

**Landesbibliothek Oldenburg**

**Digitalisierung von Drucken**

**An Inquiry Into The Nature and Causes Of The Wealth Of  
Nations**

In Two Volumes

**Smith, Adam**

**London, 1776**

Conclusion of the Chapter.

**urn:nbn:de:gbv:45:1-1628**

BOOK

I.

much cheaper to market than that which is the principal or sole fund of the workman's subsistence. The fine manufacture, on the other hand, was not in those times carried on in England, but in the rich and commercial country of Flanders; and it was probably conducted then, in the same manner as now, by people who derived the whole, or the principal part of their subsistence from it. It was besides a foreign manufacture, and must have paid some duty, the antient custom of tunnage and poundage at least, to the king. This duty, indeed, would not probably be very great. It was not then the policy of Europe to restrain, by high duties, the importation of foreign manufactures, but rather to encourage it, in order that merchants might be enabled to supply, at as easy a rate as possible, the great men with the conveniencies and luxuries which they wanted, and which the industry of their own country could not afford them.

THE consideration of these circumstances may, perhaps, in some measure explain to us why, in those antient times, the real price of the coarse manufacture was, in proportion to that of the fine, so much lower than in the present times.

CONCLUSION *of the* CHAPTER.

I SHALL conclude this very long chapter with observing that every improvement in the circumstances of the society tends either directly or indirectly to raise the real rent of land, to increase the real wealth of the landlord, his power of purchasing the labour, or the produce of the labour of other people.

THE extension of improvement and cultivation tends to raise it directly. The landlord's share of the produce necessarily increases with the increase of the produce.





THAT rise in the real price of those parts of the rude produce of land, which is first the effect of extended improvement and cultivation, and afterwards the cause of their being still further extended, the rise in the price of cattle, for example, tends too to raise the rent of land directly, and in a still greater proportion. The real value of the landlord's share, his real command of the labour of other people, not only rises with the real value of the produce, but the proportion of his share to the whole produce rises with it. That produce, after the rise in its real price, requires no more labour to collect it than before. A smaller proportion of it will, therefore, be sufficient to replace, with the ordinary profit, the stock which employs that labour. A greater proportion of it must, consequently, belong to the landlord.

ALL those improvements in the productive powers of labour, which tend directly to reduce the real price of manufactures, tend indirectly to raise the real rent of land. The landlord exchanges that part of his rude produce, which is over and above his own consumption, or what comes to the same thing, the price of that part of it, for manufactured produce. Whatever reduces the real price of the latter, raises that of the former. An equal quantity of the former becomes thereby equivalent to a greater quantity of the latter; and the landlord is enabled to purchase a greater quantity of the conveniencies, ornaments, or luxuries, which he has occasion for.

EVERY increase in the real wealth of the society, every increase in the quantity of useful labour employed within it, tends indirectly to raise the real rent of land. A certain proportion of this labour naturally goes to the land. A greater number of men and cattle are employed in its cultivation, the produce increases with the increase of the stock which is thus employed in raising it, and the rent increases with the produce.





BOOK  
I.

THE contrary circumstances, the neglect of cultivation and improvement, the fall in the real price of any part of the rude produce of land, the rise in the real price of manufactures from the decay of manufacturing art and industry, the declension of the real wealth of the society, all tend, on the other hand, to lower the real rent of land, to reduce the real wealth of the landlord, to diminish his power of purchasing either the labour, or the produce of the labour of other people.

THE whole annual produce of the land and labour of every country, or what comes to the same thing, the whole price of that annual produce, naturally divides itself, it has already been observed, into three parts; the rent of land, the wages of labour, and the profits of stock; and constitutes a revenue to three different orders of people; to those who live by rent, to those who live by wages, and to those who live by profit. These are the three great original and constituent orders of every civilized society, from whose revenue that of every other order is ultimately derived.

THE interest of the first of those three great orders, it appears from what has been just now said, is strictly and inseparably connected with the general interest of the society. Whatever either promotes or obstructs the one, necessarily promotes or obstructs the other. When the publick deliberates concerning any regulation of commerce or police, the proprietors of land never can mislead it, with a view to promote the interest of their own particular order; at least, if they have any tolerable knowledge of that interest. They are, indeed, too often defective in this tolerable knowledge. They are the only one of the three orders whose revenue costs them neither labour nor care, but comes to them, as it were, of its own accord, and independent of any plan or project of their own. That indolence which is the natural effect of the ease and security of their situation, renders them too

often,





often, not only ignorant, but incapable of that application of mind which is necessary in order to foresee and understand the consequences of any publick regulation.

CHAP.  
XI.

