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How did it all begin? Adam Smith on the early and rude state of society and the age of hunters

Abstract:

Scholars tend to examine Smith's historical approach as a whole from the perspective of the four stages theory. This leads to a neglect of Smith's ability to use history in different ways as his different purposes require. This article distinguishes Smith's recourse to primitive society with respect to his purposes in *Wealth of Nations* and in *Lectures on Jurisprudence*. In the former, Smith analyses the capitalist economy, thereby laying emphasis on capital and the division of labour in his account of wealth. In the latter, he explains the evolution of institutions in order to challenge contractarian accounts of government.

Keywords: Adam Smith, primitive society, four stages theory, capital, government

1. Introduction

Since the discovery in 1958 of a new set of student notes on Smith's lectures on jurisprudence,¹ studies on the historical dimension of Smith's works have multiplied. These studies tend to examine Smith's historical approach as a whole, especially with reference to his particular place within the Scottish Historical School. The common feature of this school is the use of a specific theory of stages (Skinner 1965: 1-2, Meek 1967: 34, Sebastiani 2013: 8),² a framework in which historical progress is understood through four successive modes of subsistence. Smith, who pioneered the formulation of the theory of "four stages" (Meek 1971, 1976: 99; Stein 1979: 628),³ is generally seen as employing the essence of this historical theory in his *An Inquiry into the Nature and Causes of the Wealth of Nations* (*WN*) (Stewart 1982: 295, Forbes 1954: 648, Meek 1976a: 221, Raphael 1985: 1-2, Skinner 1982, 1996).

While this is a plausible assessment of Smith's considerations in Book V of *WN* where he discusses government expenditure, according to Hollander, "the work as a whole is not governed by the [stadial] tradition" (1998: 89). Analysing Book III, where Smith gives an historical account of the emergence of European commercial societies, Hollander notes that "the incorporation of the [historical] materials into the *Wealth of Nations* was designated with an eye upon something other than the account of major historical transitions in terms of the standard stadial model" (1998: 92). He holds that Smith propounds a theoretical growth

¹ This set of notes (relating to Smith's Glasgow lectures in 1762-3) provides a more elaborate version than the earlier one published by Edwin Cannan in 1896 which relates to lectures given in the 1763-4 session. The former is referred to as *LJ (A)* and the latter as *LJ (B)* or the *Cannan notes*. The new discovery also contains notes on Smith's lectures on rhetoric.

² Berry (2015: 25) disagrees, arguing that Scottish historiography can't be limited to the use of the stadial theory.

³ Pesciarelli (1986) questions Meek's arguments for giving Smith priority in the elaboration of the theory.

model in Book III as a basis for his “very violent attack ... upon the whole commercial system of Great Britain” (Smith 1977: 251), just as he implies in the “introduction and plan of work” of *WN*. Bowles (1986: 110) also draws attention to the distinct purpose of the historical discussion in Book III in comparison to the *Lectures on Jurisprudence*.⁴ These studies indicate that an assessment of Smith’s historical approach which depends on taking a broad overview of his work may lead us to overlook the complexity of his thought (i.e. his capability to use history differently according to his specific objectives), as well as the division of labour which he establishes between and within his works.

Following Bowles (1986) and Hollander (1998), this paper aims to show the possibility of a different approach in reading the primitive society as depicted in the “analytical” books (Schumpeter 1994: 181) of *WN*, namely Books I and II. It is argued that Smith’s reference to history in the form of recourse to primitive society in these books doesn’t fit into the traditional discourse of historical progress put forward through the four stages theory. The comparison between an early and an advanced society in his economic analysis constitutes a narrative which is distinct both in purpose and in nature from the account of the development of societies by stadial sequence. The differences between these two discourses are hinted at by Dellemotte and Walraevens (2015: 718),⁵ and previously by Hollander (1998: 89) who notes that “apart from the discussion in Book V, the notion of a hunting ‘stage’ is used largely as a *fiction* for analytical purposes rather than for its own sake as a part of a treatment of historical development”. They do not, however, mention the political ambition of the stadial tradition. Furthermore, Pocock (1999, 2006: 286-7) underlines the profusion of narratives in Smith “which are more than mere footnotes to his system”. In our case, the use of different narratives stems from his two different yet related objectives:

- i. Economic theory: the chief aim of Smith’s recourse to primitive societies in *WN* is to solve the paradox which he lays out in the introduction. Why are the “savage societies” poorer than modern societies, despite the fact that almost every individual is employed in the former, by contrast to the latter? On the basis of a static comparison between an early and an advanced state of society, he lays the foundations

⁴ Many scholars combine Book III of *WN* with Book V and *LJ* in their analysis of the four stages theory (Pascal 1938, Winch 1978, Haakonssen 1981, Skinner 1982, 1996, Stull 1986, Reid 1989, Salter 1992, Kim 2009). There are indeed many parallels between what Smith narrates in *LJ* and Book V. However, forging a link between these narratives is not straightforward. There is no mention of the first two stages of hunters and shepherds in Book III. Moreover, as will be seen, the four stages theory doesn’t represent a factual history of the past, as opposed to Book III which gives an historical account of the emergence of the mercantile system. These dissimilarities haven’t been entirely neglected. Haakonssen (1996: 135) notes: “both in the abstract natural, or conjectural, ‘history’ of the four stages of civil society *and* in the historical account of the past” (*emphasis added*). Pocock (1999: 315) emphasizes the intertwining of natural history and civil history in Smith’s system. The editors of *WN* mention in passing a possible reason for the difference between Book III and Book V/*LJ* by suggesting that in Book III “Smith was concerned with a socio-economic *system* as distinct from a system of *police* or government policy” (*WN* III.ii.n.1: 381). All quotations are from the “Glasgow Edition” of Adam Smith’s works, with references to *Wealth of Nations* indicated as *WN*, *Lectures on Jurisprudence* as *LJ* and *Theory of Moral Sentiments* as *TMS*.

⁵ They compare these two narratives from the sole perspective of the division of labour. In their view, while the early/advanced state comparison points out the subordination of workers and the negative effects of the division of labour, the stadial scheme indicates the development of prosperity and the positive effects of the division of labour.

of his economic theory according to which wealth arises principally from capital accumulation and advanced division of labour (*WN* Book I and II).

- ii. Political philosophy: Smith wanted to construct a theory of justice and government.⁶ A draft of this uncompleted project is *LJ* where he opposes the social contract theory and the narrative according to which private property is a natural right. Making property the linchpin of his account, Smith endorses the view that government was first established to secure property and that its evolution goes hand in hand with the alteration of the latter. He provides this account by reference to the “four stages theory”, according to which societies pass through stages in the process of development: “1st, the Age of Hunters; 2dly, the Age of Shepherds; 3dly, the Age of Agriculture; and 4thly, the Age of Commerce” (*LJ (A)* i.27).

The purpose of this paper is thus to emphasize the importance of distinguishing one from the other in order to grasp the different aspects of Smith’s inquiry in its unity. In order to discern Smith’s two different historical narratives in terms of their purpose and nature, two types of primitive society are outlined:

- i. “early and rude state” as representative of the comparison between an early and advanced state of society, thus referring to his economic analysis;
- ii. “age of hunters” as illustrative of the four stages theory, thus referring to his political philosophy.⁷

This task requires expounding the role of the early state (section 2) and that of the age of hunters (section 3) in Smith’s thought. The comparison shows us their divergences as well as their interconnectedness in his system (conclusion). While Smith’s argument concerning political philosophy requires that the primitive state be embedded in a historical and legal context, the primitive state detached from its historical and legal ties suffices for his economic analysis. These two narratives are complementary in so far as the former lays the historical and institutional foundations for the eighteenth-century British economy which is the subject matter of the latter.

