

published as 'The Wealth of Nations' in 1776. Through this combination of several subjects in his full Course he was obliged to place them in definite relations, and although his publications cover only one half of his whole Course, we have in Adam Smith the first instance of a clearly recognised distinction of the principles which should respectively form the basis of ethics and political economy.

Ethics is based by him upon a sentiment, that of sympathy. This is put forward at the beginning of his 'Theory of Moral Sentiments' as a psychological trait of human nature. On the other side his economic speculations are based upon a similarly distinct enunciation of the psychological principle expressed in the statement that there is a special instinct in human as distinguished from other living beings; which is probably developed by reason and speech. This is the propensity to truck, barter, and exchange one thing for another. No animal does this.

It is not correct either to identify the moral principle of Adam Smith, the sentiment of sympathy, with what Auguste Comte later on termed altruism, or to term the other simply egotism. Nevertheless, the view taken by Adam Smith draws attention to a dual interest which governs human conduct and action. But Adam Smith does not represent his two psychological principles or instincts as entering into a kind of contest, but interposes between them, as a regulative and higher principle, the principle of justice.<sup>1</sup>

30.  
Contrast  
between  
A. Smith's  
Ethics and  
Economics.

31.  
Social  
harmony  
sought in  
principle of  
Justice.

<sup>1</sup> The fact that Adam Smith, as well as several contemporary thinkers in this country such as Adam Ferguson, took a broad—we

may say an anthropological—view of the problem of human society, was, till quite recently, overlooked by historians of philosophy; the