

Wanna hear something kinda weird? Outside of religions, there are very few people who walked the planet long ago and endured to be readily identifiable and admired by *both* top experts and newbie college students. Really, just one comes to *my* mind. And get this—we're still talking about him a whole lot today!

This person is credited with essentially founding his field of inquiry *way* back, about 250 years ago—and yet many millions today would identify him as the only person in his field *where they actually know any name whatsoever*. He set solid, enduring foundations in his field that have truly stood the test of time!

OK, so who're we talking about? Well, he's Adam Smith—likely the most famous Scottish person ever, hailed as the Father of Economics. Smith published a book called *The Wealth of Nations* in 1776, the year of America's founding. And that's where Smith pioneered the fleshing out of the benefits of free markets!

Yeah, you've surely heard of Adam Smith...but can you name five other economists who've ever lived? Three? Even one? Well, the only other economist who might compete with Smith for widespread fame might be John Maynard Keynes, who lived a century ago and has a branch of thinking about economics named after him. But I still don't think it's a close contest! Hey, to be economically and politically astute—something we all should strive for and every politician should be required to be—we need to know some key things about Smith and his thinking! So, let's back up for a bit and cover some essential backstory.

As we all are in one way or another, Adam Smith was a person of his times. What's called the Industrial Revolution had gathered steam and was facilitating certain countries and their people to prosper greatly... while other countries simply didn't prosper. And that so-called revolution rooted prosperity-behaviors for many countries even until today. So, economics were a-changin' from a more feudal and village system to an industrial focus. And Smith was right there, near the beginning of it all! Fresh thinking was needed to help explain stuff, you know, *economic stuff!* But another big trend paralleled the Industrial Revolution. That trend was the Enlightenment, a broad intellectual development in Europe roughly in the 1700s, where it's often believed that key thinkers conclusively decided that reason trumps revelation from God!

But wait, that's not the full story! The truth is, there were actually two key branches of the Enlightenment. First, the one believed dominant by many—the *French* Enlightenment—was exemplified by Jean-Jacques Rousseau and Voltaire, where mankind was emphasized over the individual, supposedly for the greatest happiness of all. You know, advocating socialism! Second, the *Scottish* Enlightenment was exemplified by David Hume and Adam Smith, for whom moral philosophy and individual virtue were still pretty much considered a necessary anchor to the amazing genius and promise of human reason. Yeah...free markets!

So, about Adam Smith. A lifelong bachelor, Smith entered the University of Glasgow at age 14, then went to Oxford. Interestingly, he found the academic quality at Oxford lacking and mostly availed himself of the library there. He later wrote that English universities were inferior to Scottish universities, evidently because the professors in England didn't need to personally attract students to thrive because the university endowments were large. Yep, that was an economic analysis by Smith! Funny side note: when Oxford officials found Smith reading a book by David Hume, they confiscated the book and punished him!

Smith then landed on faculty at the University of Edinburgh in Scotland, then on to Glasgow University. In this time frame, the 1750s, he made a deep friendship with Hume, and over time, they both wrote on history, philosophy, economics, and politics. Then came the key outputs by Smith. In 1759, after having served for years as Professor of Moral Philosophy, Smith wrote a book titled *The Theory of Moral Sentiments* that laid the foundation of his thinking—again, as a philosopher of the Scottish Enlightenment, the moral picture he painted undergirded his later, groundbreaking work on economics. The book brought renown to Smith, and many students flocked to Glasgow University solely because of Smith. A famous quote from his book helps us understand why: “Man naturally desires, not only to be loved, but to be lovely; or to be that thing which is the natural and proper object of love.” Well, that's not pure reason, is it? That's *surely* not what supposedly fuels dog-eat-dog capitalism, a la Marx and Bernie Sanders, right?

But here's an interesting point about Smith's thinking. There's no evidence that Smith was a true Christian, though he was surrounded by many in Scotland. But he placed the "right" motives of people to be based on their embracing the idea of an "*impartial spectator*" in their lives—yes, the sense of impressing a fellow human seeing their actions! Some might call that conscience. But here's the thing: with the logging of literally countless transactions by Christians through the ages, serious believers do *not* look to an impartial human spectator, but to *a very partial God*! Yes, we are called to represent God by loving our neighbors!

