British Exceptionalism in Adam Smith

Daniel Rothschild
British Exceptionalism in Adam Smith  
By: Daniel Rothschild

Abstract: In numerous Adam Smith works, such as *The Wealth of Nations* and *Lectures on Jurisprudence*, Adam Smith provides numerous examples of his support for British exceptionalism. Though *The Wealth of Nations* was written to criticize many of the forms of protectionist policies adopted by Great Britain that hindered free trade, nevertheless, overall Adam Smith was pretty clear that Great Britain is a unique country, and different from the rest in numerous ways, from Britain’s geography, innovators that changed modern science, from their language, to their style of government.
I. Introduction

Although Adam Smith’s magnum opus, The Wealth of Nations was written in order to expose the economic fallacies of mercantilist thought and restrictions on trade, many of which Great Britain imposed, sometimes to a greater degree than other countries, nevertheless throughout Smith’s writings, he viewed the British system of government as being the cornerstone of liberty. As the following essay will demonstrate, the concept of British exceptionalism can be seen sprinkled throughout many of Smith’s writings. Before providing evidence showing the different instances of British exceptionalism in Adam Smith’s works, it is first necessary to define what British exceptionalism is.

British exceptionalism, or the concept of exceptionalism relating to any country, is the idea that a certain country standouts from the rest and is unique. The exceptionalism could be that a certain country was the first democratic or Republican form of government that was created. The exceptionalism could be that the country’s native language is the only language that is used throughout the world. The exceptionalism can take the form of being unique in terms of geography, and that the country’s unique location is a big contributing factor owing to the freedom, prosperity, and riches of its people.

On April 4th 2009, President Barack Obama was asked if he believed in American exceptionalism. He replied, “I believe in American exceptionalism, just as I suspect that the Brits believe in British exceptionalism and the Greeks believe in Greek exceptionalism” (https://www.whitehouse.gov/the-press-office/news-conference-president-obama-4042009). In other words, Obama’s statement was an admission of his biases. Essentially Obama was saying that everyone believes that the country he lives in is exceptional and
unique. The idea of one country being exceptional above the rest, and that one being the one I just happen to live in is not an interesting coincidence but a biased delusion. As shocking as it may sound, Adam Smith would seem to agree with Obama and shares his sentiment.

In *A Theory of Moral Sentiments* Adam Smith said, “The state or sovereignty in which we have been born and educated, and under the protection of which we continue to live, is, in ordinary cases, the greatest society upon whose happiness or misery, our good or bad conduct can have much influence. It is accordingly, by nature, most strongly recommended to us…Upon account of our own connexion with it, its prosperity and glory seem to reflect some sort of honour upon ourselves. When we compare it with other societies of the same kind, we are proud of its superiority, and mortified in some degree, if it appears in any respect below them. All the illustrious characters which it has produced in former times (for against those of our own times envy may sometimes prejudice us a little), its warriors, its statesmen, its poets, its philosophers, and men of letters of all kinds; we are disposed to view with the most partial admiration, and to rank them (sometimes most unjustly) above those of all other nations” (Smith 1976, 227-228). Though Smith, who just so happened to be Scottish, believed in British exceptionalism, in *A Theory of Moral Sentiments*, Smith seems to admit and be aware of the idea that viewing one’s country as better than the rest is a common feeling, and that this love of believing one’s own country is exceptional is a viewpoint that most people believe about their own country. People view the country they live in as superior to the rest.

In the following essay I will point out the different instances of British exceptionalism in Smith’s works, as well as pointing out some contradictions Smith makes,
in order to show that his view of British exceptionalism is indeed partial, and not in accord with the impartial spectator.

The idea that every country is identical is foolish, just like it would be to say that every person is identical. The idea that certain countries are superior to others is indeed a view I, and many thoughtful people, share. It is not a biased view to say that South Korea is superior to North Korea. Intelligence and justice requires people to be able to make distinctions between things, in order to view the situation as objectively as possible, and this involves being able to distinguish one thing from another, and therefore to be able to say that one country is superior to another. The concept of cultural relativism is something I, and Smith, completely reject. Certain countries are superior to others. Certain countries are backwards, where the masses of people live devoid of modern technology and have the moral views of savages. Other places are in the forefront in terms of being an inspiration for others to follow. Though I may reject the concept of American exceptionalism (though I’m not sure if I do), I do not reject the concept of exceptionalism in general. With that said, let’s move onto Smith and his views on British exceptionalism.

II. British Exceptionalism in Terms of Liberty

When it comes to Adam Smith’s views of British exceptionalism, there are numerous views Smith has in terms of what makes Britain exceptional. One view is that Britain is exceptional when it comes to the British language, another is when it comes to the military and standing armies (or lack thereof), another is because of Britain’s geographical location, another is because of Britain’s scientific advancement, and another is Britain’s system of
government. The following section will provide Adam Smith’s views of Britain in terms of its system of government and advancing liberty, as what makes Britain so exceptional.

In his *Lectures on Jurisprudence*, Smith provides numerous instances of Britain being the leader when it comes to liberty, and for this Britain is unique. Smith mentions how the laws of England came before the laws of any other country in Europe and that this makes England special. Unlike the other countries in Europe which had a law that was based and followed on Roman law (Justinian’s Pandects), the English law came first and so didn’t borrow much from Roman law. The English laws are based more on the natural sentiments of mankind and of a speculative sort, and therefore are more consistent with justice. For example, as Smith mentions, in England a person who promises a sum of money to someone in exchange for a performance, the English law (unlike other countries) only allowed an action for damages and does not require a specific performance to be performed; “that they left to their own good faith” (Smith 1978, 99). The English law was concerned with people who caused damage to pay restitution in order to make the victim whole, and not concerned with requiring people to perform certain previously agreed upon actions. Such a ruling makes it where the English law is concerned with making sure the victim gets reimbursed for damages, instead of having a law, which violates a person’s conscious by making him perform an action he may find morally objectionable. According to Smith, what makes England exceptional is that the law of the land wasn’t borrowed from other cultures, like the rest of Europe importing Roman law, but the law developed in England since the law was more consistent with the natural views humans have concerning justice. As Adam Smith states, “The English law was...formed into a system before the discovery of Justinians Pandects; and its courts established, and their method of
proceedings pretty much fixed, before the other courts in Europe were instituted, or the civil or cannon law came to be of any great weight. It is for this reason that it borrows less from those laws than the law of any other nation in Europe; and is for that reason more deserving of the attention of a speculative man than any other, as being formed on the naturall sentiments of mankind” (Smith 1978, 98).