THE interest of the second order, that of those who live by wages, is as strictly connected with the interest of the society as that of the first. The wages of the labourer, it has already been shewn, are never so high as when the demand for labour is continually rising, or when the quantity employed is every year increasing considerably. When this real wealth of the society becomes stationary, his wages are soon reduced to what is barely enough to enable him to bring up a family, or to continue the race of labourers. When the society declines, they fall even below this. The order of proprietors may, perhaps, gain more by the prosperity of the society, than that of labourers: but there is no order that suffers so cruelly from its decline. But though the interest of the labourer is strictly connected with that of the society, he is incapable either of comprehending that interest, or of understanding its connection with his own. His condition leaves him no time to receive the necessary information, and his education and habits are commonly such as to render him unfit to judge even though he was fully informed. In the publick deliberations, therefore, his voice is little heard and less regarded, except upon some particular occasions, when his clamour is animated, set on, and supported by his employers, not for his, but their own particular purposes.

His employers constitute the third order, that of those who live by profit. It is the stock that is employed for the sake of profit, which puts into motion the greater part of the useful labour of every society. The plans and projects of the employers of stock regulate and direct all the most important operations of labour, and

S f 2

profit





BOOK

I.

profit is the end proposed by all those plans and projects. But the rate of profit does not, like rent and wages, rise with the prosperity, and fall with the declension of the society. On the contrary, it is naturally low in rich, and high in poor countries, and it is always highest in the countries which are going fastest to ruin. The interest of this third order, therefore, has not the same connection with the general interest of the society as that of the other two. Merchants and master manufacturers are, in this order, the two classes of people who commonly employ the largest capitals, and who by their wealth draw to themselves the greatest share of the publick consideration. As during their whole lives they are engaged in plans and projects, they have frequently more acuteness of understanding than the greater part of country gentlemen. As their thoughts, however, are commonly exercised rather about the interest of their own particular branch of business, than about that of the society, their judgement, even when given with the greatest candour, (which it has not been upon every occasion), is much more to be depended upon with regard to the former of those two objects, than with regard to the latter. Their superiority over the country gentleman is, not so much in their knowledge of the publick interest, as in their having a better knowledge of their own interest than he has of his. It is by this superior knowledge of their own interest that they have frequently imposed upon his generosity, and persuaded him to give up both his own interest and that of the publick, from a very simple but honest conviction, that their interest, and not his, was the interest of the publick. The interest of the dealers, however, in any particular branch of trade or manufactures, is always in some respects different from, and even opposite to that of the publick. To widen the market and to narrow the competition, is always the interest of the dealers. To widen the market may frequently be agreeable enough to the interest of the publick; but to narrow the competition must always be against it, and can serve only to enable the





the dealers, by raising their profits above what they naturally would be, to levy, for their own benefit, an absurd tax upon the rest of their fellow citizens. The proposal of any new law or regulation of commerce which comes from this order, ought always to be listened to with great precaution, and ought never to be adopted till after having been long and carefully examined, not only with the most scrupulous, but with the most suspicious attention. It comes from an order of men, whose interest is never exactly the same with that of the publick, who have generally an interest to deceive and even to oppress the publick, and who accordingly have, upon many occasions, both deceived and oppressed it.

Years XII.	Price of the Quarter of Wheat each Year.			Average of the different Prices of the same Year.			The average Price of each Year in Money of the present Times.		
	£.	s.	d.	£.	s.	d.	£.	s.	d.
1202	—	12	—	—	—	—	1	16	—
1205	—	12	—	—	13	5	—	—	—
	—	13	4				2	—	3
	—	15	—				—	—	—
1223	—	12	—	—	—	—	1	16	—
1237	—	3	4	—	—	—	—	10	—
1243	—	2	—	—	—	—	—	6	—
1244	—	2	—	—	—	—	—	6	—
1246	—	16	—	—	—	—	2	8	—
1247	—	13	4	—	—	—	2	—	—
1257	1	4	—	—	—	—	3	12	—
1258	1	—	—	—	17	—	—	—	—
	—	15	—				2	11	—
	—	16	—				—	—	—
1270	4	16	—	5	12	—	16	16	—
	6	8	—				—	—	—
1286	—	2	8	—	9	4	1	8	—
	—	16	—				—	—	—
Total,							35	9	3
Average Price,							2	19	1 $\frac{1}{4}$





BOOK  
I.