⁶ Smith had an ambitious project which aimed at giving “an account of the general principles of law and government, and of the different revolutions they have undergone in the different ages and periods of society, not only in what concerns justice, but in what concerns police, revenue, and arms, and whatever else is the object of law” (*TMS* VII.iv.37). Smith was unable to accomplish his aim concerning the theory of justice and government before his death.

⁷ I build this reconstruction, as far as I can, on Smith’s own terminology which albeit with great variety—“barbarous and uncivilized state” (*WN* I.iii.8), “that early and rude state of society” (*WN* I.vi.1), “that original state of things” (*WN* I.viii.2), “age of hunters” (*LJ (A)* i. 27), “state of hunters” (*LJ (B)* 10), “in the beginning of society”, “in their primitive state” (*LJ (B)* 334)—seems to admit of some consistency: the former is deployed more in an economic context whereas the latter appears usually within a political framework. However, there are exceptions, such as the opening paragraph of chapter 6 of Book I where he gives the example of the exchange between two hunters, right after his first use of “early and rude state of society”.

2) Early and rude state of society: economic theory

Distinguishing between Smith's economic and political purposes may have an additional justification on the following grounds. There is good reason to think that Smith gradually singled out political economy as *the* subject matter which concerned him, culminating in his *magnum opus*. In addition to endorsing "the division of labour in scientific endeavour" (Aspromourgos 2011: 83),⁸ he also comes to extend this "division of labour" into his jurisprudential and economic works.

This shouldn't be taken to mean that Smith's political economy is independent from his jurisprudence and ethics. On the contrary, "Ethics, Jurisprudence and Economics were certainly subjects which Smith treated as the separate but inter-related parts of a system of the moral or social sciences" (Skinner 2000: 6). Indeed, Smith sees political economy "as a branch of the science of a statesman or legislator" (*WN* IV.1) described as a system of "natural jurisprudence or a theory of the general principles which ought to run through and be the foundation of the laws of all nations" (*TMS* VII.iv.37). He intended to write this theory of jurisprudence which would encompass the four great objects of law, "Justice, Police, Revenue, and Arms" (*LJ* (B) 5). In the Advertisement to the last edition of *TMS*, he notes that "*in the Enquiry concerning the Nature and Causes of the Wealth of Nations*, I have partly executed this promise; at least so far as concerns police, revenue, and arms" (*TMS*, 2). Thus, the very existence of *WN* is evidence that, for Smith, "political economy is a separable but not thereby autonomous science" (Aspromourgos 2011: 82).

As for the view that Smith gradually came to single out his economic analysis, the observations of the editors of Smith's various works are crucial. Firstly, W. R. Scott holds that Smith decided to separate his economic material from "the treatment of Jurisprudence in which it had been previously embedded" (1937: 319), presumably comparing *WN*, the *Early Draft* and the *Cannan notes*.⁹ Secondly, Meek and Skinner (1973: 1102) remind us of the obvious fact that the *Early Draft* of *WN* is an "attempt by Smith to translate the 'economic' material in his Jurisprudence lectures into book form". This clearly supports the idea that at some stage Smith took what Scott (1937: 319) calls an "epoch-making decision" to separate out his economic analysis. Moreover, by comparing the fragments on the division of labour and *WN* they discover that Smith omits a passage which "explicitly established a connection between mode of subsistence, size of community, and division of labour, illustrating the point in terms of three distinct economic types (hunting, pasturage and agriculture)" (1973: 1109). They deduce that Smith may have "purge[d] the more 'analytical' parts of his material of some of the 'sociological' illustrations" (1973: 1108 n.1). All these appear congruent with the fact that there are very few direct references to the four stages theory in *WN*—as noticed rightfully by Meek (1976a: 220)—except in the sections on defence and justice in Book V.

⁸ I would like to thank one of the anonymous referees for bringing Aspromourgos's article to my attention.

⁹ W.R. Scott discovered the *Early Draft* of *WN* as well as Smith's two fragments on the division of labour. The latter is composed of two pieces of documents presenting sketchy discussions on the division of labour. Meek and Skinner (1973) believe that Smith wrote them in 1760s as a substitute for the division of labour section of the *Early Draft*, which in turn was probably written before April 1763.

Finally, thanks to Meek (1976b), who published the *Anderson Notes*, one can trace back the development of Smith's thought to an earlier period. These new notes comprise summarized extracts made by John Anderson sometime in 1753-5, from notes on Smith's lectures on jurisprudence probably delivered, according to Meek, between 1751 and 1754 (that is nearly ten years earlier than the lecture notes *LJ (A)*). Meek (1976b: 70) discovers that Smith, in his early Glasgow period, dealt with his analysis of price, money, interest etc. in a jurisprudential context following the natural law tradition (especially Hutcheson). Comparing these notes with *LJ (A)*, he realises that Smith moved his economic analysis from the section dealing with "Contracts" to the section on "Police". With this background, it seems easy to pin down Smith's gradual isolation of economic analysis from its jurisprudential and historical context. The explanation of this choice could be that Smith simply did not need these materials for his economic argument.

Similar to the division of labour he establishes across his overall system, Smith also implements a division of labour within the five books of *WN*. In the "Introduction and plan of work", he explicitly divides these books in respect of their different purposes. Pack (1991: 8) regrets the Introduction's underemphasis in the literature, and with good reason, in so far as it facilitates the comprehension of Smith's intentions. It is known that Smith's main purpose in *WN* is to propose policy recommendations which would assure the proper functioning of the capitalist system. He bases this political programme (Book IV, V) on his analysis of the operation of the capitalist economy (Book I and II).¹⁰ The introduction is clear on this point: after equating the "wealth of nation" with its supply of "all the necessaries and conveniences of life for which it has occasion" (*WN* 1-2), which depends on the labour produced in the country,¹¹ he distinguishes two types of societies in respect of their abundance of these goods:

*Among the nations of hunters and fishers, every individual who is able to work, is more or less employed in useful labour, and endeavours to provide, as well as he can, the necessaries and conveniences of life, for himself, or such of his family or tribe as are either too old, or too young, or too infirm to go a hunting and fishing. Such nations, however, are so miserably poor, that, from mere want, they are frequently reduced, or, at least, think themselves reduced, to the necessity sometimes of directly destroying, and sometimes of abandoning their infants, their old people, and those afflicted with lingering diseases, to perish with hunger, or to be devoured by wild beasts. Among civilized and thriving nations, on the contrary, though a great number of people do not labour at all, many of whom consume the produce of ten times, frequently of a hundred times more labour than the greater part of those who work; yet 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. (*WN* 4, *emphasis added*)*

¹⁰ As already mentioned (n.4), Book III is the historical account of the commercial society and its policies (*WN* 7) against which Smith argues in Book IV.

¹¹ The opening sentence of *WN* implies labour to be the sole source of wealth. Blaug (1985:53) notes that being "among the shibboleths of the time", it is "a convenient weapon against mercantilist thinking". For Smith, the other source of wealth is land.

A country is rich or poor according to the quantity of goods with which it is supplied. But since it is labour which supplies the goods, how is it possible that a society where nearly everyone works is poor whereas the other where many do not work is rich? The abundance of goods or the richness of the “civilized” nations thus needs an explanation. Smith informs us that Book I and Book II will give us the reasons: advanced division of labour, and the accumulation of capital (WN 5-6).