Smith mentions how the seeds of democracy came to England before Scotland. In Scotland, the king acted as the representative agent of his subjects. If a man was harmed, the king took it upon himself to prosecute the guilty and the money received as a result of damages went to the king, not the victim. Later, capital punishment was instituted to replace the fine. In England, however, a person had a right to seek justice against the offender and the king did not have a right to pardon the offender, since the victim’s heirs could seek justice and didn’t need the permission of the king to do so (Smith 1978, 108-109). In Scotland, injuries to another person was considered as injuries to the government, so the money paid for damages went to the sovereign power, whereas in England, if a person punched someone in the nose, he didn’t punch “society’s nose” and therefore society does not get to decide to punish and collect the punishment, rather the actual victim or his heirs, gets reimbursed for damages, as well as getting to decide if the individual harmed seeks out punishment. It was up to the person or his heirs to forgive and forget, not a third party—the government—who was not the victim. Such a view reflects the idea that in England the law was centered around making sure the individual’s rights were protected, whereas in Scotland and most other countries, the state was more concerned with enriching itself and its own preserve than that of the people they govern.
Smith mentions that the difference between the laws of England and the laws of any other country when it comes to murder, was that England made a distinction between accidental injury and intentionally killing outside of defense. Only intentional killing was considered murder, and therefore England, much like the American court today, distinguishes between different degrees of killing, and only punishes those who kill on purpose as guilty of murder (Smith 1978, 110 and 113-115).

The right to a speedy trial and the right of Habeas Corpus was unique to Britain, compared to the other countries of Europe. The right of the individual to not be wrongfully imprisoned was a concept that England acknowledged, since England believed in the right of the individual to be free from harm or injury, and to only be punished after charged and convicted of a crime, instead of the state being able to decide to lock someone up at will. As Smith states, “The liberty of the subject is indeed as well provided for in Great Britain as in any other country...There are few countries where so great a provision is made for the liberty of the subject; in all arbitrary governments the subjects may put into prison at the pleasure of the monarch; a letter de cache in France will clap any one into the Bastille, nor has he either the power of bailing himself or of bringing on his trial til the government pleases; and in most other countries in Europe there is the same power” (Smith 1978, 122). If a person is held in prison for longer than he is supposed to awaiting trial, either the judge who delays him to bring him to trial or the officer who delays in executing the sentence are subject to a very high penalty for delaying the trial. If only it worked that way in the United States today.
Smith mentions that in England a person is free to spread libel, likewise in Holland and Switzerland, whereas in most absolute governments, such as France, a person publishing or spreading libel can be put to death (Smith 1978, 125).

What makes Britain exceptional is the dispersion of power. Instead of having a government where power in concentrated by the king who is free to make all the rules, in Britain, there is a separation of powers to keep the difference branches of government in check. Smith mentions how the judges are a security of liberty in England because although they may be appointed by the king, they have their job for life and their pay isn’t dependent on satisfying the king, thus keeping power separated and nonpolitical. Also, the House of Commons has the ability to impeach a king who is hostile to liberty (Smith 1978, 271-272).

As Smith mentions, in an absolute government, all power resides in the king who is able to fill all the public offices by those who are favored by the king (Smith 1978, 273). However, what differs England from many other forms of government is not only separate branches in government that checks the powers of the others (in theory), but that there are frequent elections, which Smith considers a great security for the liberty of the people. As Smith states, “The frequency of the elections is also a great security for the liberty of the people, as the representative must be careful to serve his country, at least his constituents, otherwise he will be in danger of losing his place at the next elections...The more frequent these elections are, the more dependent are the representatives” (Smith 1978, 273).

The concept of term limits and the frequency of elections being a security for liberty is the problem of judging something by its intentions rather than its results. For example, does more democracy mean more freedom? Not necessarily. Democracy is the process that determines how people get elected, not the laws which are passed. There are today
monarchs, such as Liechtenstein for example, that has one of the lowest tax rates, lowest unemployment rate, and highest income per capita, and is a constitutional monarch, and there are more democratic countries where the people are less free and liberty is declining. The frequencies of elections is no security for the liberty of the people, nor do frequency of elections means that those in government are held more accountable. A perfectly good argument could be made that term limits make it where liberty is more likely to be diminished and those in government are held less accountable. Suppose for example, that a policy was implemented whose negative consequences would take years to come about. There are policies implemented by the previous administration whose consequences do not appear as severe until he is out of office. Having shorter and shorter term limits could also make it where politicians are more and more short-sighted since they don't have to care about making sure the pieces of legislation don’t have long-term negative consequences since they are already out of office by then. There is a concept in economics known as time preference, where different people have different time horizons. Some people are willing to sacrifice more in the present in order to obtain a greater benefit in the future, whereas others are more present-oriented. It is certainly within the realm of possibility that shorter and shorter term limits lead to a higher time preference, where politicians care more about the short-term gains while in office, than the long-term benefits since one will be out of office by then. Short-term limits may encourage greater rent-seeking and more bureaucracy, since the politicians are now more interested in using political power for short-term gain and giving into political bribery, knowing that he won’t be in office as long. I’m not saying that long-term limits are necessarily more conducive to liberty, but the assumption by Smith that shorter term limits are is questionable. Not to mention, that
Smith ignores the important concept of rational ignorance, and therefore in order for politicians to be held accountable to those who vote for them, the masses of voters must both know the laws which they pass and the effects such legislation has. Since an ignorant voter does not get more votes than someone who is well-informed, most voters (except those who simply take an interest in politics for its own sake) are rationally ignorant, since it takes time and resources to become more well-informed. Under a government where people don’t get more votes the more knowledge they obtain, there is no reward for being well-informed. Therefore, even if one ignores the idea of time preference and possible effects of more frequent elections have in terms of influencing those in office, there is little reason to believe that more frequent elections will make those in office more accountable to the electorate, if the electorate has little incentive to be aware of what those in power are doing.

Smith mentions that the liberty of England is because the power of the judge is limited. The judge’s job in England isn’t to alter, extend, or change the laws, but only to judge the literal meaning of the words (Smith 1978, 275), the reason being in order to make it where the judges aren’t bribed to change the laws by the king. According to Smith, the courts in England seem to most restrict the power of the judge. The courts of England are much older than other countries. In France, the courts were more recent and weren’t tied down by a jury. The courts in France would decide not to follow precedents since, unlike the courts in England, they came out after the civil law and felt less of a need to follow the civil law since they had less of a history and precedent compared to England. According to Smith, “The law of England is...of a peculiar nature and well worth the study of a speculative man. In some points, as those of contracts and real rights, it differs from all
others” (Smith 1978, 287). As Smith points out, it takes time and repeated practice to ascertain the precise meaning of a law, and new courts are more likely to produce evil law and restrict people’s liberties than old courts, since old courts obtain their laws through the process of evolution and repeated practice to see what produces good law. As Oliver Wendell Holmes observed, “The life of the law has not been logic; it has been experience...The law embodies the story of a nation’s development through many centuries, and it cannot be dealt with as if it contained only the axioms and corollaries of a book of mathematics” (Holmes 1881, 1).

