly self-interested, a conception that collapses self into ego without remainder – is not a self that could sustain a liberal order. On the contrary, the egoistic self of mainstream political-economic theory is the creature of administration. It is not that this self, for Chalmers, is any less a cultured or social self than any other form of selfhood, but rather that it is not seen and does not see itself as cultured or social. It is a self that is seen and sees itself as all ego, sees itself as an ego at war with others, and thus, ultimately, is an ego at war with itself. Such an administered self is one devoid of practical content, one lacking in personal commitment and responsibility, the need to act coming from without rather than from within. The administrator, according to Chalmers, 'paralyze[s] all the ordinary principles of action' and indeed 'set[s] up no principle of action whatever' (Chalmers 1833, vol. 1, p. 228). The administered self feels

‘the pain or uneasiness which festers in every heart that is the prey...of licentious or malignant passions’, feels ‘the general restlessness and unhingement of every spirit, which, thrown adrift from the restraint of principle, has no well-spring of satisfaction in itself, but precariously vacillates, in regard to happiness, with the hazard and the casual fluctuation of outward things’ (*ibid.*, p. 111). As against this perverted or deformed interest, a true self-interest, a self compatible with liberal order, is one that does feel ‘the well-spring of action in itself’, one which is freely disposed towards its aims. For this self the need to act has been taken within, and thus its conduct has become a matter of ‘principle’. In this way the self becomes properly moralised, for, after all, ‘nothing [can be] moral or immoral which is not voluntary’ (Chalmers 1833, vol. 2, p. 222).

According to Chalmers’s lights, then, conduct conducive to a liberal order cannot be legislated or officially demanded, because any attempt to institute good behaviour would destroy the good. It is not possible to ‘translate beneficence into the statute-book of law, without expunging it from the statute-book of the heart.’ (Chalmers 1833, vol. 2, p. 24) Law that makes virtue an object of compulsion so destroys it. This ‘law of the heart’ for Chalmers, however, by no means makes one a (Humean) slave of the passions. Whatever is within for Chalmers cannot only be passion (with or without the capacity for instrumental reasoning) because, as Hume goes on to show, the acts of such a person are not ultimately acts of volition. In distinguishing emotion (which is not in itself determinate of action) from will (which is), however, Chalmers does not mean to rehearse standard moral-philosophical themes, which set the moral act against what one is inclined to do: Chalmers does not mean to substitute for an ego buffeted by external rules an ego buffeted by internally-generated ones. In the case of actors capable of sustaining a liberal political economy, at least, the idea for Chalmers is that the self develops what he calls ‘character’, and it is because of this development that the self becomes disposed to act in a free yet responsible way.

How, then, does one come by ‘character’? In *On the Adaptation of External Nature to the Moral and Intellectual Constitution of Man* Chalmers addresses just this issue by investigating the ‘affinities between man and his fellows, that harmonize the individual with the general interests’ (Chalmers 1833, vol. 1, p. 10), and to this end it is necessary to understand the ‘moral constitution of man’ rather than ‘the moral system of virtue’ (*ibid.*, p. 11). Concern with the latter would ask ‘what is virtue?’ but Chalmers’s interest was in ‘the mental process by which man takes cognisance of virtue’ (*ibid.*, p. 1; see also pp. 55-8). The cultural basis of the free market would have to be formed on this mental process, which presupposes a self with the capacity and need for self-development, culminating in the formation of character. It was essential, however, that this process should not be looked at in isolation: ‘the main tendencies and aptitudes of his moral constitution should be looked for in connection with his social relationships, with the action and reaction which takes place between man and the brethren of his species’ (*ibid.*, p. 8). These interactions Chalmers considered to be the ‘proper theme of our volume’ (*ibid.*, p. 162) and constitute what he calls ‘conscience’ (*ibid.*, p. 60). This is the ‘voice within every heart’, its ‘guide or governor’ (*ibid.*, p. 62, and p. 71).

A self so constituted should be contrasted with the egoistic self of modern economics. Indeed, for Chalmers, this egoistic self is not some fundamental reality of human being but is rather the artificial consequence of administrative interference, a cultural artefact, so to say. Administration usurped individual responsibility and so fostered conditions in which self-interest could persist, but

only in a form without care for others. It is not that administration fosters a self devoid of conscience, for such a self is not possible, according to Chalmers's lights, but rather that it fosters a self with a conscience devoid of character. The outcome of administration is the 'commonwealth of vice' and the harm from this is not physical but comes rather from the consciousness of 'another's malignity' (Chalmers 1833, vol. 1, p. 179). This is the consciousness of a social being, but one cut adrift from its proper context.

