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volume 1

THE
ADAM SMITH
REVIEW

Vivienne Brown

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The Adam Smith Review

Volume 1

The Adam Smith Review is a multidisciplinary scholarly annual review that covers all aspects of research relating to Adam Smith, his writings, and his significance for the modern world. It is the only publication of its kind and it aims to facilitate debate between scholars working across the humanities and social sciences.

This first volume contains contributions from a multidisciplinary range of specialists, including Stephen Darwall, Samuel Fleischacker, Willie Henderson, Takashi Negishi, Ian Simpson Ross, Emma Rothschild, Richard B. Sher, Ernst Tugendhat, Gloria Vivenza and Patricia H. Werhane, who discuss such themes as:

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- the classics and Adam Smith
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Vivienne Brown is Professor of Intellectual History at The Open University, UK.

The Adam Smith Review

Published in association with the International Adam Smith Society

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The Adam Smith Review

Volume 1

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Editorial

The Adam Smith Review is a multidisciplinary annual review sponsored by the International Adam Smith Society. It aims to provide a unique forum for vigorous debate and the highest standards of scholarship on all aspects of Adam Smith's works, his place in history, and the significance of his writings for the modern world. *The Adam Smith Review* aims to facilitate interchange between scholars working within different disciplinary and theoretical perspectives, and to this end it is open to all areas of research relating to Adam Smith. The Review also hopes to broaden the field of English-language debate on Smith by occasionally including translations of scholarly works at present available only in languages other than English.

The Adam Smith Review is intended as a resource for Adam Smith scholarship in the widest sense. The Editor welcomes comments and suggestions, including proposals for symposia or themed sections in the Review. Future issues are open to comments and debate relating to previously published papers.

For details of membership of the International Adam Smith Society and reduced rates for purchasing the Review, please contact the Membership Secretary, Ryan Patrick Hanley (ryan.hanley@yale.edu).

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Articles

New light on the publication and reception of the *Wealth of Nations*

Richard B. Sher

I

Since the bicentennial of the *Wealth of Nations* (WN) in 1976, significant contributions have been made to our biographical and bibliographical knowledge of Adam Smith and his most famous book. Yet, important aspects of the story of the publication and reception of the WN remain untold or misunderstood, despite the appearance of a number of stimulating revisionist studies during the past two decades (Teichgraeber 1987, 2000; Rashid 1982, 1998). This article will revisit this subject, using new documents as well as new interpretations of previously known evidence. It will also attempt to show how the emerging discipline of book history can throw new light on this topic.

I shall begin with some commonly accepted facts about the book's earlier publication history in Great Britain. *An Inquiry into the Nature and Causes of the Wealth of Nations* was published in London in two quarto volumes on 9 March 1776 by the printer William Strahan and the bookseller Thomas Cadell, whose publishing partnership was pre-eminent in its day. Although the Strahan printing ledgers in the British Library contain no record of the first edition, subsequent eighteenth-century editions are listed there, and some of that information is reproduced in the Glasgow Edition of the WN (Smith 1976; 'Text and Apparatus': 61–4). Contemporary advertisements reveal that the price of the first edition was £1.16s. in boards (temporary covers that would hold the pages in place until the book's owner arranged to have it properly bound), which is to say, eighteen shillings per volume, but it could also be purchased for two guineas (£2.2s.) bound. The second edition appeared in London in February 1778, also in two quarto volumes, and sold for the same price as the first. However, the third edition contained significant revisions and was published in London in November 1784 in the more economical format of three octavo volumes; this allowed the price to be reduced to one half of the previous quarto editions, to eighteen shillings in boards per set, or one guinea bound. The title pages of the first three editions of the WN are shown in Figure 1.