As will be explained in greater detail later, one of the things that makes Britain exceptional, is that British exceptionalism is not determined based on birth, but is something anyone can achieve if they have the spirit of liberty in them. The French view foreigners as inferior to people who are born in France and are French from birth. To be French is not based on the culture, a worldview, which other people can adopt, but based on accident of birth. Britain on the other hand, does not view being a Brit based on being born, and therefore recognizes foreigners or “aliens,” not as subpar because their family doesn’t have a legacy of being born in Britain. It is for this reason, that unlike other countries where an “alien” has less rights than other people and therefore one can’t inherent property if a foreigner, but instead the property if bequeathed to someone who isn’t a citizen of the country, the property gets transferred to the state, typically the king. On the other hand, what separated England from all other countries is that the individual property owner has a right to transfer property to whomever he wants, even an alien, whereas in other countries, non-citizens don’t get to acquire property and so the property gets transferred to the state (Smith 1978, 309).
Freedom unique to Great Britain is part and parcel of British exceptionalism. In countries such as France, Turkey, Spain, etc, the king is considered to be sovereign and there are not precise limits on the king’s power. People in such countries do not know the precise limits of the powers of the state and so have no way to determine if the state has abused its authority and gone out of bounds. Not so in England, where there are precise limits on the states’ authority. In England, the exact boundaries of the king has been known since the Revolution and so one can know exactly what he will do, unlike in other countries were the kings power is not precisely limited. In England, the sovereign power is not the king, but the king and Parliament, and therefore there is a separation of powers limiting each branch’s authority (Smith 1978, 311) and checking the other branch to make sure they don’t overstep their lines. Since the powers of the king of England is limited by a Constitution, there is a discussion on what the duties, powers and limits of what the government are, whereas in places such as France, Spain, and Turkey the powers of the state, not being clearly defined, are decided by violence and subjugation (Smith 1978, 311). In government where powers are not divided, such as in France, the government can alter the laws at will and when the government is overstepping its bounds is not so clear. However, when the power is divided, like in Britain, it is clear when the government (or a certain branch of it) is overstepping its authority (Smith 1978, 324-325).

Smith writes, “We see that in France, Spain, etc. the consent of the people is not in the least thought of; the king imposes what taxes he pleases. It is in Britain alone that any consent of the people is required, and God knows it is but a very figurative metaphorickal consent which is given here” (Smith 1978, 323). Smith’s point in such a statement to criticize the social contract theory of John Locke, by pointing out that the very concept of
government requiring consent is a foreign concept, and even though there is no social contract in the case of England, it does say something about the character of the people in England, and the environment in England, that the idea that a government should even rest on consent is thought of.

According to Smith, an increase in the number of police doesn’t lead to a reduction in crime. The reason for more crime in France than in England, and in Edinburgh compared to Glasgow is because the people are more dependent on others in those places. People need to be free to not be corrupted (Smith 1978, 332-333). Since the common people of England who are free and independent, this makes it where they are more honest. The gentry and nobility in France are as good as those men in England or any other country, but “the common people being considerably more oppressed have much less of probity, liberality, and amiable qualities in their tempers than those of England” (Smith 1978, 333). Smith says England is the freest country and that’s why their coinage is the least debased (Smith 1979, 374). What Smith is saying is in this section, is that the reason for a reduction in crime doesn’t have to do with the number of law enforcers out there stopping people from committing crime, but that under a free society people don’t feel the need to engage in dishonesty and therefore have a greater sense of personal responsibility for their actions, whereas in other countries where the government deprives people of freedom creates a climate of violence and hostility. It seems according to Smith, the way to have a reduction in crime is not based on the police powers of the state combating crime, but the state reducing its powers, allowing for an environment which causes less crimes to be committed and that environment is one of freedom. In other words, it is the increasing power of the state which causes people to be more violent. Think of how freer people
would be if only the state was reduced even further. As Pao Ching-yen, a Taoist philosopher who lived during the 4th century, observed, “Disputes among the ordinary people are merely trivial matters, for what scope of consequences can a contest of strength between ordinary fellows generate? They have no spreading lands to arouse avarice ...they wield no authority through which they can advance their struggle. Their power is not such that they can assemble mass followings, and they command no awe that might quell [such gatherings] by their opponents. How can they compare with a display of the royal anger, which can deploy armies and move battalions, making people who hold no enmities attack states that have done no wrong?” (Rothbard 2006, 28). As Rothbard mentions, Ching-yen observed that is the institution of government which increases hostilities among people by restricting their liberty and looting from them, encourages other people to emulate the state’s behavior and do likewise. The state taking other people’s property teaches people that the way to obtain more property is not through the market, but through plunder. Therefore, according to Pao, the idea that government is needed to stop the theft and violence they encourage people to emulate, “commits the serious error of confusing cause and effect” (Rothbard 2006, 28).

Smith considers the law of England “always a friend of liberty,” and one of the reasons for this is because of impartial jury members judge the law instead of employees of the state (Smith 1978, 425). Impartial jury members are more likely to side with justice, whereas if the judges themselves determine the case they are more likely to be susceptible to bribery and favor a ruling in favor of the king, like in many other countries which lacked a jury system.
As the above numerous examples attest, for Smith one important function that made Britain exceptional and unique was the power of the state was more constrained compared to other countries in Europe, that the power of the state was divided instead of all resting in the king, that people were free to vote for their legislatives and therefore unlike many other countries, England was a constitutional monarch where people were able to vote for those in Parliament, instead of government not being subject to the voters, and that in Britain there were term limits so legislatures were kept in check and could be voted out of office and not reelected if they didn’t satisfy the voters. In Britain, the legislative power was introduced as a restrain on the judicial branch (Smith 1978, 434). Though in Britain, the king has absolute executive and judicial power, the Commons may impeach the king’s ministers, and the judges whom the king appoints are afterwards independent of the king. The legislative power is absolute in the king and Parliament (Smith 1978 434).

Perhaps most importantly concerning liberty, what makes British unique and exceptional is that when it comes to raising taxes, “there is no country besides England where the people have any vote in the matter. In France the kings edict is all that is necessary” (Smith 1978, 435).