Years XII.	Price of the Quarter of Wheat each Year.			Average of the dif- ferent Prices of the same Year.			The average Price of each Year in Money of the present Times.		
	£.	s.	d.	£.	s.	d.	£.	s.	d.
1287	—	3	4	—	—	—	—	10	—
1288	—	—	8	—	—	—	—	—	—
	—	1	—	—	—	—	—	—	—
	—	1	4	—	—	—	—	—	—
	—	1	6	—	—	—	—	—	—
	—	1	8	—	3	— $\frac{1}{4}$	—	9	— $\frac{1}{4}$
	—	2	—	—	—	—	—	—	—
1289	—	3	4	—	—	—	—	—	—
	—	9	4	—	—	—	—	—	—
	—	12	—	—	—	—	—	—	—
	—	6	—	—	—	—	—	—	—
	—	2	—	—	10	1 $\frac{1}{4}$	1	10	4 $\frac{1}{4}$
	—	10	8	—	—	—	—	—	—
1290	—	16	—	—	—	—	2	8	—
1294	—	16	—	—	—	—	2	8	—
1302	—	4	—	—	—	—	—	12	—
1309	—	7	2	—	—	—	1	1	6
1315	1	—	—	—	—	—	3	—	—
1316	1	—	—	—	—	—	—	—	—
	1	10	—	1	10	6	4	11	6
	1	12	—	—	—	—	—	—	—
1317	2	—	—	—	—	—	—	—	—
	2	4	—	—	—	—	—	—	—
	—	14	—	—	—	—	—	—	—
	2	13	—	1	19	6	5	18	6
	4	—	—	—	—	—	—	—	—
1336	—	6	8	—	—	—	—	—	—
1338	—	2	—	—	—	—	—	6	—
	—	3	4	—	—	—	—	10	—
Total,							23	4	11 $\frac{1}{4}$
Average Price,							1	18	8



Years XII.	Price of the Quarter of Wheat each Year.			Average of the different Prices of the same Year.			The average Price of each Year in Money of the present Times.		
	£.	s.	d.	£.	s.	d.	£.	s.	d.
1339	—	9	—	—	—	—	1	7	—
1349	—	2	—	—	—	—	—	5	2
1359	1	6	8	—	—	—	3	2	2
1361	—	2	—	—	—	—	—	4	8
1363	—	15	—	—	—	—	1	15	—
1369	{	1	—	{	1	2	2	9	4
		1	4						
1379	—	4	—	—	—	—	—	9	4
1387	—	2	—	—	—	—	—	4	8
1390	{	—	13	{	—	14	5	1	13
		—	14						
		—	16						
1401	—	16	—	—	—	—	—	1	17
1407	{	—	4	{	—	3	10	—	8
		—	4 <sup>3</sup> / <sub>4</sub>						
1416	—	3	4	—	—	—	—	1	12
	—	16	—	—	—	—	—	1	12
Total,							15	9	4
Average Price,							1	5	9 <sup>1</sup> / <sub>7</sub>

	£.	s.	d.	£.	s.	d.	£.	s.	d.
1423	—	8	—	—	—	—	—	16	—
1425	—	4	—	—	—	—	—	8	—
1434	1	6	8	—	—	—	2	13	4
1435	—	5	4	—	—	—	—	10	8
1439	{	1	—	{	1	3	4	2	6
		1	6						
1440	1	4	—	—	—	—	2	8	—
1444	{	—	4	{	—	4	2	—	3
		—	4						
1445	—	4	6	—	—	—	—	9	—
1447	—	8	—	—	—	—	—	16	—
1448	—	6	8	—	—	—	—	13	4
1449	—	5	—	—	—	—	—	10	—
1451	—	8	—	—	—	—	—	16	—
Total,							12	15	4
Average Price,							1	1	3 <sup>1</sup> / <sub>7</sub>



BOOK  
I.

Years XII.	Price of the Quarter of Wheat each Year.			Average of the dif- ferent Prices of the same Year.			The average Price of each Year in Money of the present Times.		
	£.	s.	d.	£.	s.	d.	£.	s.	d.
1453	—	5	4	—	—	—	—	10	8
1455	—	1	2	—	—	—	—	2	4
1457	—	7	8	—	—	—	—	15	4
1459	—	5	—	—	—	—	—	10	—
1460	—	8	—	—	—	—	—	16	—
1463	—	2	—	—	1	10	—	3	8
	—	1	8						
1464	—	6	8	—	—	—	—	10	—
1486	1	4	—	—	—	—	1	17	—
1491	—	14	8	—	—	—	1	2	—
1494	—	4	—	—	—	—	—	6	—
1495	—	3	4	—	—	—	—	5	—
1497	1	—	—	—	—	—	1	11	—
Total,							8	9	—
Average Price,							—	14	1