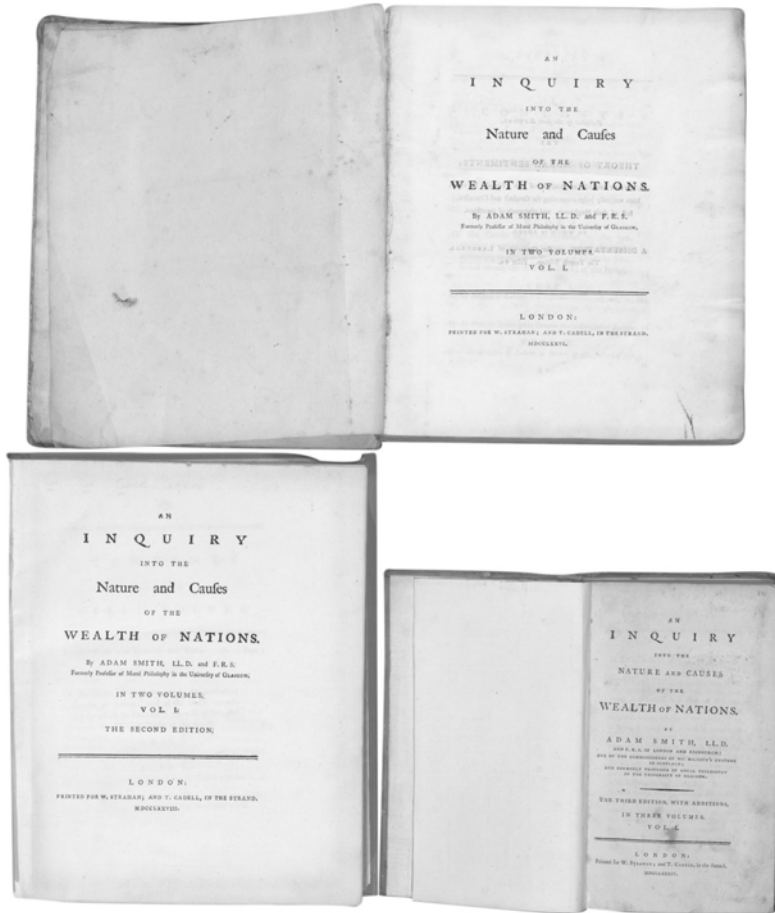


Figure 1 Title pages of the earliest authorized editions of the WN: the first edition, published in two quarto volumes in 1776 (top); the second edition of 1778, in the same format as the first edition (bottom left); and the three-volume octavo third edition of 1784 (bottom right). Courtesy of the Thomas Fisher Rare Book Library, University of Toronto.

November 1784 also saw the publication of a separate quarto volume of *Additions and Corrections to the First and Second Editions of Dr. Adam Smith's Inquiry into the Nature and Causes of the Wealth of Nations*, intended exclusively for the purchasers of the quarto editions. The fourth edition of the WN, published in 1786, continued with the format of three octavo volumes, as did the fifth edition of 1789 – the last edition to be published during Smith's lifetime. A sixth edition, again in three octavo volumes, appeared in 1791. No printing information for subsequent editions of the WN is reproduced or discussed in the Glasgow Edition.

Against this backdrop of basic bibliographical facts, this article argues that the WN was a more successful book during its author's lifetime than recent revisionist accounts would lead us to believe. This claim is based chiefly on the reinterpretation of two interrelated issues, using approaches grounded in book history. First, Section II reconsiders both the modes and the amounts of 'copy money', or payment that Smith received from his publishers, and shows that the matter was more complicated and more significant – and for Smith far more lucrative – than has previously been thought. Second, Sections III and IV analyse the way the WN was produced, marketed and consumed by the public, including a comparison with Sir James Steuart's *Inquiry into the Principles of Political Economy* and other works on political economy from the same era. Taken together, Sections II–IV demonstrate that the *Wealth of Nations* was an exceptionally popular book of its kind in Smith's day. Section V reflects on the broader implications of this conclusion for understanding the relationship between book history and intellectual history as complementary methodologies for investigating the reception of books.

