
Manuscript 1185

**Losing the World: Another Adam Smith Problem: Agency and
Memory in Arendt and Smith**

Kevin Quinn

Follow this and additional works at: <https://collected.jcu.edu/jep>

**LOSING THE WORLD: ANOTHER ADAM SMITH PROBLEM:
AGENCY AND MEMORY IN ARENDT AND SMITH**

KEVIN QUINN¹

DEPARTMENT OF ECONOMICS
BOWLING GREEN STATE UNIVERSITY

(This paper is dedicated to the late Don Lavoie; friend, lover of wisdom, and fellow Arendt enthusiast.)

ABSTRACT

For Hannah Arendt, action is essentially “for the sake of the world.” She takes the work of Adam Smith in *The Wealth of Nations* to exemplify the loss of the world that characterizes modern thought. This paper argues, however, that in his earlier work, *The Theory of Moral Sentiments*, Smith’s conception of agency is much closer to Arendt’s and that it indeed contains resources for elucidating Arendt’s views. The “loss of the world” between Smith’s two great works, it is then argued, provides a more interesting and richer “Adam Smith problem” than the standard characterization.

This is how one pictures the angel of history. His face is turned towards the past. Where we perceive a chain of events, he sees one single catastrophe, which keeps piling wreckage upon wreckage and hurls it in front of his feet. The angel would like to stay, awaken the dead, and make whole what has been smashed. But a storm is blowing from Paradise; it has got caught in his wings with such violence that the angel can no longer close them. This storm irresistibly propels him into the future, to which his back is turned, while the pile of debris before him grows skyward. This storm is what we call progress.
—Walter Benjamin, *Illuminations*, 257–58

Hannah Arendt's conception of action is predicated on a view of human agency that is radically at variance with the view that underlies rational choice theory. I want to highlight the key role of *memory*, for both the actor and the spectator, in Arendt's account of action. If Arendt is right about this, then the irrelevance of memory in certain important ways for "rational" agency (agency in accord with the dictates of rational choice, that is) makes for a stark contrast. Memory in turn is, for Arendt, bound up with the existence of a "world." The crucial concern of her work is the world-alienation of the modern agent, who labors and works and consumes but is unable to act, and is therefore deeply unfree. Decision Theory describes agents who are unable to act "for the sake of the world" and who are therefore "world-less," I argue.

In a key passage in *The Human Condition*, Arendt links modern oblivion about action, and about the site of action—what she calls "the world" or "the public realm"—to Adam Smith. While the Smith text she cites, from *The Wealth of Nations*, is indeed guilty as charged, I argue that there are elements of *The Theory of Moral Sentiments* which can be read as recognizing and indeed helping us understand the world as Arendt understands that notion. Thus we have another Adam Smith problem, how to reconcile the existence of the world in the earlier book with its disappearance in the latter.

I. INTRODUCTION

The view of ourselves that we have on offer from decision theory makes us creatures for whom memory serves a purely instrumental, information-gathering function, and who derive whatever unity we have from the dynamic plan we form for time t , the present, to infinity, based on rationally formed expectations about the future. For Arendt, by contrast, memory, both individual memory and the organized remembrance that the polis consists of, has the function of creating meaning—which is not any species of welfare. And for Arendt, "it is memory and not expectation (for instance, the expectation of death as in Heidegger's approach) that gives unity and wholeness to human existence" (Arendt, 1996, 113). For rational choice theory, a reason to act must refer essentially to expected future welfare consequences, and never, for example, to the need to fulfill commitments undertaken in the past, or to the effect of the action on the meaning of the agent's past—unless these concerns can be reduced, counter-factually, to disguised concerns about future welfare consequences. And while rational choice theory may seem to have no problem accounting for action motivated by *wanting to be remembered*, as opposed to action taken for reasons that refer essentially and irreducibly to the agent's past—the former does seem to be concerned exclusively with expected future consequences—Arendt's account of what such glory-seeking amounts to will, I argue, implicitly deny that as well.