The comparison between these two types of societies (in the form of “savage”/“civilized” or “early”, “rude”/ “advanced”, “improved”) appears almost in every chapter of Book I.¹² Chapter 1 answers the above question directly: The opulence in the advanced society is explained by the increasing productivity of labour which stems from the division of labour. Specialisation on a single task enhances the skill of the labourer, makes him save time which he would lose if he was to switch to another task and promotes the invention of machinery. Because of these advantages, the division of labour “is generally carried furthest in those countries which enjoy the highest degree of industry and improvement; what is the work of one man, in a *rude state of society*, being generally that of several in an improved one” (WN I.i.4, *emphasis added*). The advanced division of labour, in contrast to its rudimentary state in a rude society, lies behind “that universal opulence which extends itself to the lowest ranks of the people” (WN I.i.10). This is why the European peasant is “richer” than the African king:

[T]he accommodation of an European prince does not always so much exceed that of an industrious and frugal peasant, as the accommodation of the latter exceeds that of many an African king, the absolute master of the lives and liberties of ten thousand naked savages. (WN I.i.11)¹³

Chapter 2 shows the origin of the division of labour: “the propensity to truck, barter and exchange one thing for another” (WN I.ii.1), which in turn is triggered by self-interest. If the source of the division of labour is founded on human nature, then it is inseparable from human society, and thus exists in every society:¹⁴

¹² There is no reference to primitive society in chapter 7, and no direct reference in chapter 5 but an implication: “when barter ceases, and money has become ...” (WN I.v.6). In Book II apart from the opening paragraph and an allusion to “savages in North America” (WN II.iii.34), there seems to be no recourse to primitive societies.

¹³ When we read the reference to the “African king” through the stadial scheme, it appears that Smith is not here referring here to the first stage, that of hunters (as he usually does) but to the second stage. As will be seen in section 3, political authority first appears in the 2nd stage which would partly explain the African king’s absolute authority. The possible significance of this minutiae will be mentioned below.

¹⁴ In the *Early Draft* of WN, Smith seems to deny the existence of this disposition to barter among savages: “But without the disposition to truck, barter, and exchange, every man must have procured for himself every necessary of life which he wanted. Every man must have employed himself in everything, All must have had the same work to do and the same duties to perform, and there could have been no such difference of employment as could alone give occasion to any great difference of character. It is upon this account that a much greater uniformity of character is to be observed among savages than among civilized nations. Among the former there is scarce any division of labour and consequently no remarkable difference of employments” (LJ: 573).

In a tribe of hunters or shepherds a particular person makes bows and arrows, for example, with more readiness and dexterity than any other. He frequently exchanges them for cattle or for venison with his companions; and he finds at last he can in this manner get more cattle and venison, than if he himself went to the field to catch them. From a regard to his own interest, therefore, the making of bows and arrows grows out to be his chief business, and he becomes a sort of armourer. Another excels in making the frames and covers of their little huts or moveable houses. (I.ii.3, *emphasis added*)¹⁵

This passage, taken together with “the work of one man, in *a rude state of society*, being generally that of several in an improved one”, informs us that the division of labour in the hunter society is a division of labour between different occupations (social division of labour), that here there is no technical division of labour (one task is performed by one man), and that the extant division of labour is at a rudimentary state. The transition from the primitive to advanced society “is characterised by an enormous proliferation in the number of productive activities” (Rosenberg 1965: 134). In the early state the number of occupations is low and the number of tasks performed by a single worker is high, whereas in the advanced state the number of occupations is high and the number of tasks performed by a single worker is low.

The extent of specialization depends on the “extent of the market” (WN I.iii). The anticipation of selling their goods induces individuals to specialize in order to produce more. The bigger the market and the better the transportation, the more advanced will be the division of labour. Hence arises the commercial society:

When the division of labour has been once thoroughly established, it is but a very small part of a man’s wants which the produce of his own labour can supply. He supplies the far greater part of them by exchanging that surplus part of the produce of his own labour, which is over and above his own consumption, for such parts of the produce of other men’s labour as he has occasion for. Every man thus lives by exchanging, or becomes in some measure a merchant and the society itself grows to be what is properly a commercial society. (WN I.iv.1)

Above all other activities, exchange which represents the “cooperation and assistance of great multitudes” (WN I.ii.2) characterises the advanced economy. Here “all goods and services command a price” (Campbell and Skinner 1976: 15). Indeed, what is exchanged is exchanged for a price through the market and “people ... relate to each other through the price mechanism” (Pack 1991: 44). Thus examining the price and market mechanism is necessary for understanding the advanced economy, and the growth of wealth which Smith sought to explain (Aspromourgos 2009: 65).¹⁶ Accordingly, the most important contrast between the early and advanced society which helps us to seize the essence of Smith’s analysis of the capitalist economy lies in chapter 6, concerning “the component parts of the price of the commodities”.

¹⁵ The possible significance of this indifferent use of “hunters” and “shepherds” will be dealt with below.

¹⁶ Aspromourgos also underlines the importance of the Introduction to *WN*, noting that in such a detailed summary, Smith doesn’t mention prices or markets.

Here Smith writes that price determination in an early society would be different from that in an advanced society. The early state is defined as a society composed of “small independent producers owning their own means of production” (Meek 1956: 64 n.1) which they produce themselves without the interference of a capitalist who advances them the means of production or their wages. They produce for their own consumption and above it, so exchanging the surplus with one another:

In that early and rude state of society which precedes both the accumulation of stock and the appropriation of land, the proportion between the quantities of labour necessary for acquiring different objects seems to be the only circumstance which can afford any rule for exchanging them for one another. If among a nation of hunters, for example, it usually costs twice the labour to kill a beaver which it does to kill a deer, one beaver should naturally exchange for or be worth two deer. (*WN* I.vi.1)

The relative price of the commodity is determined by the quantity of labour which is required for producing the commodity. This is because the entire production stems only from labour. The “natural recompense of labour” being the “produce of labour” itself (*WN* I.viii.1), in this state “the whole produce of labour belongs to the labourer” (*WN* I.vi.4). On the contrary, in the advanced state, “as soon as stock has accumulated in the hands of particular persons” (*WN* I.vi.5) and “as soon as the land of any country has all become private property” (*WN* I.vi.8), the price of a commodity can no longer be determined by the labour required for its production. In addition to labour, capital and land enables the production of a commodity. Capital is advanced “in order to make a profit by the sale of their work” (*WN* I.vi.5) while “the landlords ... demand a rent” (*WN* I.vi.8) for the land which they lease. The labourer must this time share the produce of his work with the owner of the capital and that of the land: “an additional quantity ... must be due for the profits of the stock which advanced the wages and furnished the materials of that labour” (*WN* I.vi.7) and the labourer “must give up to the landlord a portion of what his labour either collects or produces” (*WN* I.vi.8). In other words, the price of a commodity must not only cover the “natural recompense of labour” which equates to wages, but also the recompense of capital and land, namely profit and rent. Price is thus determined by the cost of producing the commodity, calculated by “adding up” (Dobb 1973: 46) the incomes of different classes.¹⁷ Consequently, “wages, profit, and rent, are the three original sources of all revenue as well as of all exchangeable value” (*WN* I.vi.17).

This contrast permits Smith to insert capital into his economic analysis, so that it is not only the extent of exchange which characterizes the advanced economy but also the existence of capital and so of profit.¹⁸ In any event, capital and profit are inseparably connected, as the distinction Smith draws between “stock” and “capital” demonstrates: “His whole stock ... is distinguished into two parts. That part which, he expects, is to afford him ... revenue, is

¹⁷ Smith’s theory of value has been subject to vast debate (Douglas 1928: 88, Schumpeter 1994: 183, Dobb 1973: 45, Hollander 1973: 116, Winch 1978: 90, Blaug 1985:38-9). Since our main object, as well as Smith’s, is the determinants of economic growth, this issue is not discussed in the present paper. See Hueckel (2000) for a recent study.