II

Financial arrangements between authors and publishers in late eighteenth-century Britain were often complex, and none more so than those concerning the WN. Several pieces of evidence exist, but they are not always easy to reconcile with each other. First, there is an exchange of letters between Smith and fellow-Scot William Strahan, beginning about eight months after publication. In the first of these letters, dated 13 November 1776, Smith tells Strahan that he has 'received £300 of the copy money of the first edition of my book' and wonders 'what balance may be due to me' after the cost of the 'good number of copies' that he sent as gifts has been deducted from his earnings. He also suggests that the second edition 'should be printed in four vol. octavo; and I would propose that it should be printed at your expense, and that we should divide the profits' (*Corr.* Letter 179: 221–2). Strahan replies on 26 November: 'Your Proposal to print the next Edition of your Work in 4 vols Octavo, at *our* Expence, and to divide the Profits, is a very fair one, and therefore very agreeable to Mr Cadell and me' (*Corr.* Letter 180: 223).

In an ingenious analysis of these passages, Smith's late nineteenth-century biographer, John Rae, reasoned that the first edition could not have been undertaken on the basis of 'half-profits' (i.e. an arrangement in which half the profits went to the author and half to the publisher), because Smith seems to be proposing that arrangement for the second edition 'as if it were a new one, and [it] is accepted in the same way by Strahan'. Another possible arrangement was for books to be printed 'for the author', who paid the cost of paper, printing and advertising and then received all the profits, if there were any, but risked losing his investment if the book did not sell well. Rae argued that the first edition of the WN could not have been published under those terms either because 'the presentation copies [Smith] gave away were deducted from the copy money he received'. Having eliminated both of these options to his satisfaction, Rae determined that Smith had sold the rights to the book – which is to say, the copyright – to Strahan and Cadell 'for

a definite sum'. Since Smith mentioned receiving £300 and seemed to allude to a further balance due to him once the cost of his presentation copies had been deducted, Rae concluded that 'one may reasonably conjecture that the full sum was £500 – the same sum Cadell's firm had paid for the last economic work they had undertaken, Sir James Steuart's *Inquiry into the Principles of Political Economy*', published in 1767 (Rae 1895: 285). Like Rae, Smith's modern biographer, Ian Simpson Ross, has interpreted Smith's letter of 13 November 1776 to mean that Smith sold the copyright of the WN to his publishers in advance for a fixed sum, which he gives as £300 rather than £500. Although his choice of words – 'Smith was paid £300 *from* copy money, that is, the price paid by the booksellers for the copyright of the book' (Ross 1995: 270; emphasis added) – does not explicitly rule out the possibility that £300 was merely a partial payment, nothing more is said of the matter.

Both biographers were on the wrong track, not only about the total amount of copy money that Smith received for his book but also about the manner in which he received it. Crucial evidence appears in a portion of the Strahan ledgers that was not cited by the editors of the Glasgow Edition or Smith's biographers, and in a letter from Thomas Cadell of 21 December 1792, which refers to those ledgers. The key sentence in Cadell's letter occurs in the context of an offer being made by Cadell and Andrew Strahan (William's son and successor) to Henry Mackenzie (representing Smith's executors) to purchase the copyright of Smith's posthumous *Essays on Philosophical Subjects* for £300, and to pay £200 more in the event of a second edition. Cadell writes: 'On referring back to our former agreement with Mr Smith we find that we shared the profits of the Quarto Edition with the Author; that when the Book was established we paid for the property £300 for the term of 14 Years, and a further sum of £300 in case the Author lived to assign his second term of 14 Years which you know he did' (Mackenzie 1989: 177). This sentence is quoted in full in Ross's biography, but it is thought to refer to the *Theory of Moral Sentiments* rather than the WN (Ross 1995: 410, 426, n. 1). However, since the *Theory of Moral Sentiments* never appeared in quarto and was not originally published under the imprint of the Strahan–Cadell publishing partnership, there can be no doubt that the reference is actually to the WN.

More detailed evidence can be found in Andrew Strahan's record of the WN from the time of the fourth edition of 1786 (the first edition to appear after Andrew assumed control of the family firm upon the death of his father in July 1785) until 1821 (Strahan Ledgers, Add. MS 48,814A, f. 8). The ledger reveals that in April 1786 Strahan paid Cadell £100 'for $\frac{1}{2}$ Copy Money for 4th. Edit.', that on 16 July 1788 he paid Cadell £150 'for $\frac{1}{2}$ Copy Money for the Wealth of Nations (in full)', and that on 3 April 1790 he paid 'Adam Smith Esq^r. my $\frac{1}{2}$ of £300 for the Copy Right of the 2^d. 14 Years' (see Figure 2). It would seem, then, that Smith negotiated separately for the first, second, third and fourth editions, after which, in July 1788, he sold the copyright outright to Strahan and Cadell for £300.

