

Adam Smith and the Creative Role of Imagination

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Scholars interested in Adam Smith's account of imagination have traditionally distinguished between two aspects of our capacity for imagination, or, alternatively, between two domains in which it operates: that of "sympathetic" or "practical" imagination, on one hand, and "nonsympathetic" or "theoretical" imagination on the other.¹ The former is exercised in the moral and social domains of life, where we "chang[e] places in fancy" with fellow human beings and, thereby, acquire moral understanding of them and deepen our understanding of ourselves.² Theoretical imagination, in contrast, is exercised in relation to objects and natural phenomena and, so, involves no imaginary changing of places. Instead, it involves a search for harmony and orderliness among observed phenomena and involves positing—that is, imagining—relationships between seemingly disparate events and objects.

These two modes of imagination are brought together again by the common limit on their exercise. As the traditional reading instructs us, Smith follows Hume's epistemology in setting the limit of imagination.³ In Hume's words, the limit is established by our inability to "step beyond ourselves" or to "conceive any kind of existence, but those perceptions, which have appeared in that narrow compass."⁴ Or, to use Smith's way of expressing this idea, "It is the impressions of our own senses only, not those of [another's], which our imaginations copy."⁵ For both Smith and Hume our understanding of the world is built entirely out of our own experiences, but imagination enriches these experiences by allowing us to see the world as (we imagine) others do, and, more generally, by giving us a tool for exploring how the objects of our experience might be related to each other.

There is, however, a significant disadvantage of the traditional reading, namely that it scarcely allows room for the exercise of imagination in the sphere of technological progress. That is, sympathetic imagination, conceived as "changing places" with another, and theoretical imagination, conceived as positing orderliness and harmony in the natural world, do not seem

¹ See, e.g., Griswold 1998. For assertion that these constitute "two fundamentally different kinds of imagination," going beyond the idea that they are distinct operations of essentially the same faculty, see Haakonssen 2006 p. 10.

² TMS I.i.1.3: 10

³ The claim that Smith's epistemology and especially his account of imagination is borrowed from Hume is well attested among scholars. See, e.g., Skinner 1974 and Raphael 1977.

⁴ Hume 1739, 1.2.6.8: 49. The citation here follows standard practice in referring to the book, part, section, and paragraph of Hume's *Treatise* followed by the corresponding page number in the Clarendon edition of the text.

⁵ TMS I.i.1.2: 9

to accurately describe what occurs in the mind of an inventor who develops a new product or way of doing things. Consider Smith's description of a boy who invents a mechanism for automating his work as a valve actuator:

"In the first fire-engines, a boy was constantly employed to open and shut alternately the communication between the boiler and the cylinder, according as the piston either ascended or descended. One of those boys, who loved to play with his companions, observed that, by tying a string from the handle of the valve, which opened this communication, to another part of the machine, the valve would open and shut without his assistance, and leave him at liberty to divert himself with his play-fellows. One of the greatest improvements that has been made upon this machine, since it was first invented, was in this manner the discovery of a boy who wanted to save his own labour."⁶

It may be the case that this inventive boy is motivated by "changing places in fancy" with his playfellows and discovering the joy to be had outside of the factory. And it may also be the case that an exercise of imagination brings him to comprehend the working of the engine and the regularity of its moments. But neither of these exercises of imagination is sufficient for explaining how the boy could conceive of a way of excising himself from the role he played in the engine by developing a mechanism that exploits the engine's own pattern of movement. Technological invention, in other words, is a product of imagination, but not simply sympathetic or theoretical imagination. Unless we want to concede that Smith left a significant lacuna in his account of imagination, then, an alternative account must be provided that is capable of explaining technological applications of imagination on par with moral and philosophical applications.

The purpose of this paper is to provide such an account. Our goal, however, is not to reject other accounts, so much as it is to enrich them. Where other scholars have described imagination's operation as varying in accordance with the domain in which it is exercised, we propose to describe it as varying in accordance with what we call the "mode" of its operation. For Smith, we contend, our faculty of imagination may be exercised in either a discovery mode or a creative mode, with the former tending to operate closer to our personal impressions and the latter farther way. As we will show, either mode may be exercised in any domain, but each domain imposes unique boundaries on imagination's mode of operation.

A secondary, but equally important contention of this paper is that this account of imagination is indicative of the unity of Smith's work. In particular, we argue that Smith's discussion of imagination is consistent across all of his works, and that his complete account emerges only after we account for what he has to say in the *Wealth of Nations*, as opposed to focusing primarily on the *Theory of Moral Sentiments* and *History of Astronomy* as other commentators have done.

1. A Humean Conception of Imagination

There are two features of the traditional reading of Smith's account of imagination that are indisputable. The first is that Smith explicitly describes two different domains – the practical

⁶ *Wealth of Nations* I.i.9: 21.

and the theoretical – in which imagination is deployed. Whether Smith means to draw a sharp distinction between these domains, and whether these are the only ways in which imagination operates, is a matter to which we will return, but we must begin our discussion with the second important consensus in the existing literature: that Smith’s account of imagination is broadly Humean.

