

Wealth of Nations

Book I (p. 3)

1. What is the division of labor? What is the “principle” that gives rise to it?

2. Where does money come from?

3. What determines the price of commodities?

4. What determines the wages of labor?

Book II (p. 49)

5. What is stock? And what is the division of stock?

6. Why is money not part of the revenue of society?

7. What does Smith mean by the “accumulation of capital”? And why does he distinguish productive and unproductive labor?

Book III (p. 83)

8. How would you characterize the turn from Books I and II to Book III? How does Smith change focus?

9. What does Smith mean by the “natural progress of opulence”?

10. Recount Smith’s story about the “discouragement of agriculture” after the Fall of the Roman Empire and of the “rise and progress of cities and towns.” What are the major features of these transitions? Why does Smith present this history?

Book IV (p. 116)

11. Book three ended with an account of the relations between foreign commerce and the wealth of Europe's great nations. How is Book IV a continuation of this? What is Book IV about?

12. What is mercantilism? What are Smith's principle objections to it? Focus specifically on Smith's thoughts about tariffs and gold bullion.

13. Discuss Smith's thoughts on monopoly. How does monopoly depress industry?

14. Discuss Smith's arguments against seeing agriculture as the principal source of a nation's wealth.

Book V (p. 166)

15. What does Smith mean by "expence" and how are "expences" justified?

16. In light of the question above, discuss the expence of defence; and of justice.

17. Why is public education so necessary an expence in modern commercial societies, according to Smith?