In the Wealth of Nations, Smith also praises the British government as being unique in its support style of government being more conducive to liberty. Smith mentions that it is “the genius British constitution,” which protects the colonies of North America, compared to the mercantile companies which oppresses and domineers East Indies, which is why the living standards and wages in North America are higher, compared to the backwardness of Spain and Portugal (Smith 1976, 91).
III. British Exceptionalism in Terms of the Character Traits of the People in England Being Preferable to People in Other Countries, as Well as Being Generally More Favorable to Free Trade, and Better When It Comes to the Tax Code and Public Expenditures

Smith mentions that the market interest rate in France doesn’t coincide with the legal rate. In France, though the legal rate of interest has been lower in France than in England, the market rate has been higher because in France people find it easy to evade the law, whereas in England people respect the law more and therefore are more likely to follow the usury laws in England (Smith 1976, 107). Though I’m not sure why simply following a bad law is a positive character trait for the people of England to have, Smith seems to view the fact that people in France find it both easier to evade the law (against usury) and don’t respect the law, perhaps an example of evidence that the respect of the laws in England among the people is greater since the government more reflects the soul of the people and respects their freedom more, since England is representative government, whereas France is not.

According to Smith, not only is there more liberty in England than in most other countries, the people in England are of a superior quality than in many other countries. The people in England are very industrious, whereas the people in France aren’t as industrious. The people in France only employ capital that can be used for their own consumption, and they employ as little capital as possible (Smith 1976, 364). Smith describes the inferior ranks of people in England as “industrious, sober and thriving” (Smith 1976, 365) because
they are free to employ their capital. Whereas, in France, the inferior ranks of people are poor and idle (Smith 1976, 335).

In Great Britain the money price of labor has risen and that this is not because the value of silver has been diminished but due to an increase in the demand for labor in Great Britain, “arising from the great, and almost universal prosperity of the country” (Smith 1976, 219), whereas in places like France, the money price of labor have been falling gradually. The rise in the real price of labor in Great Britain, compared to other countries, is “owing to the peculiarly happy circumstances of the country” (Smith 1976, 219). The peculiar happy circumstances would be such things as the unique system of government of England, as well as the geographical location of England, that is surrounded by island and allows for trade among the neighbors to be easier, as well as being divided by sea makes it where there is less a chance of being invaded, as will be explained in greater detail later.

According to Smith, there are no colonies in which progress has been more rapid than that of the English of North America (Smith 1976, 571). The rapid progress of the English colonies is because of the English institutions and their effects and influence on the colonies, whose system of government was more favorable to agriculture, improvement, and population compared to other governments, such as Spain (Smith 1976, 221); plenty of good land, and liberty to manage their own way, seem to be the two great causes of the prosperity of all the new North American colonies (Smith 1976, 572). Smith points out that the good land of the English colonies of North America, though very abundant, are inferior compared to the Spanish, Portuguese, and France, but “the political institutions of the English colonies have been more favourable to the improvement and cultivation of the land, than those of any other three nations” (Smith 1976, 572). According to Smith, there
are four benefits that make Great Britain exceptional when it comes to their colonies compared to the other (three) countries, which are: 1) The engrossing of uncultivated land has been more restrained in the English colonies than in any other, and therefore allows land to be used and homesteaded in the case of adverse possession, instead of having the land be fallow, 2) The inheriting of land in the colonies is more evenly divided in the colonies, compared to countries like Spain and Portugal, where such estates go all to one person, 3) The taxes in the England colonies are more moderate compared to the colonies of other countries and 4) “The English colonies have been allowed a more extensive market, than those of any other European nation. Every European nations has endeavored more and more or less to monopolize to itself the commerce of its colonies, and, upon that account, has prohibited them from importing European goods from any foreign nation” (Smith 1976, 572-575).

When criticizing the Corn Laws, which imposed restrictions and tariffs on imported grain in order to give an artificial monopoly to the farmers of Great Britain, Smith mentions that the temporary laws restricting the exportation of corn deserves no praise that it has been given for enriching the country of Britain. The real reason Smith points out, for the improvement and prosperity of Great Britain is due to other causes, such as, “the security which the laws in Great Britain give to every man that he shall enjoy the fruits of his own labour, is alone sufficient to make any country flourish, notwithstanding these twenty or other absurd regulations of commerce...In Great Britain industry is perfectly secure and though it is far from being perfectly free, it is as free or freer than in any other part of Europe” (Smith 1976, 540).
Smith numerous times has mentioned how though industry in Great Britain is not perfectly free, it is freer than in any other part of Europe, yet there are places in *The Wealth of Nations* where Smith seems to contradict himself, by pointing certain instances where industry is less free compared to other places. For example, when Smith talks about the poor laws which restricts the liberty of the poor to obtain a settlement or to exercise his industry in any parish except for the one he belongs is peculiar to England (Smith 1976, 152).

Great Britain, similar to many other countries, had policies that gave an artificial monopoly to certain industries, and has given a monopoly trade to Britain when it comes to trading with the colonies. Nevertheless, even with the monopoly trade, there is still the general liberty of trade, notwithstanding some restraints, where the liberty is at least equal, if not superior to what it is in any other country (Smith 1976, 610). “The liberty of exporting, duty free, almost all sorts of goods which are the produce of domestic industry, to almost any foreign country; and what, perhaps, is of still greater importance, the unbounded liberty of transporting them from any one part of our own country to any other, without being obliged to give any account to any public office, without being liable to question or examination of any kind; but above all, that equal and impartial administration of justice which renders the rights of the meanest British subject respectable to the greatest, and which, by securing to every man the fruits of his own industry, gives the greatest and most effectual encouragement to every sort of industry” (Smith 1976, 610). Therefore, Smith views Britain as being exceptional, even when the government engages in protectionist policies, since England does so to a lesser degree compared to any other country.
Though the increase in the English government has slowed down the natural progress of England towards wealth and improvement, the state has not been able to stop such progress from occurring. The reason that those in England have been able to be more productive and to increase their living standards is because even in the midst of all the exactions of government, private individuals have been able to increase their stock of capital and be free to continue to increase their living standards, relatively unhindered. As Smith mentions, it is because government protects people’s property rights and allows people to be free to live in the manner that is most beneficial to them that has allowed England to grow rich (Smith 1976, 344). Nevertheless, Smith seems to contradict himself by saying that the government protected people’s property rights and their consent was required before taxes were raised, yet as Smith points out, “England...has never been blessed with a very parsimonious government, so parsimony has at no time been the characteristical virtue of its inhabitants” (Smith 1976, 346). Smith points out that the kings and ministers who pretend to watch over the economy of private people, are always and without exception, the greatest spendthrifts in the society (Smith 1976, 346). The more revenue the government has, the less the citizens do since the government obtains revenue not by voluntary exchange and creating value for value, but through taxation. The higher the level of government spending the more resources are shifted out from the market sector and instead wasted by the state. If it is the case, as Smith points out, that the English government were great spendthrifts, it seems odd how England would be able to protect people and their property and have a society were people were opulent when government is seizing an abundant amount of their resources. It seems as if Smith is praising the
government of England as being unique in terms of allowing for liberty, at the same time pointing out how the government was a big spender and waster of people’s resources.