Conscience for Chalmers, then, is the 'voice within every heart'. Yet, although summoned from within, it is not determined from within. It is rather constituted by the 'actings and reactings that take place between man and man in society' (Chalmers 1833, vol. 1, p. 162), receiving its 'impulse and...direction from sympathy with the consciences around it' (*ibid.*, p. 169). Conscience, for Chalmers, is the social taken into oneself, the 'reciprocal play of moral judgement...maintain[ing]...its freshness and integrity' (*ibid.*). Through conscience, each one acts 'under the observation and guardianship of his fellows' (*ibid.*), 'each man lives under a consciousness of the vigilant and discerning witnesses...' (*ibid.*, pp. 169-70). It is this vital 'law of interchange of mind and mind' that ensures that no-one is 'left to the decay and the self-deception of his own withering solitude' (*ibid.*, p. 170), thus multiplying the 'pleasure of virtue as also the sufferings of vice'. (*ibid.*, p. 172) As conceived by Chalmers, this reciprocity of minds is the endemic form of the self (see Chalmers 1833, vol. 1, especially p. 210), and left to its own devices this 'delicate mechanism' would itself ensure a social coherence, would itself ensure that self-action would not be a mass of chaotic experiments taking place on and in a hostile world. Left to its own devices, then, this 'mutual acting and reacting of...emotions', this 'law of interchange of mind and mind', would itself 'form the materials of a society that can stand' (*ibid.*, p. 211).

In sum, Chalmers's position is roughly as follows. How the 'I' sees itself is conscience. For Chalmers, there can be no ego without conscience, just as for Mead, no 'I' without 'me', and for Smith, no 'man' without another 'within the breast'. This conscience, however, though summoned from within, is not determined from within, but rather is constituted by what Chalmers calls a 'reciprocal influence', through a 'law of interchange', taking place between individuals. This 'popular conscience' (see Chalmers 1844, p. 27; cf. Smith's 'impartial spectator'), taken within, then informs and conditions individual conduct. But conscience can lack 'character', just as Smith's 'man within the breast' may not see 'virtue'. A self with a conscience that lacks character is 'narrowly self-interested', is 'selfish'. It is this self which is the artefact of administration. Yet this administered self is still a self constituted out of mutual 'actings and reactings', and where an anticipated 'reacting' is always-already presupposed by, is internal to, 'acting'. To be sure, the presupposed reaction (the 'conscience') of the actor in this case is not conducive to liberal political-economic order, for here the 'delicate mechanism' within has been 'undermined'. But the wider action-theoretic point is this: for Chalmers some presupposed 'reacting' is always constitutive of the act; for without this quality it would not be human action at all.

5 Concluding Remarks

Smith and Chalmers do not deny that people can and do act egoistically, that is, *as if* driven by ego alone. What they do want to deny, however, is that people can and

do sometimes act according to ego alone because, according to their lights, (human) acting according to pure ego is just not possible. By the same token, they do not deny that people are sometimes led to act in a way known by us as altruistic, but, again, for a person to act without regard to the self is as nonsensical as an act determined by pure ego. For Smith and Chalmers, we always act with regard to the self and, in saying something like this, the otherwise 'pernicious' egoistic theory of Mandeville 'border[s] upon the truth' (Smith 1976, p. 313).

Mandeville 'in some respects border[s] upon the truth'. The 'truth', for Smith (and for Chalmers also), is that there are no (properly speaking) altruistic acts: all human conduct derives from the self, from a self-interest, properly defined. But Smith cannot stomach Mandeville's egoistic theory, his 'licentious system' (see, in particular, Smith 1976, pp. 306-14), because Mandeville and other egoists collapse the self into the ego: the ego becomes the whole of self. In other words, in egoistic theory the self and self-interest are not properly defined. Ironically, it is this lack of proper definition that gives rise to the very idea of altruism, for, after egoism has had its say, there still remains a residue of 'non-egoistic' conduct (that is, conduct clearly inexplicable according to egoistic lights) that seems to have its origins elsewhere. Human conduct and its explanation then bifurcates into, on the one hand, an 'everyday', non-moral type of conduct, (appropriately) driven by ego (which in turn is equated with 'self-interest'), and, on the other, a 'moral' form of behaviour which is not self-interested. Naturally enough, Smith is sceptical: once full account has been taken of the sympathetic principle and its manifestation in the field of human conduct 'I should be glad to know what remains, and I shall freely allow this overplus to be ascribed to a moral sense, or to any other peculiar faculty, provided any body will ascertain precisely what this overplus is' (*ibid.*, p. 326). There is a nice irony here because, by the time of Chalmers, the wheel has turned full circle. Smith's critique of moralism, of the idea of a special moral sense or 'overplus', rests on his seeing into and rejection of the egoist's defective theory of the self. Yet when Chalmers rejects moralism, rehearsing essentially the same arguments as Smith, he is fiercely rounded on by critics as a closet egoist. Chalmers's critics cannot see that he (like Smith) has moved beyond the point at which their criticism would have any purchase. But more: such a critical point is in any case illusory. Egoism and moralism are always opposite sides of the same theoretically-debased coin.