¹⁸ For instance, Bowley (1975) argues that the role of capital is even more important than the role of the division of labour in economic growth.

called his capital. The other is that which supplies his immediate consumption” (*WN* II.i.2). If the stock is used to gain profit, Smith calls it capital. The transition from the early to advanced society thus implies the transition from independent work to dependent work, i.e. wage labour. The worker no longer possessing the means of production is obligated to work for those who possess them in order to gain his subsistence. Labour is thus set into motion by capital with a view to profit.¹⁹ The more capital that is used, the more labour will be demanded in the economy; wages will rise, the population will grow and so will the economy (*WN* I.viii).

The passage from the early to advanced economy parallels the emergence of capital and capitalists as a social class. Yet there is no hint in the early state of what would trigger the dynamic process leading to the accumulation of capital and thus to the advanced state. This lack of explanation results in Marx’s rightful astonishment: “whence come the ‘industrious people’ who possess neither means of subsistence nor materials of labour—people who are hanging in mid-air?” (1988: 385). To which we may add: How is the stock accumulated “in the hands of particular persons” (*WN* I.vi.5)? Smith tells us that the original source of accumulation is “parsimony” (*WN* II.iii.16). Accounting for the transition to the advanced state boils down to showing that the saving performed in the primitive society paves the way for the accumulation of capital.

Nonetheless, trying to figure out this process by using all the information we have on the early state leads to a dead end. Book II informs us of the crucial interdependence of the division of labour and accumulation of capital: “the accumulation of stock must, in the nature of things, be previous to the division of labour, so labour can be more and more subdivided in proportion only as stock is previously more and more accumulated” (*WN* II.3). Accumulation of stock appears as a prerequisite for the more and more extensive specialisation and technical progress which generates economic growth.

Keeping Smith’s distinction between “stock” and “capital” in mind, this passage may be interpreted in the case of a primitive society as follows: the rudimentary social division of labour is enabled by some accumulation of stock, namely accumulation of that part of the stock which is used for consumption. By saving consumer goods, the individual supplies his subsistence during the process of production until the time when he exchanges his surplus for another good that he needs. For instance, an armourer is first obliged to hunt a deer to maintain himself during the production of bows and arrows until he exchanges these arrows for deer. The rudimentary form of division of labour can be thus explained in proportion to the savings of the limited stock the primitive people would have. Since accumulation of capital is impossible (the very definition of the early state suggests the inexistence of capital),

¹⁹ “Labour” here obviously refers to what Smith calls “productive labour”. The definition of productive labour is the labour set in motion by capital. On the other hand, the part of the stock dedicated to immediate consumption is used to hire “unproductive labour”. Smith explains the accumulation of capital in relation to productive labour in *WN* II.3.

this state “was at an end, therefore, long before the most considerable improvements were made in the productive powers of labour” (*WN* I.viii.5).²⁰

It is in order to undergird this idea that Smith chooses to present the early state as a state of autarky without any division of labour when he opens his second book on the “nature, accumulation, and employment of stock”:

In that rude state of society in which there is no division of labour, in which exchanges are seldom made, and in which every man provides everything for himself, it is not necessary that any stock should be accumulated or stored up beforehand in order to carry on the business of the society. Every man endeavours to supply by his own industry his own occasional wants as they occur. When he is hungry, he goes to the forest to hunt; when his coat is worn out, he cloths himself with the skin of the first large animal he kills: and when his hunt begins to go ruin, he repairs it, as well as he can, with the trees and the turf that are nearest it. (*WN* II.1)

Here Smith seems to reverse the order: if there is no division of labour, there is no accumulation of stock. Smith’s purpose is to show the impossibility of accumulating capital in such a state; in doing so he also denies the possibility of stock accumulation, but this may be because he has not yet drawn the distinction between capital and stock which he will effectuate immediately afterwards in chapter 1. At any rate, the economic behaviour which stimulates accumulation of capital doesn’t occur in the primitive state. “The pursuit of profit for profit’s sake” (Diatkine 2010: 399) is specific to the capitalist economy.²¹

The interconnection between the division of labour and accumulation of capital makes the way out of an early state as defined by Smith inconceivable. The reference to the early state remains thus in the form of a static comparison with the advanced economy. Whereas the latter stands out as representative of the actual economy of eighteenth-century Britain, the former seems to represent an economic model with one factor of production and one type of agent. Accordingly, the early state is said to be an “idyllic state” (Hollander 1987: 74), “a state of nature” (Pack and Schliesser 2006: 57), a “fictitious society of independent workers” (Dellemotte and Walraevens 2015: 698) with “pedagogical significance” (Hueckel 2000: 469). Whether the early state is a fiction or representative of actual primitive tribes doesn’t really matter. What matters is how it is used by Smith: as a model of a simple market

²⁰ Cf. *LJ (B)* 286: “A rude and barbarous people are ignorant of the effects of the division of labour, and it is long before one person, by continually working at different things, can produce any more than is necessary for his daily subsistence. Before labour can be divided some accumulation of stock is necessary. A poor man with no stock can never begin a manufacture. Before a man can commence farmer he must at least have laid in a year’s provision, because he does not receive the fruits of his labour till the end of the season. Agreeably to this, in a nation of hunters or shepherds no person can quit the common trade in which he is employed, and which affords him daily subsistence, till he have some stock to maintain him and begin the new trade. Every one knows how difficult it is, even in a refined society, to raise one’s self to moderate circumstances. It is still more difficult to raise one’s self by these trades which require no art nor ingenuity. A porter or day labourer must continue poor for ever. In the beginnings of society this is still more difficult”.

²¹ Diatkine (2010) maintains that this new economic behaviour results from the love of system, which Smith relates with the parable of the poor man’s son in *TMS*. In doing so, he offers a solution to the new *Adam Smith Problem* of reconciling *WN*, which praises savings and the desire for wealth, and *TMS*, which repudiates them. Similarly, Smith doesn’t explain the origin of this passion.

economy whose comparison with the capitalist economy allows Smith to define and analyse the modern economy which is his object. The sociological and historical schemes that characterise the primitive society are insignificant for this analysis. If an economy hasn't reached the 4th commercial stage, in Smith's eyes it is an unimproved economy and thus can be used as an example to contrast with the improved one. This is why he can use "hunters" or "shepherds" indifferently, or compare the European prince to an African King. However, the differences between hunter and shepherd societies are indeed remarkable in his stadial analysis.

3. The age of hunters: political philosophy

Smith's theory of four stages is a part of a wider Scottish tradition encompassing thinkers such as David Hume, Adam Ferguson and John Millar. The subtitle of Hume's *Treatise of Human Nature* (1739–40) provides their common goal: "an attempt to introduce the experimental method of reasoning into moral subjects". They aim to account for the origin of "moral" and thus social institutions within this empiricist perspective. For them, morality is inseparable from sociality; individuals are social beings whose behaviour can only be understood in society.²² Their attempt to provide a theory of the origin of government is itself in response to a wider philosophical question of authority, political obligation and forms of government which dates from antiquity, and is at the same time a response to the contemporary political debates. Their distinct theories or "narratives of civil government" (Pocock 1999)²³ have a common purpose: to propose an alternative theory to the social contract theories of government and civil society, which have also been used frequently in the political arguments of parties in Britain.²⁴

Directed at a traditional philosophical question, Smith's version of the four stages theory is therefore principally a theory of government which aims to attack Locke and Hobbes's contractarian theories. The theory appears accordingly in discussions concerning law and government: in Book V of *WN* where Smith deals with the expenses of defence and justice which are the first two duties of government,²⁵ and in its most complete form in the lectures on justice in *LJ*, whose major part is dedicated to law and government (Winch 1978: 57). More specifically, the stadial scheme is used as "an organizing principle of considerable power and importance" (Meek 1976a: 120) in the lectures on rights regarding an individual's estate (i.e. private jurisprudence), where the rules concerning the acquisition of property are discussed in relation to the mode of subsistence; and in the lectures on rights regarding citizens (i.e. public jurisprudence), which relate the origin of government and its different forms to the extent of property.