Smith is not against having any interest or in support of usury laws which totally prohibit interest, but he also doesn’t believe that having no limit on interest is beneficial either, and seems to support the cap on interest of the British as “perhaps, as proper as any” (Smith 1976, 357). It seems that Smith reveals his support for the status quo and defends the limits of interest and how Britain is unique by just happening to have not too restrictive or too loose a usury policy.

One of the things that makes British exceptional are its laws concerning the tenants using and building on land, as well as the proprietor. Smith mentions how the property rights of the tenants is as secure as the proprietor and that is a big factor in why the living standards are higher in England compared to elsewhere, and not because of the protectionist regulations (Smith 1976, 392). As Smith states, “There is, I believe, nowhere in Europe, except in England, any instance of the tenant building upon the land of which it has no lease, and trusting that the honour of his landlord would not take advantage of so important an improvement” (Smith 1976, 392). Such a law seems to reflect how there is a greater level of trust between tenant and landlord, which is unique among England. As Smith mentioned in Lectures on Jurisprudence how the people in England are more honest than in other places, such as France, because they are more free and independent, a similar idea seems to be echoed here. Greater liberty and freedom improves trust and relationships.

Smith mentions how he believes that Great Britain is the only monarchy in Europe where the oppression of purveyance has been entirely abolished (Smith 1976, 394).
Purveyance is when the king's troops could take provisions for the king's household whenever such officers passed through any part of the country, and the people were bound to provide them with horses, carriages, and other provisions they wanted at a price which was fixed and regulated by the purveyor (Smith 1976, 394).

Smith mentions how people couldn’t be taxed in France and English without their consent since their government was a relatively free one (Smith 1976, 404). This seems to contradict some things Smith said, like in his Lectures on Jurisprudence about France not being a Republican form of government and not free but absolute.

An unusual example of British exceptionalism Smith provides is when he mentions that one of the things that was the cause of improvement of England was imitating the inventions of foreigners, such as England manufacturing fine clothes made of Spanish wool (Smith 1976, 410). Such an example would seem to a nonbiased view, an example which praises the foreigners for their original inventions instead of praising those who decided to imitate them.

Smith points out that the reason the Corn Laws are worse in Spain and Portugal, compared to Great Britain is because such countries are not free countries. Industry and commerce in those countries is not as respected and secure as those in Great Britain (Smith 1976, 541).

Though the policy of Great Britain with regard to the trade of the colonies has been dictated by the same mercantilist spirit as that of other nations, such policies of Great Britain have been less illiberal and oppressive than any of the mercantilist policies of other nations (Smith 1976, 584). In other words, one of the things that makes Great British exceptional is that even though they do not fully have a free trade policy and actually
respect the right of people to do what they want with their property, Great Britain is better in terms of free trade than elsewhere. And in a world where free trade is commonly prevented by governments, better is good enough. The granting of artificial monopolies to certain manufactures is only somewhat less illiberal and oppressive in England than elsewhere (Smith 1976, 590).

The British colonies get political power, not from inherited nobility, but through a representative government, like in Great Britain (Smith 1976, 585).

It would seem that part of a biased view of viewing one’s own country as exceptional is to have a double standard when it comes to judging the government’s policies. Smith has criticized other countries for giving artificial monopolies to restrict trade, such as by making it where the colonies are only free to trade from the mother country. Smith mentions that there are certain enumerated commodities that the colonies of Great Britain are confined to the mother country. Such enumerated commodities were considered enumerated during the Navigation Acts, among other acts (Smith 1976, 577). Smith mentions that in consequence of such acts where certain enumerated commodities of the colonies can be exported to no other country but England, and then afterwards other countries can buy it from England, Smith says this must mean that the commodities must be cheaper in England than it can be in any other country (Smith 1976, 594). If it were really cheaper for the colonies to only sell certain goods to England, and then England selling these goods to other countries, than for the colonies to be free to send the goods to other countries directly, there would be no need for the government to make such acts restricting trade. If it were really the case that exclusive trade between the English colonies and England for certain goods, the profit motive would reveal this, not artificial
monopolies. Smith seems to be defending certain instances of government hindering free
trade, and as will be shown later, Smith supports because of safety, to argue that such
restrictive trade is economically beneficial is untrue. That which is economically beneficial
doesn't require government interference and artificial monopolies restricting trade.
Smith's support for such a policy seems to reveal, much like his support of Britain's usury
laws, defending a policy of England because it was a policy of England, instead of viewing
the case as an impartial observer.

Although England may not be exceptional in this case, and is perhaps not the best
eexample of Smith's views on British exceptionalism, the following is a good example
showing how Smith seems to view the moral character of England as superior to other
nations. Smith mentions that in nations like France and England consist primarily of
proprietors and cultivators who can be enriched by industry and enjoyment. On the other
hand, nations like Holland and Hamburgh, which are composed mainly of merchants,
artificers, and manufacturers, can only grow rich through parsimony and privation (Smith
1976, 668). Since the interests of the different nations are very different, so are the
common characters of the people. In nations such as France and England, liberality,
frankness, and good fellowship, naturally make up a part of that common character of the
people. In nations such as Holland and Hamburgh, narrowness, meanness, and a selfish
disposition, averse to all social pleasure and enjoyment, make up a part of that common
character of the people (Smith 1976, 668). It seems inconsistent that Smith would include
the French having the same common character traits as in England, considering, as
mentioned previously, Smith criticized the character traits of the commoners in France and
considered them inferior to those in England.
Smith states that when it comes to levying taxes requires a great number of customhouse and excise officers, whose salaries are a real tax on the people and which does nothing to increase the treasury of the state. Such an expense is more moderate in Great Britain that in most other countries (476, 896). There being less wasteful spending when it comes to hiring people to levy taxes may not be the best example of British exceptionalism, it is something. The fact that such an expense is less in Great Britain may be because either the British government is less wasteful or because the taxes in Great Britain are less compared to most other countries. Smith does mention that consumption taxes in Great Britain are much less severe than in most other countries (Smith 1976, 875), as well as the land-tax. As Smith states, “The inconveniences...which are, perhaps, in some degree inseparable from taxes upon consumable commodities, fall as light upon the people of Great Britain as upon those of any other country of which the government is nearly as expensive. Our state is not perfect, and might be mended, but it is as good or better than that of most of our neighbors” (Smith 1976, 899).

The uniform system of taxation in all the different part of Great Britain, allows the interior of the commerce to be almost entirely free, and is one of the main causes of the prosperity of England (Smith 1976, 900). The uniformity of the tax code makes it where trade is easier since one isn’t required to obtain a permit when it comes to trading within the country. Smith mentions how this uniformity of the tax code though prevalent in England, is not prevalent in many other countries, for example in France, the different provinces require different systems of taxation (Smith 1976, 900).

