

**PO230 States and Markets: An Introduction to International Political Economy
Seminar Week 5. Adam Smith and Empire**

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Next week:

Do Adam Smith's ideas matter today?

Is Adam Smith's work "eurocentric?"

What does the "canon" omit?

- What is Williams' argument?
- Does Williams argue Smith a defender or critic of colonialism? On what basis?
- Does Muthu argue Smith was a defender or critic of colonialism? On what basis?
- Do you agree with Williams or Muthu? Why?

Williams (2014) suggests that "Smith's opposition to colonial rule derived largely from its impact on the metropole, rather than on its impact on the conquered and colonised; that Smith recognised colonialism had brought 'improvement' in conquered territories and that Smith struggled to balance recognition of moral diversity with a universal moral framework and a commitment to a particular interpretation of progress through history."

- So does liberalism have the resources to condemn the colonial enterprise, rather than simply its excesses?

Smith writes that "the colonists carry out with them a knowledge of agriculture and of other useful arts, superior to what can grow up of its own accord in the course of many centuries among savage and barbarous nations. They carry out with them too the habit of subordination, some notion of regular government ... of the system of laws which support it, and of a regular administration of justice" (WoN: 564–565, 567) (In Williams 2014)

"Three important issues arise out of this interpretation of Smith. The first relates to the attraction of reading Smith as an anti-colonial liberal. The problem here is not just that this kind of reading overlooks the very real ambivalences and ambiguities that we find in Smith writing about colonialism and 'barbarous' nations, it is also that the idea of Smith as a 'liberal' may be open to doubt" (Williams 2014)

Muthu (2008) however writes that Smith's ambivalence is maybe due to him being anti-colonial. "The global dimension of Enlightenment writings on commerce puts further into question the **conventional notion** that one of the defining features of the political thought of "the Enlightenment" is that transnational commerce—however much it might draw upon and even encourage selfish and acquisitive vices—helps nonetheless to redirect (or to lessen) destructive passions and prejudices and ultimately to engender social stability, widespread economic prosperity, and peace among nations." Specifically, Smith's account of the development of Western Europe does not fit a rosy view of an "enlightened" theory of commerce but brings out a far deeper ambivalence about commercial life (Muthu 2008).

"He believed that the development of global commerce from 1492 through to his own time had been tremendously destructive—socially, economically, and politically—and had rested upon patently unjust practices and venal institutions. Yet he also believed that the ever more frequent exchanges of goods, technologies, and ideas across borders—even within a deeply unequal and unjust geopolitical context—were bound to foster developments in the long run that would begin to empower weak and vulnerable societies" (Muthu 2008).

Why is globalisation/commerce anti-liberal? "...they are the result of the power of merchants acting in concert in order to influence economic and foreign policy to the advantage of their companies, an advantage that, as Smith argues repeatedly, is often contrary to the actual public interest of British and foreign societies. Smith's concerns about exclusive trading privileges, about the power of international trading companies both within Europe and abroad, and about monopolies as such are all rooted in a **core moral commitment to liberty and basic rights that he saw as constitutive of humanity to prohibit a great people . . . 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. (IV.vii.b.44; 582) (Muthu 2008)" (Natural Rights!? + Kant's "cosmopolitan rights")

What does our re-evaluation of Smith indicate about IPE and its 'blind spots'?

"Political theory arguably continues to fail to deal adequately with the imperial features of the current global order, including the substantial responsibility on the part of the great powers for conditions such as extreme poverty, ecological crisis, civil conflict, and tyranny around the world" (Political theory of empire and imperialism, Pitts 2010)

Some "key concepts and languages of European political thought—ideas of freedom and despotism, self-government, and the autonomous individual—were imagined and articulated in light of, in response to, and sometimes in justification of, imperial and commercial expansion beyond Europe."

- True in Adam Smith's case?

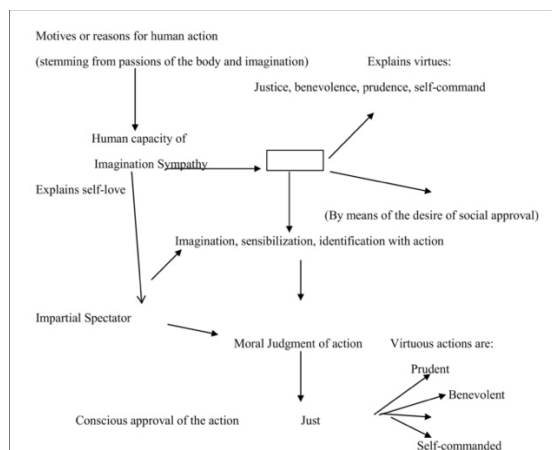
In groups of 4 draw a bullet point essay plan on one of these...

- Is Adam Smith Eurocentric? Is this a problem?
- Do you think liberalism was blind to empire?
- Is liberalism a foundation for anti-imperialism?

Formative essay: Wednesday Week 9 at 12:00 NOON Tabula

- 1500 words. Choice of questions on moodle.
- **Extensions now must be requested through tabula.**
- Have a look at the marking criteria in your undergraduate handbook!
- Develop arguments and use evidence. In interpretive questions this means evidence from the authors you are comparing. In other questions about assessing the usefulness of theories or concepts use examples and supporting theories.

Smith's conceptualisation of human nature in Theory of Moral Sentiments



(From <https://www.scielo.br/j/ecos/a/J6hsbwLW5Zh65P4vXB3QDBH/?lang=en#>)

Next week presentation:

Criticisms of Ricardo's work from an IPE perspective.