So there are two different senses in which action, for Arendt, is bound up with memory. First (but second in the order of exposition) action is essentially the agent's *story* ("action... 'produces' stories with or without intention as naturally as fabrication produces tangible things" (*Human Condition*, 184). The Arendtian actor, we may expect, therefore, seeks to give her life "narrative unity," to use Alasdair MacIntyre's influential characterization of what he takes to be a requirement of a non-instrumental, Aristotelian conception of practical reason (in *After Virtue*; see also Elizabeth Anderson, *Value in Ethics and Economics*). What the actor should do is determined in part by whether and to what extent it fits into

the story of her life that she has been telling to this point, and thus depends, essentially, on the past and memory. We take this up further below.

Second—and the sense with which we will start—when we act, for Arendt, we are seeking *to be remembered*. In this respect, she is not imagining that we seek to *please* others, who will yield up to us in payment the commodity of admiration—a position easy enough to find in Hobbes and which Arendt lambastes as it appears in Smith, as we’ll soon see. To be remembered, we might say, anticipating the argument requires that we do something truly memorable: acting in this sense is “for the sake of the world”—we may be admired for something that is not truly memorable, and fail to be admired for something that turns out to be truly memorable. For Arendt, being remembered requires a public realm, a world held in common, and the judgment that goes on in this common world with regard to our words and deeds establishes what they mean and how and whether they will be remembered.

II. THE SPECTATOR, MEMORY AND THE WORLD IN SMITH AND ARENDT

To pursue this, let’s examine a long quote from the *Human Condition* where Arendt seeks to stake out her position against Smith, whose modernism is betrayed, she thinks, in his inability to understand the notion of a public realm, a common world: The terrible thing about the modern era is that it has subjectified everything and left us “world-less:”

What the modern age thought of the public realm, after the spectacular rise of society to public prominence, was expressed by Adam Smith when, with disarming sincerity, he mentions ‘that unprosperous race of men commonly called men of letters’ for whom ‘public admiration makes always a part of their reward..., a considerable part in the profession of physic; a still greater perhaps in that of law; in poetry and philosophy it makes almost the whole.’ Here it is self-evident that public admiration and monetary reward are of the same nature and can become substitutes for one another. Public admiration, too, is something to be used and consumed, and status, as we would say today, fulfills one need as food fulfills another: public admiration is consumed by individual vanity as food is consumed by hunger. Obviously from this point of view the test of reality does not lie in the public presence of others, but rather in the greater or lesser urgency of needs to whose existence or non-existence nobody can ever testify except the one who happens to suffer them. And since the need for food has its demonstrable basis of reality in the life process itself, it is also obvious that the entirely subjective pangs of hunger are more real than ‘vainglory’, as Hobbes used to call the need for public admiration. *Yet even if these needs, through some miracle of sympathy, were shared by others, their very futility would prevent their ever establishing anything so solid and durable as a common world. The point then is not that there is a lack of public admiration for poetry and philosophy in the modern world, but that such admiration does not constitute a space in which things are saved from destruction by time.* The futility of public admiration, which daily is consumed in ever greater quantities, on the contrary, is such that monetary reward, one of the most futile things there is, can become more ‘objective’ and real (Arendt, 1958, 51–52, emphasis added).

This is a very interesting and complex passage. I have cited it often as a critique of what amounts to an anticipation of rational choice theory in Smith; certainly that theory would have no problem with the idea that, for the choosing agent, “public admiration and monetary reward are of the same nature, and can become substitutes for one another.” So the target seems to be impoverished accounts of motivation, accounts that suppose us to be maximizers, with marginal rates of substitution between things that differ radically in quality. But as the passage proceeds, the target shifts subtly, so that by the end the problem seems to be that public admiration in the modern age, “because it does not constitute a space in which things are saved from destruction by time,” really is substitutable for monetary reward, whatever its

seeker might think. Here it is not the *consumer* of glory or admiration whose consuming and commensurating stance destroys the good; instead, the good is inherently shoddy, made to be consumed and traded off, given the way it is *produced* in the modern age. But of course the producers of public admiration are simply the consumers of “poetry and philosophy,” so that ultimately it looks like the consuming stance that is the problem after all. “A consumer’s society,” she says in a passage from a later work, (Arendt, 1954, 211), “cannot possibly know how to take care of a world and the things which belong exclusively to the sphere of worldly appearances, because its central attitude toward all objects, the attitude of consumption, spells ruin to everything it touches.”