Smith believes that Ireland would benefit from a union with Great Britain in terms of a greater freedom of trade, and a less oppressive aristocracy (Smith 1976, 944). Smith
also mentions that military expenditures in Great Britain are much more moderate than in any other European state, which “can pretend to rival her [Great Britain] either in wealth or in power” (Smith 1986, 946).

IV. British Exceptionalism When It Comes to A Standing Army (or Lack Thereof) and the Benefits of Island Geography

As the founders of the United States understood, a standing army and military are a threat to people’s liberty, for with a standing army, more threats can be used to extort the citizenry, as well as give an excuse for more militaristic adventures. Adam Smith in both Lectures on Jurisprudence and The Wealth of Nations talks about the dangers of a military government, the dangers of a standing army and that one of the reasons for the liberty and style of government which makes Great Britain exceptional is both it’s geography, as well as the lack of standing armies.

In Lectures on Jurisprudence Smith provides numerous instances of the dangers and tyrannies wrought by governments with a standing army. According to Smith, “A military government admits of regulations, admits of laws, and tho the proceedings are very violent and arbitrary with regard to the election of emperors and in the punishment of all offenders against his dignity, who were punished without any trial, or by what was worse than none, a sham trial which was a mockery of justice” (Smith 1978, 238).

Smith talks about countries with standing armies often take over other countries and are warlike. The countries with a lot of artisans and manufactures are less warlike than countries where most people are farmers since to leave from manufacturing reduces profit, whereas one can only be a farmer during certain times of the year. Countries that are not
with a standing army are not barbarous and warlike and therefore recruit people from other countries with a standing army to defend them, and such people are from barbarous countries. Such standing armies lead to where the system of government can be changed or the liberties of the people can be reduced, where the king used a military to subdue the people and rule by military might (Smith 1978, 240-241). A military government ruling by might makes right and subjugating the people and centralizing more power existed in the case of the Roman Empire from the time of Julius Caesar to the ruin of the empire (Smith 1978, 238).

Smith mentions that England alone a different type of government has been established from the natural course of things since the circumstances in England were very different. England was united at length with Scotland and was then entirely surrounded by the sea which created a boundary from its neighbors. The Union of England and Scotland made it where there was no need for a standing army. What makes Britain exceptional for Smith was that Britain was surrounded by the sea, making it where a foreign invasion was not likely to be dreaded. Having no fear of a foreign invasion allowed Britain to not require a standing army, which as Smith mentions could be used to subjugate the people. As Smith states, “The absolute power of the sovereigns has continu’d ever since its establishment in France, Spain, etc. In England alone a very different government has been established from the natural course of things. The situation and circumstances of England have been altogether different. It was united at length with Scotland. The dominions were then entirely surrounded by the sea, which was on all hands a boundary from its neighbors. No foreign invasion was therefore much to be dreaded. We see that (excepting some troops brought over in rebellions and very impoliticly as a defence to the kingdom) there has been
no foreign invasion since the time of Henry 3rd...The Scots however frequently made incursions upon them, and had they still continued separate it is probable the English would never have recovered their liberty. The Union however put them out of danger of invasions. They were therefore under no necessity of keeping up a standing army; they did not see any use or necessity for it. In other countries, as the feudall militia and that of a regular one which followed it wore out, they were under necessity of establishing a standing army for their defense against their neighbors” (Smith 1978, 265).

Since a standing army allowed the government to terrorize the people and make it where the government is not held accountable by the citizenry, both the fact that Britain is surrounded by the sea, as well as a lack of a standing army, accounts for what makes Britain exceptional in its style of government and its liberty. A standing army makes the government more militaristic, but a lack of one makes it where the government is less likely to engage in empire building.

In other countries which had a standing army, those that decided to serve in the army were the meanest of people. The army in the other countries have men who serve with a sense of duty, but since it’s composed on the meanest of men, such an army is hawkish and willing to use force outside of defense (Smith 1978, 266).

There are essentially two ways to interact with people, persuasion or force. A government that must engage in more persuasion and less force is one with more liberty and more peace. A government that rules completely by might makes right (as all government end up doing in reality) is where freedom and liberty is diminished. As Smith points out, in England under James I and Charles they had no standing army so they couldn’t extort money from people and instead had to call onto Parliament to obtain their
consent and try to influence them instead of using force (Smith 1978, 266). England however used to have more authority and an increase in power when they had nobility and a feudall government (Smith 1978, 264).

Smith remarks how unlike other countries a system of liberty had been established in England before standing armies were introduced, whereas this was not the case on other countries. In the other countries, the king’s power is not divided but can overrule the Senate, Diet, or other Supreme Court. In England however, the supreme power in legislation is divided between the king, the House of Lords, and the House of Commons (Smith 1978, 269).

Since the king of England (after the Union with Scotland) has no standing armies, he could raise no taxes or subsidies, but was dependent on Parliament to get them (Smith 1978, 270). Parliament was a legislative body whose members were elected by the people and could be voted out of office and fail to win reelection if the majority of voters weren’t satisfied with them. It is for this reason that Britain was unique and required the consent of the people (artificially of course) to vote when it came to raising taxes.

With a greater division of labor leads to a shift away (or a declining) from agricultural jobs and towards more art and manufacturing jobs. When there is a greater division of labor, the need for fighting, and therefore a standing army or military, becomes less and less (Smith 1978, 411). Therefore, one of the benefits of a country like England, where property rights and free trade were more secure, allowed for a greater division of labor and less of a need to engage in wars.

Smith writes, “A peculiar advantage which Brittain [Britain] enjoyed after the accession of James 1st was that the dominions of Brittain [Britain] were every way bounded
by the sea, there was no need for a standing army and consequently the king has no power
by which he could overawe either the people or Parliament” (Smith 1978, 421). Again
Smith points out what makes British exceptional is that it is surrounded by the sea, making
it hard for foreign invasion, and therefore no need for a standing army, which is a threat to
the liberty of the people.

Although Smith has pointed out the dangers of having a standing army, Smith also
mentions how lacking a standing army caused certain people to be invaded. In the year
1745, around 5,000 unarmed Highlanders took possession of improved parts of the
country with little opposition from the unwarlike inhabitants (Smith 1978, 540-541). As
Smith points out, the Highlanders attempted to invade England, and if not for the standing
army that existed at the time, they would have seized the thrown with little difficulty
(Smith 1978, 541). It seems that though Smith understands how a standing army can used
by the king to increase his power and make people pay more in taxes without being subject
to their vote and check by another branch of government, the lack of a standing army is
only beneficial under certain conditions. It seems that for Smith a lack of standing army is
not needed if the country also is surrounded by the sea and therefore invasion is less likely
(or can be more known in advanced).