²² Berry (2015) highlights the social dimension of Scottish philosophy.

²³ See Castiglione (2013) for an overview of the narratives of civil government of eighteenth century Britain.

²⁴ Principally by the Whigs and then by the Country party. According to Forbes (1954), this would correspond to the vulgar Whig position. He famously distinguishes the scientific Whiggism of these Scottish thinkers, who, following Hume, aimed to discard factionalism in their scientific inquiries.

²⁵ The third one is that of maintaining certain public works and institutions (*WN* IV.ix.51).

This insistence on the political purpose of the four stages theory might seem to downplay its explanatory power in relation to economic development, which is how many have interpreted it (Stull 1986, Reid 1989, Meek 1971, 1976a: 225, Skinner 1982, 1996, Brewer 1998, Marouby 2004). As an all-encompassing theory of progress, it indeed demonstrates the improvement of division of labour and security of property through the stages, and culminating in the eighteenth-century British economy.

At this point, it is useful to draw a distinction within the four stages of the theory. In Skinner's words, "the primitive and the succeeding pastoral stage [can be taken] as illustrative of the *origin* of property and authority; [and] the agrarian and exchange economies as illustrative of the connection between economic organisation and the changing *nature* of subordination" (1965: 8). The distinction, which is drawn rather casually by Skinner (he says that he divides the theory into these two sections "for the sake of convenience"), is on the contrary noteworthy.

Firstly, in explaining the origin of government and property, the first two stages represent the essence of Smith's political philosophy. This political philosophy has a universal scope to the extent that the 1st and 2nd stages provide a general explanation regarding the nature of government and authority, with reference to the history of the diverse nations of the world. On the other hand, the bulk of the 3rd and 4th stages are placed within a particular European framework which diminishes the universal explanatory power of the theory (Pocock 2006: 284-5). Since nowhere was more developed than Europe, the theory of progress had to focus on that region, but this combination resulted in "the problem of the relation of natural history to civil history, of philosophy to historiography" (Pocock 1999: 315). The table of contents of the "public jurisprudence" elaborated by the *LJ* editors illustrates the gradual overtaking of the history of Europe in the lectures (*LJ*: 24).²⁶ This historiographical account of Europe places the evolution of economic organisation within an institutional and historical framework, and underlines the consolidation of law and government through progress. This analysis is similar in general terms (yet not reducible) to the history of Europe in Book III, to the extent that many scholars refer to *WN* for their study of the remaining stages (Skinner 1965, 1982, 1996, Haakonssen 1981, Winch 1978).²⁷

Secondly and correspondingly, different forces cause the transition from one stage to another: the 3rd stage becomes the 4th with the advance in division of labour, whereas the growth of population causes the adoption of different modes of subsistence through the first three stages (Berry 1997: 97, Sebastiani 2013: 48).²⁸ Hence, the first part of the theory responds to the

²⁶ "1. Of the original principles of government (a. Utility and authority; b. Doctrine of an original contract), 2. Of the nature of government and its progress in the first stages of society (a. Forms of government; b. Early progress of government), 3. How republican governments was introduced, 4. How liberty was lost, 5. Of military monarchy, 6. How military monarchy dissolved, 7. Of the allodial government, 8. Of the feudal system, 9. Of the English Parliament, 10. How the government of England became absolute, 11. How liberty was restored, 12. Of the English courts of justice, 13. Of the little republics of Europe (a. Origin of these republics; b. Manner of voting), 14. Of the rights of sovereigns, 15. Of citizenship, 16. Of the rights of subjects.

²⁷ See p.2 n.4 above.

²⁸ Changes in the mode of subsistence as a result of the growth of population is the usual explanation for the natural law tradition of Grotius and Pufendorf, embraced also by Hutcheson (Berry 1997: 96, Pesciarelli 1986:

general philosophical question of the origin of government, so as to challenge the consent-based accounts of contract theories. On the other hand, the second part of the theory, built on the history of Europe, necessarily underlines the unique economic development of this part of the world while criticizing its contemporary laws, regulations and politics—such as slavery and primogeniture. The complexity of human relations, economy, laws and regulations in the developed societies may be a reason why, in contrast to the clear exposition of the first two stages, the remaining part of Smith’s analysis is vague and complicated, to the extent that one cannot always be sure which stage he is talking about.

Therefore, this section rests primarily on an examination of the 1st and 2nd stages and remarks only briefly on the 3rd and 4th stages, this being necessary to illuminate the ultimate purpose of the theory, yet by no means sufficient to do justice to Smith’s theory of jurisprudence as a whole. The introduction to the lectures on public jurisprudence makes this purpose clear:

In order to consider more distinctly those rights which belong to a man as a member of a society or community or state, it will be necessary to consider the severall forms of government which are in use in different societies and the manner in which they have arose. (*LJ (A) iv.1*)

In teaching that positive laws are not immutable, Smith sets out the evolution of government using the four stages theory as the analytical framework. The evolution of government is closely linked to that of property: “Property and civil government very much depend on one another. The preservation of property and the inequality of possession first formed it, and the state of property must always vary with the form of government” (*LJ (B) 11*). Similarly, he uses the same scheme in order to teach that the extent of the right to property varies depending on the society concerned.²⁹

In the first state, “such as we find it among the native tribes of North America” (*WN V.i.a.2*),³⁰ the ways of acquiring subsistence are mainly hunting and in a lesser degree fishing and gathering:

If we should suppose 10 or 12 persons of different sexes settled in an uninhabited island, the first method they would fall upon for their sustenance would be to support themselves by the wild fruits and wild animals which the country afforded. Their sole business would be hunting the wild beasts or catching the fishes. (*LJ (A) i.27*)

Smith argues that this precarious mode of subsistence can only provide for a small number of people (*WN V.i.a.5*), who are more or less equal since “universal poverty establishes there

81). Haakonssen (1981, 1996) and Forbes (1954) underline the great influence of the natural law tradition on Smith, Hume and Millar.

²⁹ Smith changes the teaching order of the part on “Justice”. In *LJ (A)* and *Anderson Notes* he discusses property first and government last. In *LJ (B)*, during his last year at the University of Glasgow, Smith starts by treating government, saying that it is the civilians’ method and is preferable. Haakonssen (1996: 129-53) argues that Smith reorganized his lectures for a better exposition of his theory of rights, since rights presuppose government. As the government evolves, rights evolve. Metzger (2010) suggests that Smith chose to start with the discussion on government in order to avoid a practical difficulty. The origin of most laws could be explained with reference to different forms of government and this paved the way for the discussion of rights.

³⁰ References to Book V of *WN* are preferred as much as possible for the obvious reason that it is a published work.

universal equality”(WN V.i.b.7). Indeed, in such a society “there is scarce any property, or at least none that exceeds the value of two or three days labour” (WN V.i.b.2). Property is determined solely by occupation³¹ which is defined by the simple possession of the object: “Among savages property begins and ends with possession, and they seem scarce to have any idea of any thing as their own which is not about their own bodies” (LJ (B) 150).

