

Enlightenment I: Rational economic man emerging from self-imposed infancy?

“Infancy is the inability to use one’s reason without the guidance of another. It is self-imposed, when it depends on a deficiency, not of reason, but of the resolve and courage to use it without external guidance. Thus the watchword of the enlightenment is *Sapere aude!* Have the courage to use one’s reason.” (Kant)

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1. Self-conscious periodization: 100 years from Locke’s *Second treatise of government* (1790) to the French revolution (1789). For the individual:

political freedom: checks and balances, basic human rights.

religious freedom: “The legitimate powers of government extend to such acts only as are injurious to others.

But it does me no injury for my neighbor to say there are twenty gods, or no god. It neither picks my pocket nor breaks my leg.” (Jefferson, 1787) Locke’s *Letters concerning toleration* (1690).

intellectual freedom: individuals as creators of their own intellectual universe. Locke’s empiricism: the mind like blank slate; individualism; aren’t individuals born into cultures?

economic freedom: an individual’s power of labour; labour theory of value.

2. Enlightenment of society:

society as a unit: increasing wealth of a nation leads to deterioration of personal virtues? population growth, embryonic sociology within political economy. “[T]hough North America is not yet so rich as England, it is much more thriving, and advancing with much greater rapidity to the further acquisition of riches. The most decisive mark of the prosperity of any country is the increase of the number of inhabitants. In Great Britain, and most other European countries, they are not supposed to double in less than five hundred years. In the British colonies in North America, it has been found, that they double in twenty or five-and-twenty years.” (Adam Smith, *Wealth of Nations*, I.viii.22)

social labour: labour itself a commodity; alienation; Locke → Adam Smith → Marx.

social progress: Adam Smith’s four stages (hunting, herding, agriculture, commerce) as a comparative frame to analyze different components of a variable (e.g. the price of a commodity); Kant: “Such a contract, whose intention is to preclude forever all further enlightenment of the human race, is absolutely null and void... One age cannot bind itself, and thus conspire, to place a succeeding one in a condition whereby it would be impossible for the later age to expand its knowledge, (...) to rid itself of errors, and generally to increase its enlightenment.” Progress gradual: reform not revolution.

contradictions between self-interest and the interest of society: who has knowledge of what’s good for society? paternalism, ‘white man’s burden’ in European colonialism. Bentham’s Panopticon: surveillance versus light; biased universalism; artificial junction between individual self-interest and the social good through legislation (Bentham) vs. natural junction (Adam Smith’s invisible hand).

3. “The slave trade” (Jaucourt, 1772): the inalienable right to be free. Was slavery no longer profitable? In the long run not, according to Adam Smith (I.viii.41 and III.ii.9).

4. “Supplement to the Voyage of Bougainville” (Diderot, 1772): many European beliefs and customs are arbitrary and irrational; cultural relativity, the ‘noble savage’.

5. “Encyclopedia” (*Encyclopédie*, 1751-72, Diderot & d’Alembert): access for everyone to all kinds of knowledge, from joinery to *jouissance*. <<http://quod.lib.umich.edu/d/did/intro.html>>

6. “What is enlightenment?” (Kant, 1784) **Public** use of reason (speaking one’s conscience to the world) versus **private** (fulfilling official and civic duties). The two should go hand in hand: a ruler “realizes that there is no danger to his *legislation* in allowing his subjects to use reason *publicly* and to set before the world their thoughts concerning better formulations of his laws, even if this involves frank criticism of legislation currently in effect”. But does the future good of humanity override any particular good or duty?

7. Nationalism and the Enlightenment: ‘the Scottish Enlightenment’: parliamentary union with England (1707-1998) versus preservation of national identity in Church (Presbyterianism), Law, and University (St. Andrews, Edinburgh, and Glasgow). Education: schools in every parish. Bentham draws from Helvétius (France) and Beccaria (Italy), and first makes his name in France.