For both Smith and Chalmers, neither egoism nor moralism provide adequate theoretical foundations for the 'harmony of society', not because such a harmony presupposes a mixture of the two, but because it presupposes neither. How could egostic or moralistic theory alone or in tandem provide such a foundation when neither theory taken individually nor in tandem provides a basis for human action? Rather the 'harmony of [human] society' does presuppose, and always gets, a self whose actions already take account of, have built into them, the reactions of others. Now this 'taking account of' is easily misunderstood: it is not that I have an action in mind, which I then modify after reflecting on your possible responses. This is not a strategic or instrumental, game-theoretic 'taking account of'. Literally, without your repertoire of reactions constituting part of myself, I can have no 'action in mind'. A reflective, considered 'taking account' would imply that I could do otherwise. Here, though, Smith and Chalmers clearly have in mind a more basic, pre-reflective, form of action: a form of acting that I cannot help but adopt; indeed, not so much an acting on, as a reacting to. For in the form of acting

that they have in mind I am always instinctively reacting or responding to an always already-shared conception of what such an act is all about.

Famously Smith writes in the *Wealth of Nations* of a 'certain propensity in human nature...to truck, barter, and exchange one thing for another' (Smith 1986, p. 117). Orthodox-economic interpretations of Smith render this as humans being hard-wired for commerce, as though we are capable of intensive and extensive social activity only by virtue of this propensity and its accompanying egoistic disposition. Further, according to such interpretations, Smith is seen as contradicting his earlier position in the *TMS* that it is benevolence that enables our sociality and its ensuing economic benefits. Reading Smith and Chalmers through the lens of Mead's social psychology, however, suggests to us a rather different interpretation, according to which commercial activity is itself parasitic on a yet deeper human capacity. This capacity, referred to by Smith as the sympathetic principle, and by Chalmers as the reciprocity of consciences, is for both men the very condition of possibility of all human acting, for, as Mead puts it, 'if we are to co-operate successfully with others, we must in some manner get their ongoing acts into ourselves to make the common act come off' (Mead 1925, p. 263). This 'secret consciousness', this 'imaginary change in situations from which the sympathetic sentiment arises', according to Smith, produces 'concord' rather than 'unions'. But then 'this is all that is wanted or required...for the harmony of society' (Smith 1976, p. 22).

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Notes

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2 Smith does raise the possibility of a solitary actor, but it has no theoretical weight in his work and performs no analytical role. Indeed, it is quite at odds with Smith's treatment of a social self (see Alvey 2003, pp. 36-7). We are grateful to an anonymous referee for bringing this point, and the reference, to our attention.

3 The fact of moral judgement being situational does not rule out the possibility of transhistorical standards. What is being argued for here and in the *TMS* is how actual moral judgements are made. As Young points out, this can lead to a variety of normal behaviours that Smith is ready to judge from some absolute standard (Young 1997, pp. 39-43). How or indeed whether these situationally-acquired morals may tend to some absolute standard is not our concern here. Young focuses on the distinction between efficient and final causes as one way of dealing with this. One thing is clear, though: for Smith the efficient cause must involve some freely-operating capacity rather than a direct reproduction of programmed behaviour. This is what interests us here, and it might be argued that the freely-acquired moral judgements must tend to some standard because the actual possibilities consistent with a viable social order are necessarily limited. See also Alvey (2003, p. 233).

4 Brown (1994) is also interested in the ‘conversational’ aspect of Smith’s moral-theoretical work. For her, the dialogical approach Smith takes in the *TMS* (as against the monological approach of the *Wealth of Nations*) reflects its ‘moral’, that is, inter-personal, subject matter. Again, we are grateful to an anonymous referee for this point and the reference.

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