The narrow extent of property doesn’t generate major conflicts because people will not be tempted to steal from another when they are more or less equal in their possessions. Since there will be no great “injuries to property” (WN V.i.b.2), there will be no need for an administration of justice whose object is “to prevent the members of a society from inroaching on one anothers property” (LJ (A) i.1). Therefore, a “civil government is not so necessary” (WN V.i.b.2) because justice is “the foundation of government” (LJ (B) 5). Indeed, as already indicated in *TMS*, it is the government’s duty to enforce the practice of the virtue of justice (*TMS* VII.iv.36). Justice as a negative virtue consists in avoiding injuring other people. When harm is done, it causes resentment which, if also felt by the impartial spectator, requires a punishment (*TMS* II.ii.a). In this way, Smith explains the right to property by his theory of the impartial spectator, according to which the proprietor is justified in “using ... whatever it is in what manner he pleases” (LJ (A) i.36) if the spectator sympathises with his “reasonable expectation” of using it.³² In other words, a person has a property right to an object if the spectator agrees that an injury is done when the proprietor is deprived of the object. In the age of hunters, the spectator would only sympathise with the hunter’s reasonable exception of using what is only under his possession (LJ (A) i.43-5). This kind of property is apparently very low in value, and more importantly, it cannot be accumulated.

People can “injure one another only in their persons or reputations” (WN V.i.b.2) and when such a disturbance occurs, it is generally an elderly leader who handles it. Indeed, some individuals come to the fore in the community owing to their superiority in personal qualities like wisdom and strength, and more specifically to their superiority of age (WN V.i.b.5-6). These are the natural sources of authority which foster no real political value, so that the leader “never can do anything without the consent of the whole” (LJ (B) 19). Thus, “the whole of the government in this state, as far as there is any, is democratic” (LJ (A) iv.7).

³¹ Occupation is the first rule of the determination of property: “We will find that there are five causes from whence property may have its occasion, 1st, Occupation, by which we get anything into our power that was not the property of another before. 2ndly, Tradition, by which property is voluntarily transferred from one to another. 3rdly, Accession, by which the property of any part that adheres to a subject and seems to be of small consequences as compared to it, or to be a part of it, goes to the proprietor of the principall, as the milk or young of beasts. 4thly, Prescription or Usucapio, by which a thing that has been for a long time out of the right owners possession and in the possession of another, passes in right to the latter. 5thly, Succession, by which the nearest of kin or the testamentary heir has a right of property to what was left him by the testator” (LJ (A) i.25-6).

³² “How it is that a man by pulling an apple should be imagined to have a right to that apple and a power of excluding all others from it—and that an injury should be conceived to be done when such a subject is taken for the possessor. ...we may conceive any injury was done one when an impartial spectator would be of opinion he was injured, would join with him in his concern and go along with him when he defend(ed) the subject in his possession against any violent attack, or used force to recover what had been thus wrongfully wrested out of his hands... The reasonable expectation therefore which the first possessor furnishes is the ground on which the right of property is acquired by occupation” (LJ (A) i.36-37).

In time, as the population grows, the sustenance acquired by hunting becomes insufficient, and thus people discover a new mode of subsistence, namely pasturage. In this second stage, in “a more advanced state of society, such as we find it among the Tartars and Arabs” (*WN* V.i.a.3), “flocks and herds” constitute the principal objects of property:

In process of time, as their numbers multiplied, they would find the chase too precarious for their support. They would be necessitated to contrive some other method whereby to support themselves ... The most naturally contrivance they would think of, would be to tame some of those wild animals they caught, and by affording them better food than what they could get elsewhere they would induce them to continue about their land themselves and multiply their kind. (*LJ (A)* i.28)³³

Being durable and more valuable in nature, flocks of animals can be accumulated and transferred from one generation to another. The change in the mode of subsistence is accompanied by the multiplication of the rules determining property. Occupation is no longer confined to the present possession of the object: property is extended to movable objects. In addition, new rules arise such as accession and tradition (i.e. voluntary transfer) which now confer a right to property. In other words, from now on the spectator judges that an injury is done in the case of a transgression of property so acquired. The extension of property rules enables an accumulation of wealth which is further fostered by its transference throughout generations, thereby creating rich families. This creates a considerable inequality of wealth: “Wherever there is great property, there is great inequality” (*WN* V.i.b.2). Inequality provokes passions such as avarice, ambition and envy (*ibid.*) which were latent in a more or less equal society. As a result, conflicts multiply, which necessitates the administration of justice, and thus government:

[T]he appropriation of herds and flocks, which introduced an inequality of fortune, was that which first gave rise to regular government. Till there be property there can be no government, the very end of which is to secure wealth, and to defend the rich from the poor. (*LJ (B)* 20)

Government doesn't arise from the intentions of the rich to secure themselves from the poor; it rather arises naturally and necessarily with the emergence of property. The observance of rules of property is enforced partly by the community leaders who naturally acquire superiority over others in the following manner: Those who don't possess the means of subsistence—namely “flocks and herds”—become dependent on the rich for their maintenance. In the absence of manufactures and commerce, the rich, having no other

³³ This seems a rather dubious explanation. In *WN*, Smith writes that “men, like all other animals, naturally multiply in proportion to the means of their subsistence” (I.xi.b.1). Forging a link between this statement and all the others which indicate that the precarious mode of subsistence of the hunting society entails that only a small number of people can subsist (*WN* V.i.a.5) results in a contradiction. (For example, “an army of hunters can seldom exceed two or three hundred men. *The precarious subsistence which the chase affords* could seldom allow a greater number to keep together for any considerable time” (*WN* V.i.a.5, *emphasis added*), or “[i]n the age of hunters it is impossible for a very great number to live together. As game is their only support they would soon exhaust all that was within their reach” (*LJ (A)* iv.36)). If this means of subsistence is precarious, and if the population grows in proportion to subsistence, then how does the population grow in the first place? See Marouby (2004: 58-67) for a detailed discussion. He also argues that Smith minimizes the magnitude of the population in the hunter societies.

alternative to spend their wealth, maintain as many retainers and dependents as they can. Thus, the superiority of fortune and accordingly the distinction of being born in a wealthy family induce authority: “The second period of society, that of shepherds, admits of very great inequalities of fortune, and there is no period in which the superiority of fortune gives so great authority to those who possess it” (*WN* V.i.b.7) because “there are no nations among whom wealth is likely to continue longer in the same families” (*WN* V.i.b.10). The leaders of clans thus becoming the generals of the community in time of war, and their judges in time of peace enjoy “some sort of executive power” and “some sort of the judicial authority” (*WN* V.i.b.11).³⁴ They have “some sort” of power because they can’t take decisions alone on matters concerning the community as a whole: it is ultimately the community which possesses the power of making war or peace and of punishing those who don’t obey the laws of society.³⁵ Thus, the authority stemming from the superiority of fortune doesn’t imply real political power other than political influence: the rich “had not any authority more than what was acquired by their private influence” (*LJ* (A) iv.12).³⁶ So that while “a state of this sort to a careless observer would appear to be monarchical” (*LJ* (A) iv.32), “the government is entirely democratical” (*LJ* (A) iv.26).³⁷

Smith may seem equivocal in determining the form of government at the shepherd stage. But, his insistence that “the authority of an Arabian scherif is very great; and that of a Tartar khan altogether despotical” (*WN* V.i.b.7), is compatible with the existence of democratic government. This is precisely because he defines the authority of the former as the power of commanding the service of the poor. Their economic power doesn’t automatically convey upon them absolute political power. Smith stresses the greatness of this authority because he wants to show that as manufactures and commerce emerge, this strict economic dependency dissolves.³⁸

Having thus determined the first form of government to have been democratic (*LJ* (B) 30), Smith goes on to explain the European history of the birth of republics, military monarchies, allodial, feudal governments and the mixed government of Britain, through the third and

³⁴ “He is the person ... to whom all those who are too weak to defend themselves naturally look up for protection. It is to him that they naturally complain of the injuries which they imagine have been done to them, and his interposition in such cases is more easily submitted to, even by the person complained of, than that of any other person would be” (*WN* V.i.b.11). The enforcement of law by the leader is a means of acquiring revenue for him (*WN* V.i.b.13).