Hume describes imagination as a mental operation akin to memory. “Both these faculties borrow their simple ideas from the impressions, and can never go beyond these original perceptions.”⁷ We are able to differentiate acts of imagination from acts of remembering only through the “superior force and vivacity” of memory.⁸ Imagination is dim and weak, both in comparison with memory, and even more so in comparison with the original impressions. Further, imagination “transposes and changes” ideas rather than, as memory does, faithfully presenting them in the order in which they were received by the senses.⁹

This last feature largely informs imagination’s distinctive function, namely to posit connections between our experiences. Specifically, imagination compensates for the fact that sensory perception is limited to discrete and distinct impressions by manufacturing accounts of how those impressions are related to one another.¹⁰ It is through imagination that we generate the notion of continuity of existence, for example.¹¹ This function is exercised not for its own sake, though, but for the way it quells the anxieties and agitations of our mind when we are confounded by seemingly incoherent impressions.¹² Imagination returns us to tranquility by persuading us that there is order in our universe.

Smith endorses all the features and the function of imagination in Hume’s account. Consider, for example, this passage from the beginning the *Theory of Moral Sentiments*:

It is the impressions of our own senses only, not those of his, which our imaginations copy. By the imagination we place ourselves in his situation, we conceive ourselves enduring all the same torments, we enter as it were into his body, and become in some measure the same person with him, and thence form some idea of his sensations, and even feel something which, though weaker in degree, is not altogether unlike them.¹³

Here, imagination is limited to drawing on our own sensory impressions. The idea generated through the act of imagining is “weaker in degree” than the impressions present to the person actually enduring the situation, or than the impressions that would be present to us were we to actually endure it. It involves a transposition of ideas—in this case, positing a change of situation for ourselves. And imagination performs the function of positing an account or model for a set of experiences. Prospectively imagining ourselves in the place of another allows us to predict how they will behave, and retrospectively doing so provides us with a tool for making

⁷ Hume 1739, 1.3.5.3: 59-60.

⁸ Hume 1739, 1.3.5.3: 59-60.

⁹ Hume 1739, 1.3.5.3: 59-60.

¹⁰ Hume 1739, 1.1.5.1: 14-15 and 1.3.1.1: 50.

¹¹ Hume 1739, 1.4.2.20-21: 130-132.

¹² THN 1.4.2.36: 136.

¹³ TMS I.i.1.2: 9.

sense of the sentiments of others when they appear discordant with our own.

It is in Smith's earlier work, *History of Astronomy*, however, where he most clearly embraces the functional aspect of Hume's account of imagination. There Smith describes science as leveraging the imagination to build accounts of nature that accommodate seemingly anomalous observations. It is via imagination that the scientist posits relationships *not* directly observed between events that are. Scientific theories are more or less successful in accordance with the greatness of their power for accommodating observations. Newton's theory of gravity—a favorite of Smith's—succeeds because it is “a system whose parts are all more strictly connected together, than those of any other philosophical hypothesis.”¹⁴ Nevertheless, Smith cautions us—in a passage starkly reminiscent of Hume—to hold Newton's principles at arm's length lest their explanatory power lure us into believing that “they were the real chains which Nature makes use of to bind together her several operations.”¹⁵ However significant the scientific account may be, Smith reminds us that “all philosophical systems [are] mere inventions of the imagination.”¹⁶

Smith even adopts Hume's theory of motivation for imagination. He says that the intellectual sentiments of wonder and surprise, which agitate us, inspire the scientist to manufacture their clever accounts, all in an effort to return to the pleasures of mental tranquility. This point is most explicit in his discussion of Apollonius' achievements: “nothing can more evidently show, how much the repose and tranquility of the imagination is the ultimate end of philosophy.”¹⁷ Prior to Apollonius, astral observations “had appeared inconstant and irregular.”¹⁸ The effect of this seeming incoherence was that they “tended to embarrass and confound the imagination, whenever it attempted to trace them.”¹⁹ Apollonius' account of Eccentric Spheres, Epicycles, and of the revolution of the centres of the Eccentric Spheres gained traction precisely because it “tended to allay this confusion, to connect together those disjointed appearances, and to introduce harmony and order into the mind's conception of the movements of those bodies.”²⁰

¹⁴ HA IV.76: 104.

¹⁵ HA IV.76: 105. Hume makes this argument in the section of the *Treatise* titled “Of scepticism with regard to the senses.” See Raphael 1977 for discussion of how Hume's insistence that imagined connections are “fictions” differs from Smith's characterization of them as “inventions,” and what implications this may have for their respective theories of the possibility of scientific knowledge. See also Hanley 2010 for a persuasive argument that Smith followed Hume's naturalism more so than his skepticism.

¹⁶ HA IV.76: 105.

¹⁷ HA IV.13: 61.

¹⁸ HA IV.13: 61.

¹⁹ HA IV.13: 61.

²⁰ HA IV.13: 61-62. The fuller passage makes imagination's role in restoring tranquility to the mind even clearer. Smith notes that, although Apollonius' ideas referenced above succeeded in introducing “uniformity and coherence” into our understanding of the direction of movement of the heavenly bodies, they did so imperfectly. Specifically, the ideas of Eccentric Spheres and Epicycles were not enough to account for the observed velocities of objects which “remained, in some measure, inconstant as before;

2. Invention and Technological Progress

If it is relatively settled in Smith scholarship that Smith's conception of imagination in the *Theory of Moral Sentiments* and *History of Astronomy* is Humean, it is less well-attested whether *The Wealth of Nations* follows the same script. Of course, as a systemic account of our social world, *The Wealth of Nations* itself is plausibly an "invention of the imagination," as Charles Griswold has observed.²¹ But this perspective does not account for the role imagination plays internal to the theory of that text. More promising is the conjecture, also advanced by Griswold (among others), that Smith's story of economic progress driven by the division of labor is premised on the idea that individuals are motivated by what their imaginations present to them as ways of bettering their condition.²² Unfortunately, this view, at least as it has been presented in literature, fails to specify how imagination plays this role. In particular, it is not clear how a general desire to better our condition manifests itself in particular exercises of the imagination, or why we should expect the exercise of imagination to drive the kind of technological progress that Smith says is both an inevitable consequence of the division of labor as well as something that in turn facilitates further specialization.

The importance of imagination to Smith's account of economic progress is clear from the very outset of *The Wealth of Nation*. Consider what Smith says about the relationship between invention and the division of labor in the opening chapter:

A great part of the machines made use of in those manufactures in which labour is most subdivided, were originally the inventions of common workmen, who, being each of them employed in some very simple operation, naturally turned their thoughts towards finding out easier and readier methods of performing it.²³

Innovation in the design of machines and the workplace are "natural" developments when work is specialized. The attention that an individual devotes to a singular task admits a privileged understanding of the processes involved in the task, and this understanding is the springboard of technological invention. For example, the boy who invents a mechanism for automating the work of actuating a valve in a fire-engine has the power of invention not so much through any genius as through his familiarity with the operation of the machine.²⁴

The question for us is whether invention is a product of the imagination, and, if so, whether the conception of imagination that Smith leans on to account for technological

and still, therefore, embarrassed the imagination." It was the invention of the Equalizing Circle that was the real achievement of imagination. With it "The mind found itself somewhat relieved from this embarrassment, when it conceived, that how irregular soever the motions of each of those Circles might appear, when surveyed from its own centre, there was, however, in each of them, a point, from whence its revolution would appear perfectly equable and uniform, and such as the imagination could easily follow. Those philosophers transported themselves, in fancy, to the centres of these imaginary Circles, and took pleasure in surveying from thence, all those fantastical motions, arranged, according to that harmony and order, which it had been the end of all their researches to bestow upon them."

²¹ Griswold 2006 p. 50.

²² See Griswold 2006 p. 23 and Haakonssen 2006 pp. 10 – 11.

²³ WN I.i.8: 20.

²⁴ WN I.i.8: 20. The machine Smith describes as a fire-engine was an early example of the steam engine.

invention is consistent with the Humean conception that he leans on elsewhere. We contend that the answer to both parts of this question is yes. Inventors who improve upon existing machines, for instance, typically generate their ideas on the basis of sensory impressions of how the machine performs its task, with the ideas themselves being suppositions about how to fill in gaps between impressions. Recall the boy who invents the automatic valve actuator. His work as a manual actuator requires him to observe the regular motion of the machine's piston; his task being to "open and shut alternately the communication between the boiler and the cylinder, according as the piston either ascended or descended."²⁵ The boy has discrete impressions of the parts of the machine, of their movements, and of the timing of their movements. These impressions are crucial to his ability to coordinate his own actions and thereby operate the valve correctly. In an observant boy, these impressions are also apt to generate ideas of the regularity and interdependency of the machine's movements. And, having noticed the synchrony between the machine's movement and his own, a supposition emerges that the unobservable tether that synchronizes his own movements with those of the machine may be materialized with an actual string. The boy "invents", however, not just when he supposes that such a string would maintain order and harmony between the parts of the machine, but when he manifests this materially.²⁶ Moreover, in becoming observable, the boy's invention can then figure in the impressions of future operators of the machine, and, as a result, may fuel further inventions and improvements.²⁷

Not all inventions are improvements upon existing machines, though, nor are users of machines the only contributors to technological improvement. Smith notes that "makers of machines" carved off their own specialized trade and that "those who are called philosophers or men of speculation" have even contributed to such progress.²⁸ What he says of the philosopher, in particular, invites a Humean analysis. The trade of philosophers, by which he seems to mean something that includes what we today associate with scientists, is "not to do anything, but to observe everything," because, in doing so, they become "capable of combining

²⁵ WN I.i.8: 20.

²⁶ This differentiates technological invention from scientific or philosophical invention, which trades in systematic description rather than in material ordering. Smith compares scientific systems with material machines explicitly in HA IV.19: "Systems in many respects resemble machines. A machine is a little system, created to perform, as well as to connect together, in reality, those different movements and effects which the artist has occasion for. A system is an imaginary machine invented to connect together in the fancy those different movements and effects which are already in reality performed."

²⁷ This fits with Smith's claim, in LRBL I.v: 34 that "machines are at first vastly complex but gradually the different parts are more connected and supplied by one another." The passive voice ("are more connected and supplied") obscures the mechanism of improvement, but invention is undoubtedly the process.

²⁸ WN I.i.9: 21. Indeed, in a discarded passage from an early draft of *The Wealth of Nations* (ED 2.ii) Smith suggests that it was "probably a philosopher who first thought of harnessing both wind and water, especially the former, for the purposes of milling," and, of the fire-engine we discussed in the previous paragraph, he conjectures that it was "a real philosopher only" who could invent such a thing. For further discussion of how Smith conceived of philosophers qua scientists contributing to technological invention see the editors commentary in note 22.

together the powers of the most distant and dissimilar objects.”²⁹ The idea that philosophers are “combining” objects that are distant and dissimilar is both figurative and material. The “combination” first occurs figuratively when, in their imaginations, the philosopher draws connections between distant ideas, just as the inventive boy drew a connection in his imagination between the piston and the valve he was operating. And, like the boy, the ideas the philosopher combines must be drawn from their observations of the world.

Imagination in the technological sphere thus operates with the same Humean mechanisms we observed in the theoretical and social spheres. But how should we account for the initial impetus to imagine in the technological domain? As we saw earlier, scholars have argued that imagination is motivated, in the economic domain as much as any other, by a general desire to “better our condition.”³⁰ And Smith does say of the boy working the valve on the fire-engine that he “loved to play with his companions,” and that the invention of the automated valve actuator afforded him “liberty to divert himself with his play-fellows.”³¹ But how exactly does the desire to better his condition lead the boy to invent a better fire-engine? The key to understanding this is to appreciate the relationship between our labor and the machines that augment it. Labor and machinery are both elements in the production of goods, and it is precisely because the automated valve actuator provides a substitute for his labor that the boy is able to play rather than work. Just as it does in the theoretical realm, then, imagination manifests itself in the boy inventor’s mind in the rearrangement of ideas – in this case substituting a string or mechanical tether for the role he previously played synchronizing the movements of the fire-engine’s piston and valve – and by providing an effective substitute for his labor the boy’s invention thereby establishes a new order and harmony in the workplace.

Two things are worth noting about the account of imagination and technological progress sketched above. First, it highlights a defect in the distinction between sympathetic (or practical) imagination, on one hand, and theoretical imagination on the other. Although invention and technological progress seem to involve exercises of the theoretical imagination on par with the development of theories in the scientific domain, invention is a practical enterprise. While an inventor might imagine inventions that are never brought to life – as many of Da Vinci’s designs never were, for instance – the goal of the inventor is almost always to design something that could be created. And, as Smith’s discussion of invention suggests, the scientist and the inventor are often one in the same.³²

Second, although invention may look like an exercise in theoretical imagination alone, Smith’s account of the boy inventing the automatic valve actuator suggests that sympathetic imagination is also at work there. Specifically, imagining himself in place of his prospective

²⁹ WN I.i.9: 21.

³⁰ See, e.g., Griswold 2006 p. 23.

³¹ WN I.i.8: 20.

³² When discussing the fire-engine and the role of the philosopher in invention Smith almost surely had James Watt in mind. Watt, who was at one time a student of Smith’s, was a prolific inventor and scientist whose notable invention included significant improvements on the steam engine, and Smith would eventually play a role in getting Watt an appointment as the chief instrument maker at the University of Glasgow.

play-fellows provides the boy a motive to find a substitute for his labor. Nor is the boy's situation unusual in this regard. Moreover, a closer look at Smith's discussion of the paradigmatic products of theoretical imagination – the grand theories of astronomy and physics – suggests that, even there, something like sympathetic imagination is at work. As Griswold has argued, Smith characterizes science as a "spectatorial endeavor" and repeatedly invokes the metaphor of the "theatre of nature."³³ Indeed, in his discussion of Apollonius's idea of Equalizing Circles, Smith uses language remarkably similar to his characterization of sympathy, describing philosophers as "transport[ing] themselves, in fancy, to the centres of these imaginary Circles."³⁴ And, although this spectatorial endeavor may not involve sympathizing with other persons, as we've already seen, it is intimately bound up with the sentiments insofar as it is apt to give rise to wonder, surprise, and admiration (or insofar as we tend to engage in such activities in order to quell these sentiments). In other words, if we want to paint a complete and consistent picture of the role imagination plays in Smith's work we cannot simply redeploy the distinction between sympathetic and theoretical imagination, even with new labels in their places. Instead, we need to enrich our picture of the ways in which imagination operates.

3. Two Modes of Imagination

We propose enriching the picture of Smith's account of imagination by introducing a new distinction between two modes in which imagination operates: the *mimetic* and the *creative*. Crucially, this distinction is intended to complement rather than supplant the distinction between sympathetic and theoretical imagination. In particular, where the previous distinction emphasized the object or domain of imagination, this distinction is focused on the imaginative process itself. In every domain in which imagination is possible, whether for navigating the social world, reaching for mental tranquility, or bettering our material condition, the imaginative process may be either mimetic or creative. Understanding this distinction aids us in appreciating not only how imagination operates in particular contexts, but also one of the ways in which Smith's thought is unified across his corpus.³⁵

Imagination operates in its mimetic mode when it draws material from an agent's existing stock of impressions, ideas, and experiences in order to fill in the gaps in a new situation or context. The new context itself is relatively simple and straightforward. That is, the gaps that need filling are narrow and suggestive of their own solution. The boy who improves the fire engine provides a paradigm of such imagining. The gap in the machine which his labor fills is a narrow one, fillable by a mere string. And the gap suggests the solution of the string through its being recognized in the mind's eye of the boy as a line of direct connection between movements in the machine. Imagining the gap as a line, the boy simply supplies the

³³ Griswold 1998, p. 69. Smith invokes the "theatre" metaphor at HA II.12, IV.13, as well as in the *History of Ancient Physics* (AP 2).

³⁴ HA IV.13: 62.

³⁵ Note that Griswold 1998 makes several references to the "creative" role of imagination, but he does not develop the idea in the way we do here, and in particular he does not contrast the creative mode in which imagination operates with anything like the alternative mimetic mode that we want to suggest imagination also operates in.

materialization of the line, i.e. a string. This mode of imagination is ubiquitous, Smith tells us, and not only in the sphere of technological invention where “the great part of the machines” were invented by workers like the inventive boy, but also in the social sphere.³⁶ At the beginning of the *Theory of Moral Sentiments*, Smith describes imagination with examples drawn from ordinary and therefore common experience. The examples are all simple and mimetic: witnessing a blow about to be struck on another person, watching a dancer on a slack rope, or passing by someone with visible sores.³⁷ In these cases Smith suggests that we ourselves are apt to recoil in anticipation of the blow, twist and writhe as if we were on the rope, or scratch the corresponding parts of our bodies. In each case, the gap to be filled is our understanding of the other’s feelings or thoughts, and, because their situation is relatively simple, the gap to be filled is narrow and even suggested by the situation. The perspective of the slack rope walker, for example, is easily filled out by drawing on our experiences with walking on steady and unsteady, broad and narrow walkways.

The mimetic mode may be operative even in cases that seem quite remote from our own experiences. Consider Smith’s discussion of our tendency to sympathize with the dead. Never having been dead, it might seem that we are scarcely in a position to draw from our own experiences for filling the gap in our understanding of the dead’s perspective. Indeed, there is no *perspective* of the dead that meaningfully needs supplying anyway. Nevertheless, imagination projects our own experiences and their corresponding emotions upon the corpse.

“It is miserable, we think, to be deprived of the light of the sun; to be shut out from life and conversation; to be laid in the cold grave, a prey to corruption and the reptiles of the earth; to be no more thought of in this world, but to be obliterated, in a little time, from the affections, and almost from the memory, of their dearest friends and relations.”³⁸

In other words, the imaginative mode is simple and mimetic even for all its false supposition. It is a mere “pictur[ing] out” of what would occur to us if we were to find ourselves in the situation under consideration.³⁹

What we call the creative mode, on the other hand, is neither straightforward nor common. In this mode, imagination leverages its ability to rearrange ideas to generate more speculative accounts of how the world might be. These accounts are complex because they typically involve at least one *relatio* and many *relata*, with the *relata* often being quite distant and seemingly unconnected. We have already seen several examples of such creativity: the invention of the fire-engine, Apollonius’ account of the movement of the heavens, Newton’s

³⁶ WN I.i.8: 20.

³⁷ TMS I.i.1.3: 10.

³⁸ TMS I.i.1.13: 12.

³⁹ Smith uses the “picturing out” language in TMS I.i.3.4: 17-18, where he returns to the example of sympathizing with a passerby displaying obvious signs of grief who we are told has just learned of his father’s passing. There Smith suggests that our own experience allows us to appreciate that the grief-stricken man is deserving of sympathy even if we don’t engage in the imaginative exercise of putting ourselves in his shoes. Our sympathy is enhanced, however, when we actually imagine ourselves in his place, and thereby enrich our understanding of his situation by recalling our own experience with grief and using it to fill out our picture of what he must be experiencing.

law of gravity. In all of these examples, imagination is not limited to drawing on ideas that narrowly reproduce the imaginer's stock of experiences. In positing unobserved (and perhaps unobservable) laws of nature, or in proposing altogether new ways of harnessing the forces of nature, science and philosophy are capable of – and sometimes must – transcend past impressions and offer radical alternatives to traditional ways of thinking. That is, when exercised in the creative mode, imagination involves altogether new ways of arranging ideas. Relations are drawn between distant ideas where we may have previously seen no relationship, and in doing so speculative proposals concerning how the world is, or might be made to be, are put forward. To be sure, such imagination is rare, in keeping with the difficulty of drawing connections between widely distant phenomena.

What we want to argue here is not just that we can find examples of mimetic and creative imagination in Smith's work, though. Instead we want to show how the distinction helps us make sense of the role imagination plays throughout his corpus. Accordingly, we will now turn our attention to the role imagination plays in Smith's accounts of economic progress in the *Wealth of Nations*, of sympathy and moral evaluation that we find in the *Theory of Moral Sentiments*, and of science that we find in *History of Astronomy* and some of Smith's other essays.

3.1 Imagination in the *Wealth of Nations*

Having shown that Smith relies on a Humean conception of imagination in the *Wealth of Nations* and plausibly divides its operation into two modes, we now want to demonstrate more fully how this complex account of imagination is deployed throughout the work. Economic activity is complex, involving both a technological and a social dimension. Imagination, in both of its modes, is exercised in each of these dimensions. We have already discussed some examples of imagination in the technological dimension: the invention of the fire-engine and the improvement of its valve actuator illustrate the exercise of creative and mimetic imagination. In the social dimension, imagination shapes and even makes possible many of the elements that constitute economic activity. The division of labor, specialization, trade, the utilization of a currency, and expansion of the market are just a few of the critical elements of economic activity that depend on imagination for their possibility. This is so because economic agents are pressed upon to utilize their imaginations for "form[ing] any conception" of the self-interested motives that will facilitate their successful exchange of goods with other agents.⁴⁰

Human beings, unlike other animals, have "almost constant occasion for the help of [their] brethren."⁴¹ The quantity of goods we need to consume outstrips our capacity for production, so we must appeal to others to provide us with what we cannot provide ourselves. The mode of this appeal is the starting point of trade and the division of labor, and it is driven by imagination. We are unable to rely on the benevolence of our fellows, Smith observes, and so we are inclined to offer to others some goods that they desire in exchange for goods we desire for ourselves. "Give me that which I want, and you shall have this which you want, is the meaning of every such offer."⁴² We picture out in our minds what may be the objects of desire for this particular person in possession of the goods we need, and we go about either

⁴⁰ TMS I.i.1.2: 9.

⁴¹ WN I.ii.2: 26.

⁴² WN I.ii.2: 26.

manufacturing those goods or else procuring them by some other means. Such imagination is basically mimetic, with each party to trade filling the gap of their understanding of what the other might desire by drawing on their own impressions of what goods are most needed.

In commercial societies, where participants in trade are many and labor is divided and specialized, participants shift from considering the particular needs of every potential trading partner to relying on a universally desired medium of exchange.

“Every prudent man in every period of society, after the first establishment of the division of labour, must naturally have endeavoured to manage his affairs in such a manner, as to have at all times by him, besides the peculiar produce of his own industry, a certain quantity of some one commodity or other, such as he imagined few people would be likely to refuse in exchange for the produce of their industry.”⁴³

In other words, once markets become extensive, success requires us to draw generalizations about people whose tastes are varied and whose preferences often diverge. This is no easy task, though, and so to better facilitate trade we find that throughout human history—Smith says, “in all countries”—economic agents have overcome the limitations of barter through the invention of money.⁴⁴ Money—whether commodity or fiat—is universally valuable precisely through our collective capacity to imagine it as universally valuable. And while it may have been an act of imagination in its creative mode that first gave rise to the idea of utilizing metals for exchange, or to the idea of stamping precious metals in particular ways, in most times and places mimetic imagination is all that is needed for the average person to appreciate the utility of currency. Our lives are rich with experiences of individuals trading their goods for coinage of a particular type.

Imagination is also relied upon by merchants seeking a market for their goods. Exercising imagination, the merchant constructs an account of potential buyers in a new market—that is, he makes a prediction—by drawing on his experience of the prevailing prices of goods and what goods have been in demand there. Producers of goods, who might not always act as merchants themselves, must also make these predictions and others besides. For instance, what should be produced and in what quantities? What sort of inputs to production need to be acquired, and how many laborers should be employed in production? Answering each of these questions requires merchants and producers to exercise imagination, both mimetically and creatively, to determine how best to utilize their resources and maximize their gain. Whether mimetic or creative imagination is called for is a function of the distance between the familiar markets and goods and the prospective markets and goods. When a merchant brings a product to a far distant market full of goods he scarcely recognizes, he is unable to rely on the familiar value comparisons of his home market but is pressed to imagine how these new buyers might perceive similarities and dissimilarities between his product and those with which they are familiar. The producer, too, will exercise mimetic or creative imagination in line with the distance between the familiarity and unfamiliarity of the good they are producing to the intended buyers for that good. This distinction governs which mode of imagination they will

⁴³ WN I.iv.2: 37-38.

⁴⁴ WN I.iv.4: 38.

exercise in relation to each of the myriad elements of their production process.⁴⁵

Of course, there is no guarantee that all such exercises of imagination will be fruitful. Smith warns of imagination's power to mislead in his example of the Roman agriculturalist Columella. Guided by the principle that "the vineyard, when properly planted and brought to perfection, was the most valuable part of the farm," Columella "imagined" that new plantings of vineyards would return profits far exceeding their expense.⁴⁶ In fact, the gain from new vineyards rarely matches the gain from established vineyards, so Columella's imagination led him to loss. But despite imagination's capacity sometimes, or perhaps even often, to lead us astray, we persist in exercising it in the service of the "propensity to truck, barter, and exchange."⁴⁷ This propensity, Smith argues, gives rise to the division of labor and all the advantages that flow from it.⁴⁸ Imagination, then, is indispensable to our economic progress.

Most significant of all is imagination's role in relation to what is arguably Smith's most influential observation: that the division of labor is limited by the extent of the market.⁴⁹ As Smith explains it, the extent of the market just is the extent of the power of economic agents to "exchange all that surplus part of the produce of his own labour, which is over and above his own consumption, for such parts of the produce of other men's labour as he has occasion for."⁵⁰ Labor will further divide only in light of opportunities to trade away all surpluses. Imagination shapes both our perception of these opportunities but also the opportunities themselves. We cannot doubt that Smith perceives certain circumstances to be hard determinants of the extent of the market. For example, he says that "there are some sorts of industry, even of the lowest kind, which can be carried on no where but in a great town."⁵¹ But he also makes out specialization and market participation to depend on one's feelings of "encouragement," and,

⁴⁵ Smith's discussion of the watch-maker is illustrative here. Compare WN I.x.c.16: 139-140 and LJB 225: 175. As Smith points out in WN, the initial invention of such beautiful machines "must have been the work of deep thought and long time, and may justly be considered as among the happiest efforts of human ingenuity." And in LJB he points out that the watchmaker "must be acquainted with several sciences in order to understand his business well, such as arithmetic, geometry, and astronomy with regard to the equation of time," and there Smith does not even mention familiarity with the properties of metals which is no doubt of equal importance. But once watchmaking is an established trade, Smith suggests (again in WN), that "long apprenticeships are no longer necessary" and that the exercises of imagination needed to do the job well no longer require the imaginative leaps they once did.

⁴⁶ WN I.xi.b.27: 170-171.

⁴⁷ WN I.ii.1: 25. Interestingly, the majority of explicit mentions of "imagination" in the *Wealth of Nations* characterize failures of imagination. This need not worry us, though. Even if most attempts at invention fail to improve our lives in meaningful ways, some inventions, like the steam engine, surely do improve our lives, and, as we have already seen, imagination plays a crucial role in generating the ideas from whence such inventions emerge. Similarly, even if most merchants fail to earn the profits they hope for, the profit motive is crucial to the functioning of markets, and it is from the imagination that we generate ideas for where and how profit might be sought.

⁴⁸ WN I.ii.1: 25.

⁴⁹ WN I.iii: 31-36.

⁵⁰ WN I.iii.1: 31.

⁵¹ WN I.iii.2: 31.

as we have seen, he depicts agents as determining what goods, how many, and at what price, by their exercise of imagination.⁵² Insofar as the expansion of the market directly depends on the increase of surpluses brought to trade, it directly depends on the imaginations of potential producers of those surpluses. Further, imagination—particularly creative imagination—is the engine that generates the improvements in cargo transportation that Smith argues “open the whole world for a market to the produce of every sort of labour.”⁵³ Imagination cannot be understood as the sole determinant of the extent of the market in Smith’s account, but it contributes in significant ways, just as we would expect for an economist who appreciated that economic agents are, foremost, human beings.

3.2 Imagination in *The Theory of Moral Sentiments*

As we acknowledge at the outset of this chapter, the fact that imagination is a crucial cognitive faculty in Smith’s theory of moral and social development is clear and well attested. What we want to draw attention to here is how the distinction between mimetic and creative imagination helps us to better understand the role imagination plays. Imagination is significant in moral development because it is the mechanism through which we generate the standpoint of the impartial spectator that governs our moral evaluations of ourselves and others. Specifically, the impartial spectator is a product of our imagination that balances our own judgments against the judgments that others could be expected to make by considering how other people might react to the object of shared judgment.⁵⁴ In so doing, the impartial spectator guides our conduct and provides us with a mechanism for checking the partiality of our own judgments while also resisting the judgments of our fellows in cases for which we have privileged information, e.g., concerning our motives.⁵⁵ The impartial spectator thus facilitates consensus with others, and, in so doing, promotes cooperation and reduces the costs and likelihood of conflict.⁵⁶

It may be that Smith thinks a capacity for consulting an imagined impartial spectator is universal (or nearly so), and that having this capacity is sufficient for membership in the moral community. But he also clearly suggests that some, but probably not all, individuals are capable of achieving expertise in the moral domain. He first describes such a person in the context of

⁵² WN I.iii.1: 31.

⁵³ WN I.iii.4: 34.

⁵⁴ See especially TMS I.i.4.6-10: 21-23 where Smith first describes how this perspective-taking occurs, although he does not introduce the term “impartial spectator” for the product of this perspective-taking exercise until the following chapter.

⁵⁵ Smith’s characterization of the impartial spectator at TMS II.ii.2.1: 83 nicely captures this idea: “When he views himself in the light in which he is conscious that others will view him, he sees that to them he is but one of the multitude in no respect better than any other in it. If he would act so as that the impartial spectator may enter into the principles of his conduct, which is what of all things he has the greatest desire to do, he must, upon this, as upon all other occasions, humble the arrogance of his self-love, and bring it down to something which other men can go along with.” See also the discussion in TMS I.iii.1: 43-50.

⁵⁶ For recent and more extensive discussion of the role the impartial spectator plays in this regard see, e.g.: Hankins and Thrasher 2021 or Schliesser 2017 chap. 5.f.

explaining that we typically find most pleasant those people whose sentiments mirror our own:

“But when [their sentiments] not only coincide with our own, but lead and direct our own; when in forming them he appears to have attended to many things which we had overlooked, and to have adjusted them to all the various circumstances of their objects; we not only approve of them, but wonder and are surprised at their uncommon and unexpected acuteness.”⁵⁷

Here, the moral exemplar is distinguished as a leader, as uncommonly observant, and surprisingly acute in assessing salient connections. This language already suggests the creativity of the philosophical inventor in *The Wealth of Nations*, but Smith goes further:

“The decision of the man who judges that exquisite beauty is preferable to the grossest deformity or that twice two are equal to four, must certainly be approved of by all the world, but will not, surely be much admired. It is the acute and delicate discernment of the man of taste, who distinguishes the minute, and scarce perceptible differences of beauty and deformity; it is the comprehensive accuracy of the experienced mathematician, who unravels, with ease, the most intricate and perplexed proportions; it is the great leader in science and taste, the man who directs and conducts our own sentiments, the extent and superior justness of whose talents astonishes with wonder and surprise, who excites our admiration, and seems to deserve our applause: and upon this foundation is grounded the greater part of the praise which is bestowed upon what are called the intellectual virtues.”⁵⁸

Smith surely does not mean that the individual who judges well in the moral sphere and adopts praiseworthy sentiments is a “man of taste” or a mathematician, but he does seem to suggest that expertise exists in the moral domain just as it does in the scientific or aesthetic, and that such experts are endowed with uncommon cognitive gifts.

One way in which a moral expert might excel is by being especially attuned to the judgments of others. Smith does not seem to have that in mind, or at least not just that. For Smith, the moral expert is distinguished by the way she imagines the impartial spectator. In forming her conception of the impartial spectator she is not bound to the actual judgments of other agents. Instead, the moral expert’s conception of the impartial spectator allows her to pursue what is praiseworthy above what is merely praised, and so makes room for moral aspiration.⁵⁹ Of course, Smith declares generically that “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,” implying that *all* human beings pursue what is praiseworthy above what is praised. But he does not mean that all human beings succeed in satisfying this desire. It is the person of virtue alone who is able to successfully track what is praiseworthy and blameworthy and mold their own sentiments and conduct in accord with those standards. And because consultation with an imagined impartial spectator is the cognitive exercise by which we make our pursuit of praiseworthiness, it must be that any difference between the ordinary moral agent and the virtuous one is located in their different ways of doing such imagining.

⁵⁷ TMS I.i.4.3: 20.

⁵⁸ TMS I.i.4.3: 20.

⁵⁹ TMS III.2.1: 113.

All people are bound by their own experience in imagining their impartial spectator. That is the message Smith conveys when he says that “the man who is conscious to himself that he has exactly observed those measures of conduct which experience informs him are generally agreeable, reflects with satisfaction on the propriety of his own behaviour.”⁶⁰ But the ordinary agent and the person of virtue, though both are bound to their personal stock of experience, differ greatly in how they relate the various elements of their experience to one another and to the present moral situation that calls for their judgment. In calling forth memories of behavior being praised, the ordinary moral agent is limited in his ability to assess the true praiseworthiness of such behavior. The person of virtue, to the contrary, is empowered by knowledge of the good and confident in its value. Her impartial spectator is imbued with virtue, a paradigm of what Smith describes as the height of moral wisdom: “To obtain the approbation of mankind, where no approbation is due, can never be an object of any importance to him. To obtain that approbation where it is really due, may sometimes be an object of no great importance to him. But to be that thing which deserves approbation must always be an object of the highest” (TMS III.2.7).

To enter into the judgments of such an impartial spectator, a moral agent must be capable of bringing together quite dissimilar and far distant notions. Where memory serves to illustrate an immediate connection between praise and, say, heralding traditionally held beliefs, a more advanced moral agent may imagine a connection between praise and the challenging of beliefs. And, while experience might not provide ready examples of such connections, for the expert it may afford the material out of which an act of imagination may create such connections. Socrates—no doubt present to Smith’s mind—drew such a connection in his imagination. It certainly was not illustrated plainly for him among his fellow Athenians. But through an exercise of imagination, he was able to draw together two notions that lay quite far apart in his experience. He created something new, and he imbued his *daimonion* with the consequent value judgment, thereby setting the invented morality as his own standard.⁶¹ This, of course, is not to say that the virtuous moral agent should be unconcerned with the judgments of others. She almost certainly should be. But by freeing herself to consider what others do not (or even cannot), the individual exercising creative imagination in the moral domain affords herself the possibility of becoming more virtuous, or, at least, a means of standing strong in the face of the undeserved judgment of others.

Insofar as morality is a collective enterprise, though, what ultimately matters is the extent to which a moral exemplar like Socrates succeeds in persuading others to follow their example. For it is in moving our collective imaginations that moral progress resides. But notice that here the challenge of moving others has its benefits, for there is no guarantee that creative exercises of the moral imagination will in fact point us in the direction of progress.

3.3 The Role of Imagination in Science

We have seen, in section 2, that Smith’s account of science and invention motivates a

⁶⁰ TMS III.2.7: 117.

⁶¹ Socrates’ *daimonion* is the “divine or spiritual sign” that, in Plato’s *Apology*, he says appears to him as “a voice” directing him away from participation in public life (*Apology* 31c).

need to distinguish between the creative and mimetic roles of imagination. What we did not emphasize in the subsequent discussion of that distinction, however, was that the mimetic mode of imagination is crucial to science. In particular, the mimetic imagination often creates the preconditions for engaging the sentiments that motivate the exercises of creative imagination through which these sentiments can be quelled. This is because it is the mimetic imagination that takes our everyday observations of apparent regularities in the universe and translates them into our folk understanding of both the laws of nature and the made world. In other words, it is only because our mimetic imagination infers causal relationships from observed correlations, that allow us to be surprised by observations that do not fit with our preconceived notions of how the world works.⁶²

Nor is this something that is only reflected in our folk understandings of the world. Much of so-called “normal science” proceeds on the basis of mimetic imagination. Astronomers record the movements of heavenly bodies against the backdrop of a working theory of how they move through space. In this context most discoveries are simply instances of filling in the gaps in our knowledge. For instance, discovering a new planet might be a matter of seeing something that was previously overlooked or too faint to see, as one might through a more powerful telescope. But occasionally our working theories are cast into doubt by observations that they cannot explain, and this is where the creative imagination bears its fruit.

4. The Scope of Imagination and the Bounds of Community

Having explored how the distinction between mimetic and creative imagination helps us make sense of the role imagination plays in Smith’s thought, we want to conclude by suggesting that the distinction is perhaps most important because it allows us to resolve a puzzle otherwise presented by the limits of our imaginative capacities. As Smith recognized, and as contemporary empirical research has borne out, there are limits to our capacity for imagination. Our ability to sympathize with others diminishes as they (or the circumstances they inhabit) become more different from our own. Likewise, our ability to predict how things will turn out diminishes as we begin to imagine circumstances that differ substantially from those with which we have had experience. A significant worry about the limits of our imaginative capacities is that these limits can be self-reinforcing. The bounds on our moral imagination incline us towards a parochialism that inhibits us from welcoming outsiders into our moral community, and the bounds on the size of our moral community in turn limit the extent of the market and the possibility for economic progress that markets facilitate.

Accounting for the creative role of imagination, however, allows us to see how constraints on our moral and economic relations can be overcome. Nor is the progress spurred by creative exercises of imagination limited to the domain in which imagination is exercised. Because moral relations facilitate economic relations and vice versa, creative exercises of

⁶² Although he does not describe things in terms of the distinction between mimetic and creative imagination that we explore here, for a nice discussion of this aspect of Smith account of imagination see Schliesser 2017, chap. 3.C. Note, too, as Schliesser points out, that this dynamic is indicative of at least one way in which Smith’s account of imagination departs from Hume’s. Specifically, Smith seems to allow that in helping us form predictions about what we expect imagination can utilize ideas in an anticipatory manner (that is in situations where these ideas are not precipitated by impressions).

imagination in one domain can spawn progress in others. Distinguishing between the mimetic and creative modes of imagination and accounting for the ways in which they each operate across various domains thus sheds new light on two ways in which Smith's corpus is unified. On one hand, the same account of imagination is at work throughout his corpus, and, on the other hand, crucial to Smith's account of moral, economic, and scientific progress is the fact that creative exercises of imagination in one domain can facilitate progress in others.

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