

# On the Network of the Reception of Adam Smith<sup>1</sup>

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„*Value lies not in the work of art but in its history*” (Albert-László Barabási)

Ongoing research on Adam Smith is constantly opening up new chapters. The anniversary of his 300th birthday is a good opportunity to uncover certain unknown and misunderstood details of his oeuvre. The present conference aims to reveal missing data and contexts, to overwrite existing stereotypes concerning his thoughts and, last but not least, to implement new methods and results of interdisciplinary research.

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It has become clear by now that old methodologies fail both in education and in scientific investigation. Game-theoretical modelling is used with great success in the teaching of philosophy, and network theory helps to give a better picture of René Descartes' oeuvre. It explains why we talk of different Descartes, the philosopher, the theologian, the mathematician, the medical scholar, etc. and why scholars in different domains would never agree that each trying to give a full picture from a unique perspective.

We apply network methodology to uncover Adam Smith's present oeuvre. It renders our work more difficult, but it illuminates connections which could not be perceived so explicitly. Network methodology helps to relate themes, concepts, and works independently of the disciplinary domains and dates of publications. Thus, we manage to avoid disciplinary closure and find connections between previous receptions of Smith's works and the aftereffects of his thoughts today.

Experiments have been conducted concerning the success of artistic and scientific achievements (by Dashun Wang). It turned out that neither the place of appearance of the work nor the personality of its author had anything to do with its success. There was only one condition: appropriateness. Only the work of art that was *appropriate* would get from gallery „A” (where the exhibition is local and seasonal) to museum „B” (where it is permanent). It is no wonder, for the earliest form

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of practical rules, originating from Aristotle, is about appropriateness. Passions and actions which are intermediate exclude both excess and deficiency in quantity, and are proper in their timing, location and manner: „... *to feel them when one ought and at the things one ought, in relation to those people whom one ought, for the sake of what and as one ought—all these constitute the middle as well as what is best, which is in fact what belongs to virtue.*” (NE, 1106b) Though the rule seems to be trivial and very simple, to observe it is by no means easy.

According to Albert-László Barabási, a network scholar, the value of a work of art does not lie exclusively in itself but in its history. It is only with time that something exerts its influence. How is it that one thing is successful, and another thing is not? Why is someone awarded the Nobel Prize and another one not? Why has the former become canonical, and the latter has not? What are the conditions for being canonical? Barabási and his colleagues contend that artistic value in a society is conveyed by the artwork's price. So, they believed that the evaluation process had to be made explicit. They reconstructed the entire history of the artworks together with the careers of thirty thousand artists and prestigious galleries. They created statistics made comparisons and demonstrated their findings on maps. They ended up with a couple of clear-cut conclusions. The art world is unjust and hard. It is dominated by superpowers. Future trends (in 10-20 years) can be anticipated by algorithms. The secret of success has a double face: early prestige through affiliation with galleries (the location of the first exhibition matters) and good connections. However, success also needs promotion to become true. Barabási's book, *Linked* is aimed at uncovering how everything is connected with everything and what this means in science, business and everyday life. The number of links is maximized in six degrees of separation, but sometimes, it is less than six. In the context of graphs and networks, Barabási mentions the concept envisaged by the Hungarian writer, Frigyes Karinthy, in his short story, „Chain-links”. He believes that it is the achievement of the 20th century that a member of a group can be linked with any inhabitant on Earth. It was not possible in the time of Julius Ceasar. There is an „*omnipresence of hubs in several real networks*”, Barabási says, like Kevin Bacon, who played together with most of the stars in Hollywood. But “history was repeating itself” when he and his lab came to observe “a series of puzzling similarities between events of quite different natures” (Barabási, 2010, p. 135)

I was determined to apply a 20th-century methodology to Adam Smith's oeuvre and its historical reception. „*Something is going on here, a process of contraction and expansion which is beyond rhythms and waves. Something coalesces, shrinks in size, while something else flows outward and grows.*” (Karinthy, 1929/2006, p. 24) The writer goes on to play his „*well-connected game not only with human beings but with objects as well [...] Ring-a-ring o' roses, a pocketful of posies. How can one possibly construct any chain of connections between these random things without filling thirty volumes of philosophy making only reasonable suppositions.*” (Karinthy, 1929/2006, p. 24)

I was looking for „hubs” in Smith’s works mainly in three areas: (1) in the context of the contemporary history of ideas, philosophical works, and concepts, (2) in the literature that may have influenced him, and (3) in the afterlife of his oeuvre.