8. *An inquiry into the nature and causes of the wealth of nations* (1776, Adam Smith). “Political Economy, considered as a branch of the science of a statesman or legislator, proposes two distinct objects: first, to provide a plentiful revenue or subsistence for the people ...; and secondly, to supply the state of commonwealth with a revenue sufficient for the public services.” (IV.Intro.1) *Theory of Moral Sentiments*, 1759. Is economic development compatible with a virtuous society? “[A man’s] dexterity at his own particular trade seems ... to be acquired at the expense of his intellectual, social, and martial virtues. But in

every improved and civilized society this is the state into which the labouring poor, that is, the great body of the people, must necessarily fall, unless government takes some pains to prevent it.” (V.i.3.2.50)

- a. Minimal government: external security, internal security/justice, public works (including education). Government non-intervention allows that “the obvious and simple system of **natural liberty** establishes itself of its own accord.” (IV.ix.51)
- b. Individual self-interest, the **invisible hand**. “It is not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner, but from their regard to their own interest.” (I.ii.2) If an individual “intends only his own gain, ... he is in this ... led by an invisible hand to promote an end which was not part of his intention. ... By pursuing his own interest he frequently promotes that of the society more effectually than when he really intends to promote it.” (IV.ii.9)
- c. Comparison with existing and imagined societies: “the accommodation of [an industrious and frugal peasant] exceeds that of many an African king, the absolute master of the lives and liberties of ten thousand naked savages” (I.i.11). Trickle-down effect: “the produce of the whole labour of the society is so great, that all are often abundantly supplied, and a workman, even of the lowest and poorest order, if he is frugal and industrious, may enjoy a greater share of the necessaries and conveniences of life than it is possible for any savage to acquire” (Introduction, para. 10). Compare Locke’s *Second Treatise of Government*, 5.41, and Locke’s *First Treatise of Government*, 4.42, where there’s a residual natural right to subsistence in times of food scarcity.

“But we know God hath not left one man so to the mercy of another, that he may starve him if he please: God the Lord and Father of all, has given no one of his children such a property, in his peculiar portion of the things of this world, but that he has given his needy brother a right to the surplusage of his goods; so that it cannot justly be denied him, when his pressing wants call for it. And therefore no man could ever have a just power over the life of another, by right of property in land or possessions; since ’twould always be a sin in any man of estate, to let his brother perish for want of affording him relief out of his plenty. As *justice* gives every man a title to the product of his honest industry, and the fair acquisitions of his ancestors descended to him; so *charity* gives every man a title to so much out of another’s plenty, as will keep him from extreme want, where he has no means to subsist otherwise; and a man can no more justly make use of another’s necessity, to force him to become his vassal, by withholding that relief, God requires him to afford to the wants of his brother, than he that has more strength can seize upon a weaker, master him to his obedience, and with a dagger at his throat offer him death or slavery.”
- d. Social progress, four stages: Hunting, Herding (pastoral), Agricultural, Commercial/Advanced. This model is used to distinguish critical factors behind progress (e.g. in relation to the decline of virtue, the need for a professional army, and the three components of the price of a commodity).
- e. Increased productivity through the division of labour. Example of the pin factory (I.i.3).
- f. Real versus nominal price: labour versus money; labour theory of value (compare Locke’s *Second Treatise of Government*, 5.42). “Labour alone ..., never varying in its own value, is alone the ultimate and real standard by which the value of all commodities can at all times and places be estimated and compared. It is their real price; money is their nominal price only” (I.v.7) Excavating what’s really going on in terms of labour.
- g. Component prices of a commodity: wages of labour, profit on stock/capital, rent on land. “The profits of stock, it may perhaps be thought, are only a different name for the wages of a particular sort of labour, the labour of inspection and direction. They are, however, altogether different, are regulated by quite different principles, and bear no proportion to the quantity, the hardship, or the ingenuity of this supposed labour of inspection and direction.” (I.vi.6) “Wages, profit, and rent, are the three original sources of all revenue as well as of all exchangeable value. ... Whoever derives his revenue from a fund which is his own, must draw it either from his labour, from his stock, or from his land” (I.vi.17-18).
- h. Natural versus market price, supply and demand, the economic pump. “The actual price at which any commodity is commonly sold is called its market price. It may either be above, or below, or exactly the same with its natural price” (I.vii.7). “The market price of every particular commodity is regulated by the proportion between the quantity which is actually brought to market, and the demand of those who are willing to pay the natural price of the commodity, or the whole value of the rent, labour, and profit, which must be paid in order to bring it thither. Such people may be called the effectual demanders, and their demand the effectual demand” (I.vii.8). When supply exceeds demand, the market price will sink below the natural price, and “some of the component parts of its price must be paid below their natural rate. If it is rent, the interest of the landlords will immediately prompt them to withdraw a part of their land; and if it is wages or profit, the interest of the labourers in the one case, and of their employers in the other, will prompt them to withdraw a part of their labour or stock from this employment. The quantity brought to market will soon be no more than sufficient to supply the effectual demand. All the different parts of its price will rise to their natural rate, and the whole price to its natural price” (I.vii.13).
- i. Free trade, laissez-faire. It’s cheaper to import wine from Portugal than to try to make it in Scotland.