Next, in 1764, Smith was offered a traveling tutoring position at double the compensation, affording him travel in Europe. He met many there, including Voltaire and Benjamin Franklin. But Smith was bored, and he started writing a book about economics, corralling a topic he had been toying with since his first book was published. So, *The Wealth of Nations* was published in 1776...and the rest is history! Now, how about hearing what's probably Smith's most famous quote in *The Wealth of Nations*?

"It is not from the benevolence of the butcher, the brewer, or the baker, that we expect our dinner, but from their regard for their own interest. We address ourselves, not to their humanity but to their self-love, and never talk to them of our own necessities but of their advantages." Notice that Smith emphasizes speaking to others of what their advantages are...and their self-interest in the transactions of life.

But here's where a robust understanding of following Christ surpasses Smith's language. For the Christian, it isn't about taking action for "self-love" ...for us or for others. Instead, it's about taking action as a great steward—for God, for our families, for our customers, for our suppliers...yes, for the betterment of all we touch! For you and me, this is a defining, real-world way that we love our neighbors, bettering their lives by supporting their vocational giftedness and efforts—and serving them well with ours! Nothing evil or inherently selfish here...but, yes, it *is* in our interest to serve God well in doing all that—as He commands!

Smith believed that the benefits stimulated for others by market participants are often unintentional...it's just that participants are acting in the context of their own needs or interests. But for the astute Christian, it can and should be seen as *intentional*! Let's put it this way: thriving free markets are where stewardship-focused individuals work with others for every participant's betterment—all that being done via voluntary, mutual interdependence, collaboration, and stewardship! Every possible transaction can yield success or failure, and each sends signals about which goods and services are valued in the market. Hey, if you are not bettering people's lives, they simply will not do business with you! All this can be very complex in a modern supply chain, starting from raw materials like wood and graphite for a pencil all the way to the satisfied customer returning to buy additional pencils, over and over again. This is the "magic" of free market process that Smith advocated! And, frankly, when government intrudes—as it often does—it is simply signaling that it supposedly knows what's better for people than people know for themselves! Yes, government is exercising its monopoly power to "fix" people's virtues and desires! Right, fixing *yours*, too!

The key point is, Smith was an astute observer of economic realities and created a foundation for deeper thinking about economic complexity—activity beyond simple village-level transactions, like the butcher and the baker he referenced. Hey, Smith was clearly brilliant! But we must also say that his use of the term "self-love" opened his ideas up to criticism. Still, here's the deal: the legit path for the Christian is to affirm and reveal through real life that all this is really just stewardship for others—actually delivering astounding results in very complex situations in seemingly magical ways! But it isn't magic—it's quite real!

Walmart's Sam Walton was a uniquely remarkable person. He built a collaborative supply chain that bettered the lives of hundreds of millions of consumers who return time and again to benefit from his stewardship. It benefits employees and suppliers, too! Walton and countless others together work to help create long-term human prosperity! We *see* it! Adam Smith was so very foundationally insightful 250 years ago. But what we do is elevate Smith's thinking by the far deeper understanding of the *prescribed why* of it all in God's eyes—stewardship! Yes, stewardship is love for others expressed in a very concrete way...the betterment of all others throughout all those complex supply chains! So, *go show your love—go transact!*

## *A&A: Application & Action*

1. Do you think participating in markets (that is, participating in workplace transactions) is inherently selfish for businesses? Selfish for nonprofits? Selfish for profit for shareholders who took the risk of investing? Selfish for people taking wages and salaries? Selfish for *you* as a participant? Discuss each.
  
2. Do you really believe that every transaction at your workplace business or nonprofit is a God-directed opportunity that's manifested in the acknowledging and rewarding of others' gifting and efforts? If so, just how do you express that as a witness for Christ? If not, why not? Be specific.
  
3. Adam Smith is famous for his understanding that marketplace transactions lead to all participants' ultimate betterment. But isn't it accurate to say that God is directing our roles in every marketplace transaction as part of His Kingdom purposes, too? I.e., that both purposes can be and are fulfilled in each transaction? Discuss.