According to the terms of the Statute of Anne – the copyright act of 1710 that was upheld as the law of the land on appeal to the House of Lords in 1774 – the renewal of a copyright for a second period of fourteen years could only occur if

Smith's Wealth of Nations		Dr	
1786.			
April 1787	To Mr. Cadell for 1/2 Copy Money for 1 st Edn.	100	
March 3 1788	To Mr. Bowler for 1/2 of 245 3/4 Paper. 217th	107	3 9
July 16 1788	To Mr. Cadell for 1/2 Copy Money for the 2 nd Edn.	150	
1790.	Wealth of Nations (in full)		
April 23 1790	To Adam Smith Esq. my 1/2 of £300 for the Copy Right of the 2 nd 14 Years	150	
Jan 7 1792	Advance on 9 th Edn.	14	7 6
Jan. 9 1792	To Mr. Playfair, 1/2 of first Payment	50	
Jan. 27 1792	To Mr. Cadell for Mr. Playfair, in full	55	
1794	Advance on 10 th Edn.	104	9 3
1815	Advance on 12 th Edn. 3 vol.	265	11 3
	Do on the 12 th Edn. 5 vol.		

Figure 2 Andrew Strahan's account of copy money payments for the WN, 1786–1815. The recto page, not shown, records Strahan's income from sales of the book from August 1790 to 1821 (Strahan Ledgers, Add. MS 48,814A, f. 7). By permission of the British Library.

the author were still alive fourteen years after the original date of publication (Rose 1993: 46–7). In this case, Smith became eligible to renew the copyright on 9 March 1790 and effected the renewal by early April, scarcely three months before his death in mid-July. So Smith lived just long enough to ensure that his publishers would receive a fourteen-year extension on the copyright, until April 1804, and that he himself would receive a second copyright payment of £300. Cadell's use of the phrase 'which you know he did' in his letter to Mackenzie is probably a reference to the fact that Smith was failing rapidly during the first half

of 1790, and Mackenzie and the executors, along with Strahan and Cadell and presumably Smith himself, were apprehensive about whether he would live long enough to execute the copyright extension. We know from another letter that Henry Mackenzie sent to Cadell on 2 August 1792 that Smith's camp was very concerned about receiving as much copy money as possible for *Essays on Philosophical Subjects* because Smith's nephew and heir, David Douglas, was not well off (National Library of Scotland, Acc 9546). The same concern would have been present when the copyright renewal of the WN was in doubt two years earlier.

Although these clues do not tell us everything we would like to know about the publishing arrangements for the WN, they provide the foundation for a re-examination of that subject. First we need to reconsider the initial terms. Contrary to Rae, to whom we shall return shortly, the first edition of the WN was apparently published on a shared basis by the publishers and the author: that is, they divided equally both the expenses of publishing and, as Andrew Strahan remarked in his letter to Mackenzie of 21 December 1792, the profits. This arrangement reflected the fact that William Strahan and Thomas Cadell did not expect the book to sell very well, and therefore did not wish to risk an outright purchase of the copyright. As the Edinburgh bookseller William Creech told James Beattie in a letter of 17 May 1787:

It is often . . . the case that the first rate literary abilities, and labour, are but ill rewarded. A Bookseller estimates the merit of a Book merely by the sale of it. When a new work is offered, he considers what has been the success of similar publications, and hence endeavours to make an estimate in his own mind. Sheridan for writing a Sing. Song opera of three Acts¹ received much more money, than D^r. Smith did for writing his *Wealth of Nations* 2 Vols Quarto which I have been told cost him fifteen years labour.