	£.	s.	d.	£.	s.	d.	£.	s.	d.
1499	—	4	—	—	—	—	—	6	—
1504	—	5	8	—	—	—	—	8	6
1521	1	—	—	—	—	—	1	10	—
1551	—	8	—	—	—	—	—	2	—
1553	—	8	—	—	—	—	—	8	—
1554	—	8	—	—	—	—	—	8	—
1555	—	8	—	—	—	—	—	8	—
1556	—	8	—	—	—	—	—	8	—
1557	—	4	—	—	12	7	—	12	7
	—	5	—						
	—	8	—						
	2	13	4	—	—	—	—	—	—
1558	—	8	—	—	—	—	—	8	—
1559	—	8	—	—	—	—	—	8	—
1560	—	8	—	—	—	—	—	8	—
Total,							6	5	1
Average Price,							—	10	5



Years XII.	Price of the Quarter of Wheat each Year.			Average of the dif- ferent Prices of the same Year.			The average Price of each Year in Money of the present Times.		
	£.	s.	d.	£.	s.	d.	£.	s.	d.
1561	—	8	—	—	—	—	—	8	—
1562	—	8	—	—	—	—	—	8	—
1574	2	16	—	2	—	—	2	—	—
	1	4	—						
1587	3	4	—	—	—	—	3	4	—
1594	2	16	—	—	—	—	2	16	—
1595	2	13	—	—	—	—	2	13	—
1596	4	—	—	—	—	—	4	—	—
1597	5	4	—	4	12	—	4	12	—
	4	—	—						
1598	2	16	8	—	—	—	2	16	8
1599	1	19	2	—	—	—	1	19	2
1600	1	17	8	—	—	—	1	17	8
1601	1	14	10	—	—	—	1	14	10
Total,							28	9	4
Average Price,							2	4	9½









Years.	Wheat per quarter.			Years.	Wheat per quarter.			CHAP. XI.
	£.	s.	d.		£.	s.	d.	
1637,	—	—	2 13 0	1671,	—	—	2 2 0	}
1638,	—	—	2 17 4	1672,	—	—	2 1 0	
1639,	—	—	2 4 10	1673,	—	—	2 6 8	
1640,	—	—	2 4 8	1674,	—	—	3 8 8	
1641,	—	—	2 8 0	1675,	—	—	3 4 8	
1642,	Wanting in the account. The year 1646 sup- plied by bishop Fleetwood.	—	0 0 0	1676,	—	—	1 18 0	
1643,		—	0 0 0	1677,	—	—	2 2 0	
1644,		—	0 0 0	1678,	—	—	2 19 0	
1645,		—	0 0 0	1679,	—	—	3 0 0	
1646,	—	—	2 8 0	1680,	—	—	2 5 0	
1647,	—	—	3 13 8	1681,	—	—	2 6 8	
1648,	—	—	4 5 0	1682,	—	—	2 4 0	
1649,	—	—	4 0 0	1683,	—	—	2 0 0	
1650,	—	—	3 16 8	1684,	—	—	2 4 0	
1651,	—	—	3 13 4	1685,	—	—	2 6 8	
1652,	—	—	2 9 6	1686,	—	—	1 14 0	
1653,	—	—	1 15 6	1687,	—	—	1 5 2	
1654,	—	—	1 6 0	1688,	—	—	2 6 0	
1655,	—	—	1 13 4	1689,	—	—	1 10 0	
1656,	—	—	2 3 0	1690,	—	—	1 14 8	
1657,	—	—	2 6 8	1691,	—	—	1 14 0	
1658,	—	—	3 5 0	1692,	—	—	2 6 8	
1659,	—	—	3 6 0	1693,	—	—	3 7 8	
1660,	—	—	2 16 6	1694,	—	—	3 4 0	
1661,	—	—	3 10 0	1695,	—	—	2 13 0	
1662,	—	—	3 14 0	1696,	—	—	3 11 0	
1663,	—	—	2 17 0	1697,	—	—	3 0 0	
1664,	—	—	2 0 6	1698,	—	—	3 8 4	
1665,	—	—	2 9 4	1699,	—	—	3 4 0	
1666,	—	—	1 16 0	1700,	—	—	2 0 0	
1667,	—	—	1 16 0					
1668,	—	—	2 0 0					
1669,	—	—	2 4 4					
1670,	—	—	2 1 8					
Carry over, 79 14 10				Brought over, 79 14 10				
				60)153 1 8				
				8 8 00 2 11 07				





BOOK  
I.