According to Smith, “a militia commanded by landed gentlemen in possession of the
public offices of the nation can never have any prospect of sacrificing the liberties of the
country for any person whatever. Such a militia would no doubt be the very best security
against the standing army of another nation” (Smith 1978, 543). Whereas a standing army
is a threat to a nation (and the citizens), a militia capable of defending them is superior and
more akin to keeping their liberties intact than having a standing army.
According to Smith, there are two types of standing armies: 1) “When the government gives offices to particular persons and so much for every man they levy” (Smith 1979, 543). Such a standing army is the type of standing army of Britain, and 2) “When the government makes a slump bargain with a general to lead out a certain number of troops for their assistance...They make a bargain with some chieftain...and as the officers are all dependent of him, and he independent of the state, his employers lye at his mercy” (Smith 1978, 543). Such a standing army is the type in some little states in Italy. The second type is more a threat to the liberties of the people, whereas the former type, like Britain’s is lest likely to turn their arms against the government since such officers are men of honor and have great connection in the country (Smith 1978, 543-544). Yet there are cases, as Smith points out, where a standing army has proved dangerous to the liberties of the people and the question concerning the power of the sovereign came to be disputed, as was the case in Britain, since under such conditions the standing army generally takes the side of the king. Since the king appoints the soldiers and pays them, the soldiers thinks they owe them the king's service, which is dangerous to liberty where there the separation of power of the state is limited (or not yet formed).

In *The Wealth of Nations*, Adam Smith mentions that one of the things that makes Great Britain exceptional is that England was a great trading country and is likely to become still greater, and greater everyday. The navy of England is one of the most superior. During the Dutch war, when the government was under Cromwell, the British navy was superior to Holland. During the reign of Charles II, the British navy was at least equal, if not superior to the united navies of France and Holland (Smith 1976, 597).
As mentioned earlier, in *Lectures on Jurisprudence*, Smith mentioned how having a militia could defeat, and be superior to a standing army (Smith 1978, 543). Yet, in *The Wealth of Nations*, Smith says the opposite, when he states, “A militia, however, in whatever manner it may be either disciplined or exercised, must always be must inferior to a well disciplined and well exercised standing army” (Smith 1976, 699-700. According to Smith, the reason (at least in *The Wealth of Nations*), Smith considered a standing army to be superior to a militia is because obedience to command matters more in determining the fate (or success) of battles than the soldiers skill of arms (Smith 1976, 699). Before the invention of firearms, the skill of the soldiers mattered the most, now with the invention of firearms it matters less so, and greater order and obedience matters more, which Smith says standing armies have over militias.

In *The Wealth of Nations*, Smith concurs that it is only by having a well-regulated standing army that a civilized country can be defended, and also by using a well-regulated standing army can a barbarous country be suddenly and tolerable civilized (Smith 1976, 706). Smith points out that there have been people who view a standing army as dangerous to liberty (like Smith in *Lectures on Jurisprudence*). Smith agrees that a standing army can be dangerous to liberty when the officers of the army are not connected with the support of the constitution of the state (Smith 1976, 706). The examples Smith mentions of a standing army being dangerous to liberty are the standing army of Caesar which destroyed the Roman Republic, and the standing army of Cromwell which threw the parliament out (Smith 1976, 706). But in cases where the sovereign is himself the general, and the officers of the army aren’t made up of people from foreign countries, but made up of the people of the country, and where the military force is place under the command of those who have
the greatest interest in support of the civil authority since they themselves have the greatest share of that authority, then a standing army can never be dangerous to liberty, but in some cases may be favorable to liberty (Smith 1976, 706-707).

V. British Exceptionalism When It Comes to Discovering the Laws of the Natural Sciences, Philosophers, and Artists

In Adam Smith’s *The History of Astronomy* and his 1755-1756 Letter to the Authors of the *Edinburgh Review*, Smith points out how many of the great geniuses and innovators came from England, which makes Britain an exceptional place. One of the reasons for why many geniuses came from England is because of the freedom that existed in England. As pointed out earlier, the moral character of the people is different in England, compared to other countries such as France, because people are more free and independent in England. In a country where people are freer, allows greater trust. Such an increase of social capital may encourage the mind to greater reflection and knowledge than if living under a country where people are less free. As Smith points out in *The Wealth of Nations*, “The difference of natural talents in different men, is in reality, much less than we are aware of; and the very different genius which appears to distinguish men of different professions, when grown up to maturity, is not upon many occasions so much the cause, as the effect of the division of labor” (Smith 1976, 28). Under the division of labor people do not have to spend all their time doing all their daily activities themselves, but can hire someone else to do it for them and specialize in what they are best at. Since the division of labor is determined by the extent of the market, which in turn is determined by the extent of free trade and lack of protectionist, populist, mercantilist policies, since Britain, as Smith has pointed out, has the
least hindrance in terms of free trade, it makes sense that many geniuses would come from Britain. The freer the market, the greater the divisions of labor, and the greater the number of people have time for philosophical reflection and scientific study.

When it comes to astronomy and explaining the laws of the universe, as Smith acknowledges, none is better than Sir Isaac Newton (a Brit). Isaac Newton was able to explain the complexity of the planets and the moon better than anyone. Newton used his law of gravity to explain the movements of the planets. Smith considered the Newtonian system and explanation, parts to be more strictly connected together than any other philosophical hypothesis (Smith 1980, 104). Though many other philosophers tried to explain the laws of astronomy before Newton, it was Newton who had the clearest and most provable and sound explanation.

In his Letter to the *Edinburgh Review*, Smith heaps numerous praises on the greatness that came from Britain. Smith mentions that though learning is encouraged in some degree in almost every part of Europe, it is only in France and England that such learning, literary writing, inventions, discoveries, and languages that would excite the attention of foreign nations. When it came to imagination, genius, and invention, such qualities seem to be the talents of the British (Smith 1980, 243). Smith mentions the works of such Brits as Shakespeare, Spencer, and Milton, whose works have “a strength of imagination so vast, so gigantic and supernatural, as astonishes, and confounds their reader into that admiration of their genius...In the eminent French writers, such sallies of genius are rarely to be met with” (Smith 1980, 243-244).

Smith attributes almost all the great discoveries (which have not been made in Italy or Germany) in natural philosophy, have been made in England (Smith 1980, 244), such as
the Newtonian philosophy. Smith believes that foreign nations are more likely to be acquainted with the English philosophy by the writers of others than by those written by the English themselves. The reason being, that the English seem to have employed themselves entirely in inventing, and to have distained the more “inglorious, but no less useful” job of arranging their discoveries (Smith 1980, 245).