The definition of the „invisible hand” and the „impartial spectator” are the hallmarks of the line of argumentation in his economic and ethical works. One of the key debates concerning Smith lies here: how can we relate the two concepts to one and the same thinker? The time of schizophrenic concepts is over! Smith’s contemporaries were also equally engaged in philosophy and natural sciences, economics, theology, law, and politics. The reason for the misunderstanding lies in the strict separation of disciplines, characteristic of Western societies. This separation seems to have been thwarted a bit due to recent progressive results in experimental psychology and the biological sciences, which cannot be disregarded. The workings of modern society have been described employing comparative analyses of changes that took place in periods of pre-civilization or civilization, unqualified as they are, by authors, be them English, Scottish, French or whatnot. Except for Rousseau, they consider civilization to be positive. Primarily, they examine the changes in the economy that lead inevitably to changes in social structure, the relation to labour, and the questions of justice. It is no accident that Smith elaborated on the idea of the moral nature of the individual before writing *The Wealth of Nations*. While his contemporaries tried to deduct from a single virtue all the other ones, like Mandeville based all the virtues on charity, Smith started with a detailed description of sympathy. He contends that we can imagine being in the place of another man. The emphasis is on the use of the imagination. For no one can take over someone else’s pain, and similarly, no one can share another man’s happiness if not by imagining it. Mutual relation and intersubjectivity are but possibilities in Smith. The real connection between individuals is rendered possible through interpersonality. It is an ongoing debate whether sympathy and empathy mean the same, or, if they don’t, what their difference boils down to. Furthermore, how can philosophical empathy be distinguished from its sociological variant? During a conference in Oslo, participants paid special attention to the ideas of the theory of moral senses. They analysed in detail cases when somebody imagines to be living a situation in contrast to cases when a spectator imagines what he/she would feel in place of another in a given situation (sympathy). Even Hume’s and Smith’s conceptions of sympathy differ. The former is of biological, the latter of intellectual-sociological nature. Clarity of concepts is essential, for not every virtue is moral and not every feeling is normative. At the social level, the more connections one comes to have, the more experience he/she acquires, the more successful he/she will be in his/her work, in shopping or on the market. Hume warns his friend in his correspondence with Smith to assign values to feelings because their external manifestations like loud crying can be misleading about the real feeling. Hume also notes that sympathizing with a negative feeling cannot be positive. (Cf. the letter dated July 28th, 1779) Though the latter questions need further investigation, there is no doubt that Smith progressed quite far in his moral research with respect to his contemporaries. He considered Hume’s idea of mor-

al sense as the sixth sense, while he derived moral feelings from birth. The concept of sympathy originates with Hume, but the idea of the impartial spectator as the control of the individual is Smith's invention. It can be associated with today's Big Brother or the Third Eye. Present-day neurological research explains the above notions with the function of mirror neurons. Smith also uses the idea of the mirror when examining the internal process of judging ourselves and comparing the image of ourselves with the image of how others judge us, and if the two images are too diverging, we should try to close that gap a bit. The present philosophical problem cuts through several disciplines. Neuropsychology and phenomenology are trying to discover the role of mirror neurons by borrowing each other's means. Following Husserl's phenomenology, he distinguishes the body (Körper) from bodily experience (Lieb). Smith anticipated the phenomenology of alterity. His question is precisely this: „*How, in what way can I be certain that the other man is also a living and respiring being, a person with subjective bodily experiences? I cannot become one with the other, I cannot appropriate his/her perspective and pain. That is I can only indirectly comprehend what it would mean to be in his/her place and to live his experiences.*” (Horváth & Szabó, 2013, p. 630) Such a research question explains why Adam Smith (1723-1790) and Edmund Husserl (1859-1938) should appear in the same volume, for neither their biographical data nor their philosophy can account for their coupling.

It requires considerable self-knowledge to construct a real image of myself. It is indispensable to judge connections in the right way in the social sphere. Remember the renowned and oft-mentioned baker, brewer, and butcher; it is „*from their regard to their own interest*” (Smith, 1759/1976a, p. 25-26) and not their benevolence that we expect them to give us fresh and good merchandise. Society is like a chessboard where everybody pursues his/her own profit in his/her place, such is the way that the game is played. One may want to explain it by appealing to the merchants' self-interest, but the game is more like the Stoics' tradition: everybody acts properly, contentedly and rightly in his/her place. They are not yearning to be elsewhere, which is also the condition of happiness. Yearning is, in fact, the opposite concept of being satisfied. Smith mentions the chessboard in *The Wealth of Nations*, but he refers explicitly to the Stoics in his writing on the philosophy of law. Several elements of the strongest trend of Hellenic philosophy can be found in Smith. (But Hume also wrote an essay called „On the Stoic” where the adjective means diligence and virtuous.) In the Stoic perspective everybody has his/her own role (be it the peasant or the queen) depending on the social division of labour. One should accept the role which is distributed by Chance or Fate, for there is no sense in rebelling against it or brooding over it. One should be insensitive about his/her role and the corresponding labour since the nature of social role implies acceptance and labour presupposes accomplishment. So, there is no place for rebelling.

In reviving Stoic thought, the intermediate link for Smith is Grotius. Smith would like to set up a natural law which is sufficiently general to remain valid throughout history. For this reason, he praises Grotius who, in the 12th chapter of his grandiose

work (*On the Law of War and Peace*, 1625), speaks about the unjust character of marine privileges which violate natural law (the sea is for everyone, it represents the commonweal) and would be detrimental to mankind as a whole. „Everybody has the right to better his/her own welfare as long as he/she does not prevent others from doing similarly.” (Bertók, 2002, p. 123) Spontaneous order brings about the equilibrium if everybody contributes to improving quality in his/her allotted place, his/her achievement becomes better from day to day, and he/she would not want to make his/her way somewhere else. Progress is possible without wanderlust when people do not care for all but their own achievements, which generates the commonweal. The individual achievements add up positively so that individual good results in common good. The idea can be generalized so that individual activities, good or bad, result either in general prosperity or in decline. Both versions can be detected in the reception history of Smith’s works. On the one hand, the *Tale of Bees* by Mandeville is structured inversely: the common good is the result of individual virtues, which can be accounted for, even philosophically, with great difficulty. Prosperity, that is the commonweal, grows out of the activities of the bootlegger, the prostitute, and the thief. It amounts to a clearly heteronomous ethical structure where the privileged aim is constituted by economic activity and improvement, and the supportive means are the individual virtues which prompt people to make up for missing livestock, keep together the capital and thrive. It is time for enrichment, at least this is what Mandeville believes. James Buchanan extends the meaning of the invisible hand in Smith beyond spontaneous order toward disorder. In the 1960s and 70s, he was looking for evidence which could prove that quantitative additions are harmful, among other things, to nature. The model of „littering on the seashore” highlights selfishness, it is the act of following spontaneously one’s interest. (We are bothered with garbage on us and to get rid of it we throw it away.) We cannot foresee the consequences of throwing away a single bit of litter (the seashore becomes a dump) just as chess players cannot fully comprehend the entire game on the chess board. The negative effects equally add up so that spontaneous improvidence generates a non-assumable future.

Smith attempted to eliminate such irresponsible behaviour with the concept of prudence, which is not aimed solely at present action but involves past experience and calls for responsibility for the future. Prudence is a special and complex form of propriety. „Many men behave very decently, and through the whole of their lives avoid any considerable degree of blame, who yet, perhaps, never felt the sentiment upon the propriety of which we found our approbation of their conduct (...)” (Smith, 1759/1976a, p. 162; quoted by Sen, 1999, p. 277) In Smith, the manifestation of the emotions increases in proportion with being civilized. He would prove it with personal analyses without making use of any general social indices. It is another evidence of the individual perspective which was first formulated markedly in ethical history by Shaftsbury, the cultural intermediary and gentleman figure of salon philosophy. On the other hand, the practical accomplishment of the Aristotelian idea of the middle surfaces again in the fifth part of *The Theory of Moral Sentiments*, where he discusses the characters and manners of men in different professions

