Adam Smith #2

- He wrote *The Wealth of Nations*.
- Smith argued the free market of supply and demand should drive economies. The hidden hand of competition was the only regulation an economy needed.
- Wherever there was demand for goods or services, suppliers would compete with each other to meet that demand in order to make profit.
- Smith did believe that government had a duty to protect society and to provide justice and public works.

ADAM SMITH

- Smith was a Scottish economist who has been called the "father of capitalism."
- He was an advocate of *laissez faire* (French for 'let do,' 'let go,' 'let pass.' – often referred to as 'hands off.').
- *Laissez faire* was a theory of the 'natural' laws of economics: business should operate with little or no government interference.

Adam Smith #3 - Quotes

- The rich ... divide with the poor the produce of all their improvements. They are led by an invisible hand to make nearly the same distribution of the necessaries of life which would have been made, had the earth been divided into equal proportions among all its inhabitants.
- It is not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner, but from their regard to their own interest.
- The propensity to truck, barter and exchange one thing for another is common to all men, and to be found in no other race of animals. No dog exchanges bones with another.

