Ideas

- Nature provide a basis in sentiment for virtue.
- When we adopt the role of impartial spectators, sympathy is the sentiment that is the basis for moral judgments.
- Acting from a sense of duty corrects for any lack of appropriate sentiment in particular instances.
- The deity has implanted powerful instincts (passions), which lead us behave in ways that are ultimately beneficial for all.
- Self-interest coupled with the predisposition to 'trade', 'barter', and 'exchange' provides a basis for the division of labor and economic development.
- In a market free from monopolies and self-serving public policies, competition among the self-interests of isolated consumers and producers produces a stable and expanding economy.
- The self-interested pursuit of wealth may not be individually satisfying but leads to an aggregate increase in wealth that is in the best interests of a nation.

Biography

Adam Smith was an important Scottish political philosopher and economist whose famous work Wealth of Nations (1776) set the tone for work on politics and economics for many people even through today. This was, in fact, the first comprehensive effort to study the nature of capital, the development of industry and the effects of large-scale commerce in Europe.

Adam Smith's fundamental argument was that individuals should be allowed to pursue their own private economic interests as much as possible and so long as they do not violate basic principles of justice. In this way, Smith thought, they would do much more to further the public good and public interests than if the same people were to try to
help the public deliberately and intentionally.

Smith called this the invisible hand of the market - although everyone is acting in their own self-interest, they are led to achieve the good of all as if by an invisible hand of economic forces. Therefore, outside interference will inevitably lead to disaster. This became known as laissez-faire economic policy.

In 1759 he published the book Theory of Moral Sentiments, where he discussed the standards of ethical conduct that hold society together. This book was a compilation of ideas and lectures from his time as a profes

http://www.economyprofessor.com/theorists/adamsmith.php

or of moral philosophy at the University of Glasgow.