and states of life, and refers to the categories of „*neither too much, nor too little of the character*” (Smith, 1759/1976a, p. 201) Smith constructs his moral being: „*the great inmate of the breast, the great judge and arbiter of conduct [...] who, in the evening, calls us to an account for all those omissions and violations, and his reproaches often make us blush inwardly both for our folly and inattention to our own happiness and for our still greater indifference and inattention, perhaps, to that of other people.*” (Smith, 1759/1976a, p. 262) While prudence promotes one’s own happiness, justice and beneficence promote the happiness of the other and others. It is also the sense of propriety which underlies self-command and is nothing but the sympathy of the impartial spectator. The delayed revenge and the sudden bursting of repressed passions (the so-called Anna Édes phenomenon) are also adumbrated, which may well lead to uncontrolled actions foreshadowing mental illness. Maybe this is why Smith is called the anticipatory psychologist by several authors in the literature. As for justice, it is explained by his friend David Hume in his *Enquiry Concerning the Principles of Morals*. Its publication date (1751) indicates that it preceded Smith’s work on moral sentiments.

The idea of division of labour was introduced by Mandeville, but maybe it is the most significant phenomenon of the Enlightenment, which is manifested in the internal operation of the manufacture, in the process of production and also in the entire society. The satisfaction of needs increases in proportion to the degree of civilization. The African king who rules over masses of savages will never reach the level of needs of the European peasant. (Cf. Bertók, 2002, p. 106) The parameters of welfare correlate with the degree of the division of labour rather than with the size of power. It is also true that in 18th-century Britain, everything took place in the fields of economy and management. The benefits of every other subsystem like town and country, seashore life, and navigation derive from that. „*It is at this point Smith mentions Hungary as a country which takes less profit out of the Danube because it does not own it in its entirety.*” (Bertók, 2002, p. 107) „*The navigation of the Danube is of very little use to the different states of Bavaria, Austria and Hungary, in comparison of what it would be if any of them possessed the whole of its course till it falls into the Black Sea.*” (Smith, 1776/1976b, p. 36)

Smith also writes about the advantages and drawbacks of the division of labour. The relevant passages are quoted by many authors throughout the history of reception of his work. It may have been Hegel who elaborated the context of selfishness on the one hand, and the essence of common work, on the other. The latter is quoted with high acclaim by the Marxist critique, Salvucci, in his work on Adam Smith’s political philosophy: „*[e]ach in his own enjoyment provides enjoyment for all, just as in working for himself he is at the same time working for all and all are working for him. His being for himself is therefore in itself universal and his self-interest is something merely in his mind, something that cannot get as far as making a reality of what it means to do, viz. to do something that would not benefit all.*” (Hegel, 1977, p. 302; quoted by Salvucci, 1966, p. 122)

In Smith's reception history, a special role is played by Amartya Sen, who has written a couple of books inspired by Smith. In his *Development as Freedom*, he mentions Smith approximately sixty times. He quotes him even in the context of shame: „*Custom, in the same manner, has rendered leather shoes a necessary of life in England. The poorest creditable person of either sex would be ashamed to appear in public without them.*” (Smith, 1776/1976b, p. 468-471; quoted by Sen, 1999, p. 74) Following Menger and Hayek, the theory of unintended consequences entails that the selfish and the rapacious „*are led by an invisible hand to advance the interest of the society without intending it, without knowing it*” (Smith, 1776/1976b, p. 185; quoted by Sen, 1999, p. 256)

Sen makes it clear that Smith should not be called the guru of selfishness, for he is not. The self-love he uses can be found in every person. (Cf. Sen, 1999, p. 252) Sen is aware of the fact that his book is Smithian to a great extent. In the contemporary debate between nature and nurture, Smith's vote goes to nurture. „*The difference between the most dissimilar characters, between a philosopher and a common street porter, for example, seems to arise not so much from nature, as from habit, custom, and education.*” (Smith, 1776/1976b, p. 28; quoted by Sen, 1999, p. 295)

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