Smith writes, “The original and inventive genius of the English has not only discovered itself in natural philosophy, but in morals, metaphysics, and part of the abstract sciences” (Smith 1980, 249). Smith’s letter to the Edinburgh Review makes clear Smith’s views on British exceptionalism—that most of the great literary works, inventions, and the philosophical discoveries in both the natural and social sciences have come from British thinkers.

VI. British Exceptionalism When It Comes to the English Language

In Smith’s Lectures on Rhetoric, where Smith talks about the spontaneous evolution of language, Smith praises the English language for its beauty and complexity. The English language is more complex in its composition and more simple in its declensions and conjugations than either the French or Italian language (Smith 1983, 223). Smith points out that the English language is unique and exceptional because of the richness of the language. The great variety and complexity in its composition makes it where a person is able to express himself in a more concise way.

According to Adam Smith the more complex the language in its composition, the richer the language. As Smith writes, “In language...every case of every noun, and every tense of every verb, was originally expressed by a particular distinct word, which served
for this purpose and no other. But succeeding observation discovered, that one set of words was capable of supplying the place of all that infinite number, and that four or five prepositions, and half a dozen auxiliary verbs, were capable of answering the end of all declensions, and of all the conjugations in the ancient language. But this simplification of languages, though it arises, perhaps, from similar causes, has by no means similar effects with the correspondent simplification of machines. The simplification of machines renders them more and more perfect, but this simplification of the rudiments of languages renders them more and more imperfect, and less proper for many of the purposes of language” (Smith 1983, 223-224).

One of the reasons that this simplification of languages constrains communication, is that paradoxically, the simpler the language, the more words are necessary to express what could have been expressed by a single word. According to Smith, such simplified language is also less agreeable to the ear, for the beauty of the language and the distinction for a particular moment is squeezed out. For example, Smith points out that the English language is special and superior to other languages, such as French and Italian. One of the reasons for the superiority of the English language is its variety of words to express a similar idea, instead of constraining the language by limiting the amount of emotions, ideas and individual expressions that could be conveyed. As Smith says, “Two auxiliary verbs supply all the deficiencies of the French and Italian conjugations; it requires more than half a dozen to supply those of the English...What a Roman expressed by the single word...an Englishman is obliged to express by four different words” (Smith 1983, 223-224).

For Smith, the English language is superior to the French because the language is more complex. Another important thing to point out is that the word, “I” is an active word,
and not meant to describe a particular class of objects, but refers to the individual to which it speaks.

As Smith points out, the different languages that exist reveal something about the culture. I agree with Smith that the more words there are to describe something, the richer the language. I would add that what makes the word, “I” important compared to the word, “you,” or “we,” or “us,” is that I is always capitalized. The word, “I” is an individualized words and as Smith points out refers to a specific individual—the one speaks. The word, “I” is perhaps the most individualized of the pronouns, and the fact that it is the only pronoun which is always capitalized reveals that the English language is an individualized language, not a collectivized one. Capitalizing “I” puts the individual at the center and focus, instead of some abstraction and collective, like “us.” The fact that the English language has numerous words and is not constricted compared to many other languages I think is reflective of the individualism that is the English language. The fact that the English language is individual specific, as well as rich in its complexity, helps explain the fact that the English language is one of the few languages used throughout the world.

VII. Conclusion

Adam Smith felt that Great Britain was a unique country in the world that expressed many significant and important contributions—from their language, their literature, their natural and social philosophies discoveries and invention, their system of government, and their relatively liberal stance on free trade compared to most other countries of Europe—that Britain brought to the world.
Smith states in *The Wealth of Nations* that the first civilized societies were those that dwelt around the coast of the Mediterranean Sea (Smith 1976, 34). Being surrounded by water gave an advantage to countries, such as Britain from being able to more efficiently engage in trade and to be a port center for other countries to sail and trade with. Dan Klein quotes Smith in an article Smith wrote in a 1763 lecture, where after the 1707 Union of England and Scotland, the “dominions were then entirely surrounded by the sea...No foreign invasion was therefore much to be dreaded...They were therefore under no necessity of keeping up a standing army” (Klein quoting Smith 2014, 5). The Parliament shared power with the Crown, under a rule of law. According to Smith, “In this manner, a system of liberty has been established in England before the standing army was introduced; which as it was not the case in other countries, so it has not been ever established in them” (Klein 2014, 5).

Though Smith does mention how Britain was unique in terms of its liberalism, there were exceptions, such as the Poor Laws and the Law of Settlements, which made people artificially poorer than they need to be. Smith mentions how the common people of England are jealous of their liberty, there is no public outrage against the law of settlements (Smith 1976, 157), which makes one wonder if the English people are not jealous enough of their liberty when it comes to speaking out against encroachments upon it.

Smith defends economic liberalism in Britain and does criticize the twenty or so regulations prohibiting free trade, yet Smith himself does seem to support certain policies of Britain that restricts people’s liberty. Smith supported the Navigation Acts, which was a British law that restricted colonial trade of the British colonies to the mother country of
Britain. Smith provides two cases in which it will generally be beneficial to lay some burden upon foreign trade, for the encouragement of the domestic industry. These two cases are:

1) When some particular industry is necessary for the defense of the country. For example, the defense of Great Britain depends upon the number of its sailors and shipping. "The act of navigation," writes Smith, "therefore, very properly endeavours to give the sailors and shipping of Great Britain the monopoly of the trade of their own country, and in some cases, by absolute prohibitions, and in others by heavy burdens upon the shipping of foreign countries" (Smith 1976, 463), and 2) The second limitation of free trade Smith supports is that when essential goods that are necessary for life are taxed in any country, it "becomes proper, they pretend, to tax not only the like necessaries of life imported from other countries, but all sorts of foreign goods which can come into competition with any thing that is the produce of domestick industry" (Smith 1976, 465). This additional tax, according to Smith, puts domestic industry on the same footing with the foreign industry, and therefore it becomes necessary to put some tax upon every foreign commodity equal to the price of the home commodities with which it can come into competition with (Smith 1976, 466).

Smith believed more in nurture versus nature. Smith believed the difference between a society where people could be trustworthy and where people couldn’t be, and instead engage in more crimes, was based on one country being more independent than the people in another country. Smith believed that the difference between a genius and the average person is less in the person’s nature, but due to the division of labor which is the cause that lets genius bloom and express itself. It is because of the division of labor is greater in England than in most (or every) other country, that accounts for all the great
inventions, discoveries, natural and social sciences, Newtonian philosophy, and great literature that makes England the leader when it comes to producing original works of beauty, originality and genius. If other countries followed suit, and Britain removed all the encumbrances that hinder free trade, than not only would Britain become more exceptional, but so would every other country if they decided to emulate Britain and embrace the free market. In other words, the greatness of a country can be as good as the policies of those countries let it be. The more liberty, independence, greater division of labor, and free trade, the more exceptional the country and its inhabitants can become.

References: