AN INQUIRY INTO THE NATURE AND CAUSES OF

THE WEALTH OF NATIONS

by

Adam Smith

A Penn State Electronic Classics Series Publication

An Inquiry into the Nature and Causes of the Wealth of Nations by Adam Smith is a publication of the Pennsylvania State University. This Portable Document file is furnished free and without any charge of any kind. Any person using this document file, for any purpose, and in any way does so at his or her own risk. Neither the Pennsylvania State University nor Jim Manis, Faculty Editor, nor anyone associated with the Pennsylvania State University assumes any responsibility for the material contained within the document or for the file as an electronic transmission, in any way.

An Inquiry into the Nature and Causes of the Wealth of Nations by Adam Smith, the Pennsylvania State University, Electronic Classics Series, Jim Manis, Faculty Editor, Hazleton, PA 18202 is a Portable Document File produced as part of an ongoing student publication project to bring classical works of literature, in English, to free and easy access of those wishing to make use of them.

Cover Design: Jim Manis

Copyright © 2005 The Pennsylvania State University

The Pennsylvania State University is an equal opportunity university.

Contents

INTRODUCTION AND PLAN OF THE WORK	8
BOOK I OF THE CAUSES OF IMPROVEMENT IN THE PRODUCTIVE POWERS OF	F
LABOUR, AND OF THE ORDER ACCORDING TO WHICH ITS PRODUCE IS NAT	U-
RALLY DISTRIBUTED AMONG THE DIFFERENT RANKS OF THE PEOPLE	10
CHAPTER I OF THE DIVISION OF LABOUR	10
CHAPTER II OF THE PRINCIPLE WHICH GIVES OCCASION TO THE DIVISION OF	F
LABOUR	18
CHAPTER III THAT THE DIVISION OF LABOUR IS LIMITED BY THE EXTENT OF	
THE MARKET	21
CHAPTER IV OF THE ORIGIN AND USE OF MONEY	
CHAPTER V OF THE REAL AND NOMINAL PRICE OF COMMODITIES, OR OF THE	EIR
PRICE IN LABOUR, AND THEIR PRICE IN MONEY	31
CHAPTER VI OF THE COMPONENT PART OF THE PRICE OF COMMODITIES	45
CHAPTER VII OF THE NATURAL AND MARKET PRICE OF COMMODITIES	51
CHAPTER VIII OF THE WAGES OF LABOUR	58
CHAPTER IX OF THE PROFITS OF STOCK	77
CHAPTER X OF WAGES AND PROFIT IN THE DIFFERENT EMPLOYMENTS OF	
LABOUR AND STOCK	86
CHAPTER XI OF THE RENT OF LAND	

BOOK II OF THE NATURE, ACCUMULATION, AND EMPLOYMENT OF STOCK 2	222
INTRODUCTION	222
CHAPTER I OF THE DIVISION OF STOCK	224
CHAPTER II OF MONEY, CONSIDERED AS A PARTICULAR BRANCH OF THE GEN-	-
ERAL STOCK OF THE SOCIETY, OR OF THE EXPENSE OF MAINTAINING THE	
NATIONAL CAPITAL	230
CHAPTER III OF THE ACCUMULATION OF CAPITAL, OR OF PRODUCTIVE AND	
UNPRODUCTIVE LABOUR	270
CHAPTER IV OF STOCK LENT AT INTEREST	286
CHAPTER V OF THE DIFFERENT EMPLOYMENTS OF CAPITALS	293
BOOK III OF THE DIFFERENT PROGRESS OF OPULENCE IN DIFFERENT NA-	
TIONS	307
CHAPTER I OF THE NATURAL PROGRESS OF OPULENCE	307
CHAPTER II OF THE DISCOURAGEMENT OF AGRICULTURE IN THE ANCIENT	
STATE OF EUROPE, AFTER THE FALL OF THE ROMAN EMPIRE	311
CHAPTER III OF THE RISE AND PROGRESS OF CITIES AND TOWNS, AFTER THE	
FALL OF THE ROMAN EMPIRE	321
CHAPTER IV HOW THE COMMERCE OF TOWNS CONTRIBUTED TO THE IM-	
PROVEMENT OF THE COUNTRY	330
BOOK IV of systems of political economy	341
CHAPTER I OF THE PRINCIPLE OF THE COMMERCIAL OR MERCANTILE SYSTEM 3	342

CHAPTER II OF RESTRAINTS UPON IMPORTATION FROM FOREIGN COUNTRIL	ES
OF SUCH GOODS AS CAN BE PRODUCED AT HOME	361
CHAPTER III OF THE EXTRAORDINARY RESTRAINTS UPON THE IMPORTATIO	N
OF GOODS OF ALMOST ALL KINDS, FROM THOSE COUNTRIES WITH WHICH	H
THE BALANCE IS SUPPOSED TO BE DISADVANTAGEOUS	
Part I — Of the Unreasonableness of those Restraints, even upon the-Principles of the Commercial System	
PART II. — Of the Unreasonableness of those extraordinary Restraints, upon other Principles	
CHAPTER IV OF DRAWBACKS	400
CHAPTER V OF BOUNTIES	405
CHAPTER VI OF TREATIES OF COMMERCE	437
CHAPTER VII OF COLONIES	447
CHAPTER VIII CONCLUSION OF THE MERCANTILE SYSTEM	522
CHAPTER IX OF THE AGRICULTURAL SYSTEMS, OR OF THOSE SYSTEMS OF P	O -
LITICAL ECONOMY WHICH REPRESENT THE PRODUCE OF LAND, AS EITHI	ER
THE SOLE OR THE PRINCIPAL SOURCE OF THE REVENUE AND WEALTH OF	י
EVERY COUNTRY	539
APPENDIX TO BOOK IV	562
BOOK V OF THE REVENUE OF THE SOVEREIGN OR COMMONWEALTH	564
CHAPTER I OF THE EXPENSES OF THE SOVEREIGN OR COMMONWEALTH	
PART I Of the Expense of Defence	564
PART II Of the Expense of Justice	579
PART III Of the Expense of public Works and public Institutions	590
PART IV Of the Expense of supporting the Dignity of the Sovereign	666
CONCLUSION	667

CHAPTER II OF THE SOURCES OF THE GENERAL OR PUBLIC REVENUE OF THE	${\mathfrak T}$
SOCIETY	. 668
PART I Of the Funds, or Sources, of Revenue, which may peculiarly belong to the Sovereign or Commonwealth	668
PART II Of Taxes	676
CHAPTER III OF PUBLIC DEBTS	. 749