³⁵ For example, crimes such as treachery and cowardice are pernicious to the welfare of the community and thus concern the society as a whole (*LJ* (A) iv.26). Note that laws in this state are unwritten laws since in this state there is no legislation (*LJ* (A) iv.12-4).

³⁶ Cf. *WN* I.v.3: “the person who either acquires, or succeeds to a great fortune, does not necessarily acquire or succeed to any political power, either civil or military”.

³⁷ Cf. *LJ* (B) 26: “By this means the chieftan would still further encrease his authority, and the government would appear in some degree monarchical. But this is only in appearance, for the final decision is still in the whole body of the people, and the government is really democratical”.

³⁸ For the view that there are different states in the age of shepherds see Phillipson (2010: 110). He notes that in the early ones disputes are resolved by the entirety of the people, whereas in more developed ones by the chiefs, “and eventually by hereditary rulers”. Yet Smith, as seen, isn’t straightforward about this. Moreover, he is ambiguous concerning the heredity of authority in this state. He says that the authority “would soon become hereditary” (*LJ* (A) iv.12), that the “authority of this chieftain was naturally hereditary” (*LJ* (A) iv.32) and that “to this day among the Tartars the king is not succeeded by his son, but by one of the royal family who is oldest” (*LJ* (B) 161).

fourth stages. The third stage is marked by the invention of agriculture and eventually by the appropriation of lands:

When a society becomes numerous they would find a difficulty in supporting themselves by herds and flocks. Then they would naturally turn themselves to the cultivation of land and the raising of such plants and trees as produced nourishment fit for them. (*LJ (A) i.30*)

With the extension of property to immovable objects, the rules of acquiring property multiply: beyond occupation, accession and voluntary transfer, prescription and succession come in use. “This last species of property, viz. in land, is the greatest extension it has undergone” (*LJ (A) i.53*). Legislation concerning for instance “the will of a deceased person”, “marriage settlements” and “voluntary contracts” (*LJ (A) iv.10*) become necessary since many “great sources of debate” which were “not known in the earlier periods of society” arise. Accordingly, numerous lawsuits raise the need for the specialization of the administration of justice. “As men were generally employed in some branch of trade or another ... they could not spare time to wait upon” (*LJ (B) 25*) these lawsuits, as was the case in the earlier periods of society. It is in this manner that Smith explains the emergence of the profession of judges and of the senatorial power in Ancient Rome (*LJ (A) iv.17*). In stark opposition to the first two stages, the administration of justice is no longer a source of revenue but becomes an important part of government expenditure (*WN V.i.b.19*).³⁹

With the fourth stage, when the division of labour is thoroughly established, international commerce becomes the characteristic feature of the economy:

As society was farther improved, the several arts, which at first would be exercised by each individual as far as was necessary for his welfare, would be separated... They would exchange with one another what they produced more than was necessary for their support, and get in exchange for them the commodities they stood in need of and did not produce themselves. This exchange of commodities extends in time not only betwixt the individuals of the same society but betwixt those of different nations. (*LJ (A) i.31*)

The division of labour on the national and international scale leads to increasing productivity and generates an immense multitude of goods. The rich spend their fortunes on this multitude of available goods and services rather than on a multitude of retainers, thereby losing their political influence over them (*LJ (A) iv.8*). The dependence of the poor on the rich for their subsistence disappears, giving way to the interdependence of everyone on everyone else.⁴⁰ The exchange of goods supposes their mobility, which is the main characteristic of property (Berry 1997: 98) in the fourth stage: “property would in time be extended to almost every subject” (*LJ (A) i.53*).⁴¹ The further extension of property necessitates a more consolidated

³⁹ Defense and army expenses increase in like manner (*WN V.i.a*).

⁴⁰ Smith acknowledges the more immediate dependence of the workers on their masters: “A landlord, a farmer, a master manufacturer, or merchant, though they did not employ a single workman, could generally live a year or two upon stocks which they have already acquired. Many workmen could only subsist a week, few could subsist a month and scarce any year without employment. In the long-run the workman may be as necessary to his master as his master is to him; but the necessity is not so immediate” (*WN I.viii.12*).

⁴¹ Since the subjects of commerce are the products of hunting, farming and of manufactures, the age of commerce has a rather different status than the other stages (Meek 1976a: 227; Skinner 1982: 87). Smith points

and expensive government: “The more improved any society is ... the greater will be the number of their laws and regulations necessary to maintain justice, and prevent infringements of the right of property” (*LJ (A)* i.34-5).

As this outline illustrates, the four stages theory forges an undeniable link between the mode of subsistence and the extent and nature of law and government. This has resulted in a vast debate about the materialist stance of the theory. Meek remarks that this is “a materialist conception of history” (1967: 40), yet it is materialist in the sense that certain material conditions are necessary for certain political and legal institutions to emerge (Salter 1992: 223). And these material conditions are not exclusively determined by modes of subsistence. For instance, the rough climate and geographical conditions of Tartary explain why its people are doomed to remain at the second stage of progress: “As the Tartars have always been a state of shepherds, which they will always be from the nature of their country, which is dry and raised above the sea, with few rivers, tho’ some very large ones, and the weather and the air is too cold for produce of any grain” (*LJ (A)* iv.53). So this materialism does not indicate that economic conditions exclusively determine social change, nor does it suggest that sole economic dependence entails unquestioned political subordination.⁴² Smith’s explanation of social change—which by the way cannot be reduced to his four stages theory—is much more complex, containing intertwined social, geographical, moral, political and economic factors.⁴³

The history of social change as accounted for by the four stages theory in the Scottish tradition conforms rather to a particular kind of method of inquiry named “Theoretical or Conjectural History” (Stewart 1982: II.48). Such history is theoretical to the extent it appeals to a scientific method in constructing a general theory of human progress based on experience and observation. It is also conjectural in the sense that when “facts” are insufficient, the gap is filled by conjecture:

In this want of direct evidence, we are under a necessity of supplying the place of fact by conjecture; and when we are unable to ascertain how men have actually conducted themselves upon particular occasions, of considering in what manner they are likely to have proceeded, from the principles of their nature, and the circumstances of their external situation. (1982: II.46)⁴⁴

This general theory requires positing human nature as uniform so that conjectures can be made on the basis of what is known about their material conditions. This is why conjectural history, in Hopfl’s words (1978: 23), deals with the “typical society” in contrast to factual

out some objects which are unlikely to become the subject of property, such as the air, the sea or the wild beasts etc. (*LJ (A)* i.53-63).

⁴² For this strict materialist reading see Meek 1967, 1976a, Skinner 1975, Reisman 1976, Clarke 1982. Meek argues also that Smith’s labour theory of value “was intimately associated with” (1956: 52-3) this materialist conception of history.

⁴³ For this view see for example Winch (1978), Haakonssen (1981: 185), Skinner (1982) and Evensky (2005: 10 n.17). Besides, Haakonssen (2009: 149) argues that Smith envisages the four stages theory as a conceptual tool for his ethics, more specifically for his social theory of personality as put forward in the *TMS*.