(James Beattie Papers, 30/2/545)

We know from other sources, such as Strahan's letters to Creech of 9 September 1774 (William Creech Letterbooks) and to William Robertson of 6 December 1776 (National Library of Scotland, MS 3,942, ff. 299–300), that in the mid-1770s Strahan was feeling uneasy about Scottish authors puffing each other in order to secure better publishing terms than they deserved, and he was displeased about losing money on at least two books that were recommended to him in this manner. And we know that Strahan was pleasantly surprised at the commercial success of the WN, for in a letter of 12 April 1776, scarcely a month after publication, he told David Hume that the sale, while not nearly so rapid as the first volume of Edward Gibbon's *Decline and Fall of the Roman Empire*, 'has been more than I could have expected from a Work, that requires much Thought and Reflection (Qualities that do not abound among modern Readers) to peruse to any Purpose' (National Library of Scotland, MS 23,157, no. 67).

On 20 May 1776 Strahan wrote to Creech: 'I know not what Dr. Smith expects for his second Edit. or when it will be wanted; but we shall be able pretty well to judge of its Value from the Sale of the first, and the Call that shall appear to be for another, of which you shall hear in due time' (William Creech Letterbooks). Besides indicating that Creech was somehow involved in the publication of the

WN, even though his name does not appear in the imprint,² this passage is of interest for two reasons. First, it shows that just a month and a half after publication of the first edition, the publishers were beginning to plan for an encore. Although it was still too soon to determine the timing and 'Value' of the second edition, its existence was already given. Second, this passage confirms that Smith was expected to name his price for the second edition, because he still owned the copyright and was in a position to renegotiate the terms of publication.

As the first edition of the WN continued to sell, Smith acknowledged receipt of a payment of £300 in his letter to Strahan of 13 November 1776. As Rae pointed out, the wording of the letter suggests that this may not have been the final payment. A partial accounting of this kind, occurring eight months after publication, was characteristic of a conditional publishing arrangement, in which publishers periodically sent payments to authors. Smith's letter then turned to the question of a second edition, and made the suggestion that 'it should be printed at your expense, and that we should divide the profits'. Recall that Rae ruled out the possibility that the first edition of the WN had been published on the basis of 'half-profits' because he thought Smith proposed this arrangement for the second edition, and Strahan accepted it, 'as if it were a new one'. It seems to me, however, that besides the change from quarto to octavo, what is new in Smith's proposal for the second edition is not how the profits would be divided but the way the publication expenses would be paid. Smith presents this part of the proposed arrangement first, and Strahan puts special emphasis on it when he accepts Smith's proposal 'to print the next Edition of your Work in 4 vols Octavo, at *our* Expence, and to divide the Profits'. Why would Strahan have placed emphasis on the word 'our' unless he was underlining the feature of the arrangement that would differentiate the second edition from the first?

Despite the fact that Strahan and Smith were in agreement, the second edition turned out to be not a more affordable octavo but another two-volume quarto. This was almost certainly the work of Cadell, who was more sensitive than Strahan to the bookselling end of the publishing business. Although quartos cost considerably more to produce than octavos, and were therefore riskier in the event of poor sales, their profit margins were much higher. The trick was determining how many copies would satisfy the quarto market without overprinting. Cadell had started his career as a Scottish Enlightenment publisher by making a similar decision in 1767, when he followed up the unexpectedly strong sales of the first edition of Adam Ferguson's *Essay on the History of Civil Society* with a second quarto edition of 500 copies, even though doing so enraged his Edinburgh co-publisher, John Bell (of the firm Kincaid and Bell), who knew he would be able to sell octavo copies to the book-buying public in Scotland, including Ferguson's students at the University of Edinburgh, but did not have access to the large market for expensive quartos that Cadell enjoyed in London (John Bell Letterbooks; Sher, forthcoming). In the case of the WN, publishing the second edition in quarto was probably the right move from a commercial standpoint, even though this decision slowed down the pace of dissemination. It is likely that the author and the publishers stuck to the half-profits agreement for the second edition that Smith and Strahan made when they had projected it to be a four-volume octavo; such an arrangement can be inferred from Cadell's letter to Henry Mackenzie of 21 December 1792, and it is