Years.	Wheat per quarter.		
	£.	s.	d.
1701,	—	—	1 17 8
1702,	—	—	1 9 6
1703,	—	—	1 16 0
1704,	—	—	2 6 6
1705,	—	—	1 10 0
1706,	—	—	1 6 0
1707,	—	—	1 8 6
1708,	—	—	2 1 6
1709,	—	—	3 18 6
1710,	—	—	3 18 0
1711,	—	—	2 14 0
1712,	—	—	2 6 4
1713,	—	—	2 11 0
1714,	—	—	2 10 4
1715,	—	—	2 3 0
1716,	—	—	2 8 0
1717,	—	—	2 5 8
1718,	—	—	1 18 10
1719,	—	—	1 15 0
1720,	—	—	1 17 0
1721,	—	—	1 17 6
1722,	—	—	1 16 0
1723,	—	—	1 14 8
1724,	—	—	1 17 0
1725,	—	—	2 8 6
1726,	—	—	2 6 0
1727,	—	—	2 2 0
1728,	—	—	2 14 6
1729,	—	—	2 6 10
1730,	—	—	1 16 6
1731,	—	—	1 12 10
1732,	—	—	1 6 8
1733,	—	—	1 8 4
Carry over,	69	8	8

Years.	Wheat per quarter.		
	£.	s.	d.
Brought over,	69	8	8
1734,	—	—	1 18 10
1735,	—	—	2 3 0
1736,	—	—	2 0 4
1737,	—	—	1 18 0
1738,	—	—	1 15 6
1739,	—	—	1 18 6
1740,	—	—	2 10 8
1741,	—	—	2 6 8
1742,	—	—	1 14 0
1743,	—	—	1 4 10
1744,	—	—	1 4 10
1745,	—	—	1 7 6
1746,	—	—	1 19 0
1747,	—	—	1 14 10
1748,	—	—	1 17 0
1749,	—	—	1 17 0
1750,	—	—	1 12 6
1751,	—	—	1 18 6
1752,	—	—	2 1 10
1753,	—	—	2 4 8
1754,	—	—	1 14 8
1755,	—	—	1 13 10
1756,	—	—	2 5 3
1757,	—	—	3 0 0
1758,	—	—	2 10 0
1759,	—	—	1 19 10
1760,	—	—	1 16 6
1761,	—	—	1 10 3
1762,	—	—	1 19 0
1763,	—	—	2 0 9
1764,	—	—	2 6 9
64) 129	13	6	
	2	0	6 $\frac{1}{2}$





Years.	Wheat per quarter.		
	£.	s.	d.
1731,	—	—	1 12 10
1732,	—	—	1 6 8
1733,	—	—	1 8 4
1734,	—	—	1 18 10
1735,	—	—	2 3 0
1736,	—	—	2 0 4
1737,	—	—	1 18 0
1738,	—	—	1 15 6
1739,	—	—	1 18 6
1740,	—	—	2 10 8
			<hr/>
			10) 18 12 8
			<hr/>
			1 17 3 <sup>1</sup> / <sub>2</sub>

Years.	Wheat per quarter.			CHAP. XI.
	£.	s.	d.	
1741,	—	—	2 6 8	
1742,	—	—	1 14 0	
1743,	—	—	1 4 10	
1744,	—	—	1 4 10	
1745,	—	—	1 7 6	
1746,	—	—	1 19 0	
1747,	—	—	1 14 10	
1748,	—	—	1 17 0	
1749,	—	—	1 17 0	
1750,	—	—	1 12 6	
			<hr/>	
			10) 16 18 2	
			<hr/>	
			1 13 9 <sup>4</sup> / <sub>5</sub>	





THE WEALTH OF NATIONS

Year	Value	Year	Value
1710	1 10 8	1760	1 17 0
1720	1 10 8	1770	1 17 0
1730	1 10 8	1780	1 17 0
1740	1 10 8	1790	1 17 0
1750	1 10 8	1800	1 17 0
1760	1 10 8	1810	1 17 0
1770	1 10 8	1820	1 17 0
1780	1 10 8	1830	1 17 0
1790	1 10 8	1840	1 17 0
1800	1 10 8	1850	1 17 0
1810	1 10 8	1860	1 17 0
1820	1 10 8	1870	1 17 0
1830	1 10 8	1880	1 17 0
1840	1 10 8	1890	1 17 0
1850	1 10 8	1900	1 17 0

It is not possible to say how long the process of improvement will continue, or how far it will go. It is not possible to say how long the process of improvement will continue, or how far it will go. It is not possible to say how long the process of improvement will continue, or how far it will go.

The progress of the human mind is not a straight line, but a curve. It is not a straight line, but a curve. It is not a straight line, but a curve. It is not a straight line, but a curve.