⁴⁴ Meek (1976a: 227-37) disagrees. He argues that Stewart’s characterization of conjectural history is pointed out in Book III. For Meek, the four stages represent the actual process of history in the eyes of the inventors of this framework. Similarly, Cohen (2014: 762) maintains that the naturalistic and historical explanations of events in *LJ* are by no means conjectural.

history which deals with what is “unique and particular”. As already indicated, it is the claim of the present paper that the first two stages do indeed represent typical societies, whereas the third and the fourth correspond to particular ones. This is what Pocock meant by the intertwining of natural and civil history.⁴⁵

It is in this way that Smith offers an explanation for the origin of government that is different from Hobbes’s or Locke’s narratives according to which civil government is established by a voluntary contract amongst people in a state of nature. He asserts that the government arose, “not as some writers imagine, from any consent or agreement of a number of persons to submit themselves to such or such regulations, but from *the natural progress which men make in society*” (*LJ (A)* iv.19, *emphasis added*).⁴⁶ In showing that government isn’t an intentional design, Smith follows his friend Hume⁴⁷ who in his *Three Essays*⁴⁸ and *Treatise of Human Nature* views the origin of government as an outcome of a social evolutionary process. Furthermore, in defining property as an “acquired right” (*LJ (B)* 11) and as varying according to the state of society, Smith objects to Locke according to whom the property right is a natural right arising simply from having mixed one’s labour with something (1689: §27).⁴⁹

4. Conclusion

Aspromourgos (2011: 81) has pointed out the danger of interpreting Smith’s thought based on a broad overview of his work, warning that “something important about Smith’s

⁴⁵ In Smith’s account, the typical society represented by North American Indians is subject to more than conjectures aimed at filling historical gaps. Marouby (2004), an anthropologist, demonstrates that Smith sometimes contradicts his own anthropological sources or avoids factual information available to him in order to consolidate his theory. For instance, he underestimates the magnitude of agriculture in his model of hunting society, while his own sources insist on the fact that the principal dish of North American Indians was a corn mash called “sagamité” (2004: 71). In doing so, Smith stands by his theory of succession which stipulates that societies can’t leapfrog from one stage to another: “we find accordingly that in almost all countries the age of shepherds preceded that of agriculture” (*LJ (A)* i.30), which according to Brewer (2008), constitutes pure conjecture. He also marginalises the productive role of women, the place of gathering in acquiring subsistence, and the size of population. See Marouby (2004), especially chapter 3, for a detailed account of Smith’s deviations from facts. Similarly, Metzger (2004: 3) suggests that Smith is selective in using Roman law sources in his analysis of servitudes. Rashid (1998: 52-95), on the other hand, criticizes Smith’s careless use of facts in *WN*. All these suggest that Smith accommodates the information he has to his theory in question; after all, he was also a teacher of rhetoric.

⁴⁶ Cf. *WN* V.i.b.12: “It is in the age of shepherds, in the second period of society, that the inequality of fortune first begins to take place, and introduces among men a degree of authority and subordination which could not possibly exist before. It thereby introduces some degree of that civil government which is indispensably necessary for its own preservation: and it seems to do this *naturally, and even independent of the consideration of that necessity*” (*emphasis added*).

⁴⁷ For example, Philipson (2000: 64) and Haakonssen (1981) argue that one of Smith’s ambitions was to complete or even to develop further Hume’s account of justice.

⁴⁸ *Three Essays, Moral and Political*, now included in *Essays*, was published in 1748 and contained his essays “Of National Characters”, “Of the Original Contract” and “Of Passive Obedience.”

⁴⁹ This is a debated issue. Young (1995: 760) argues that for Smith property is a natural right because it originates from a moral principle: the opinion of the spectator. Raphael (1972: 98) and DelleMotte and Walraevens (2015: 697 n.14) disagree. I share their opinion insofar as the spectator and thus property presupposes society. In contrast, Locke defines property as a natural right in the state of nature. Smith follows Hume who defines justice as an artificial virtue, and the rules concerning property as social conventions whose existence depends on the external circumstances in addition to the characteristics of human nature.

intellectual achievement might be lost". Following Smith's own division of labour amongst his works, the present article separates the functions of *WN* and *LJ* by taking the primitive society as a point of reference. This separation reveals Smith's ability to use history in different ways in order to achieve his different objectives. Moreover, it demonstrates the unity of Smith's system as a whole. After all, we can often better understand the whole once we separate it into parts.

Smith's economic and jurisprudential purposes produce two different historical narratives. In his economic analysis, Smith refers to an early state of society where nearly everyone has to work in order to satisfy their basic needs. A comparison with contemporary society allows Smith to define the fundamental characteristics of the modern economy and set out the determinants of economic growth. Here, private property comprises the means of production, capital and land. Labour is set into motion by capital in order to acquire more revenue which would permit further accumulation of capital if invested in useful labour. The division of labour, which becomes more and more advanced in proportion to the capital used, engenders increased labour productivity which results in turn in an abundance of all kinds of goods. In contrast to the simplicity of the primitive society, this is a complex society composed of three classes of people subsisting on three kinds of revenues, where everyone is more or less dependent on each other. Thus, Smith's appeal to the early state appears as a means to perform an economic analysis which is the basis of *WN*.

His political philosophy as put forward in a part of his uncompleted theory of jurisprudence also appeals to primitive society. The age of hunters, depicted similarly as a poor society, constitutes the starting point for a historical analysis which aims to show the origin of government as a product of history, rather than as an immutable manifestation of reason. The comparison of the hunter society, where there is almost no property, with the shepherd society where property is amenable to accumulation, explains the origin of government. Government is coeval with the existence of non-negligible property. The progress of humanity is thus accounted for throughout the transition from one mode of subsistence to other, and entails the evolution of laws and regulations and government along with that of property. In this way, Smith gives a historical account of the institutions of contemporary society. In this narrative the age of hunters appears as a model of a typical society as represented by the North American Indians, and forms the basis of a conjectural history put forward as a scientific inquiry into human progress.

The distinct purposes of the narratives is the reason for their distinct natures: while the static comparison of the "early state" with an "advanced state" abstracted from the jurisprudential context is sufficient for Smith to define the economic characteristics of the capitalist society, the historical account of progress calls for a dynamic explanatory principle. Accordingly, the mechanism which would impel the transition from an early to an advanced state is unaccounted for. This may be judged as a deficiency of Smith's theory of growth, but it complements the argument of the present paper, according to which the early state is deployed simply as a model, independent from Smith's endogenous growth analysis. On the other hand, the transition from one mode of subsistence to another is a result of the growth of

population and the division of labour. While they remain unsatisfactory, as briefly mentioned, the attempt to provide a dynamic scheme remains evident. Another point of divergence between these narratives is rather obvious: the sequence of four stages doesn't parallel the direct passage from an early to advanced state.

Yet the contrast between the early and advanced states of society, and the natural sequence between the four stages, does not result in a clash that renders Smith's system contradictory. On the contrary, these two narratives are complementary in Smith's system taken as a whole. The links between Smith's different works have been the focus of much research. Haakonssen (1981), who links his ethics and jurisprudence, and Young (1995), who argues that Smith's natural price theory is a corollary of his theory of property, are just a few examples. Indeed, the stadial analysis explains the historical and institutional framework upon which the economic analysis is founded. In the same vein, just as he needed a historical context to perform his economic analysis, Smith needed to understand human behaviour in order to perform these analyses. His *TMS* provided an understanding of morality and showed that manners changed depending on "the different situations of different ages and countries" (*TMS* V.2.7). *LJ* complements this by showing that in addition to manners, institutions change according to different situations. Finally, *WN* is concerned with commercial society which, as demonstrated by *LJ*, is a product of history (Campbell and Skinner 1976, Meek and Skinner 1976, Meek 1976a, Skinner 1996, 2000 Hollander 1998, Pack 1991). This elucidates Skinner's (1996: 205-2) opinion that "history is the *preface* to political economy rather than integral to the treatment". Moreover, thanks to the account that John Millar has given of Smith's lectures on Moral Philosophy (Stewart 1982: I.18-22), we know the order in which Smith performed his teaching: once the part on natural theology was finished, he dealt first with ethics, then jurisprudence, and finally economics. This can be taken as representative of the development of his thought, as well as the best form of exposition he found in advancing his system.

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