Now the editors of the English language version of Arendt’s dissertation, *Love and Saint Augustine*, have pointed out that memory in that earlier work is described in the same terms as the public realm in her later work. Memory in the earlier work, like the public realm in the later work, is “a space in which things are saved from destruction by time.” The public realm is essentially a realm of memory. In the *Human Condition* we are told (Arendt, 1958, 198) that “the organization of the *polis* ...is a kind of organized remembrance. It assures the mortal actor that his passing existence and fleeting greatness will never lack the reality that comes from being seen, being heard, and, generally, appearing before an audience of fellow men.”

Can we then make a distinction between admiring and remembering, first, and between seeking admiration and seeking to be remembered, second, that will clarify this passage?

It turns out that the distinction that we want here, if it is to do the job, will begin to look surprisingly like a distinction in, of all people, Adam Smith, Arendt’s whipping boy in this passage—albeit from an earlier book of his, and one which, in the eyes of many readers down through the ages, conflicts in many ways with the later book, *The Wealth of Nations*, that Arendt is quoting from.

Smith, in his *Theory of Moral Sentiments (TMS)*, makes a distinction between seeking the actual praise of others and seeking their “appropriate” praise; if we are praised for something that we didn’t deserve, we won’t be happy, or so he argues, nor would we be upset with undeserved blame. A large part of the function of the Impartial Spectator in *TMS*, in my view, is to take us from actual to warranted praise and blame as objects to be sought or avoided, respectively. Notice, if this is right, what has happened to reason in Smith. I would argue that on this interpretation of *TMS*, reason is no longer simply the exclusively instrumental reason that it was for Hume and continues to be in decision theory and neoclassical economics. Smith is no longer, if I am right, in the business of exclusively hypothetical imperatives (if you want approval, do this) but, with the appeal to “propriety” we are on our way to a quasi-substantive rationality: These things are *worthy* of approval and should therefore be done, whatever you desire; these things are not. When we ask ourselves “Would the Impartial Spectator approve?” we are filtering our desires, constraining them, very much as Kant’s categorical imperative has us do. We can say that we have a second-order preference for doing what would please an impartial spectator, but this is just an empty form of words: It’s not an empirical question, it’s a question for practical, non-instrumental reason: What *appropriately* pleases or displeases others; simply *that* is what “pleases” the Impartial Spectator. There is ambivalence in Smith, but he often speaks this way; the language is especially likely to be used where he is concerned about distinguishing himself from Hume. Smith was, I think, a Sentimentalist on his way out to a position that looks more like Kant—anachronistically, obviously—that is, the same problems Kant had with Hume bother Smith. But he doesn’t get out for reasons I look at below.

There is an extraordinary passage in *TMS* where the tension with Hume emerges starkly, if somewhat obliquely. Smith describes a European with no ties to China contemplating the news of an earthquake that has swallowed all the Chinese: “If he was to lose his little finger tomorrow, he would not sleep tonight;

but, provided he never saw them he will snore with the most profound security over the ruin of a hundred million of his brethren (Smith, 1976, 137).” He goes on to ask whether this man would will the death of millions to prevent the loss of his little finger. As the editor notes, Smith here is echoing a very famous passage in Hume, in *The Treatise*, where Hume says: “It is not contrary to reason that I prefer the destruction of the whole world to the scratching of my little finger.” This is a critical passage in the statement of what has come to be called the Humean conception of reason: The conception that makes reason simply instrumental, a slave of the passions, as he says, unable to set us ends (except in showing us the proper means to other ends that our passions give us) or motivate us.

The point of Smith’s passage is not to challenge Hume’s conception of reason—and, indeed, there are passages in *TMS* which trot out the Humean line in this regard. What he says is that the man will refrain from such an act, but that what prevents it and what accounts in general for our generous actions, is not, typically, any sentiment of benevolence or humanity. Not the “feeble spark of benevolence” but rather “reason, principle, conscience, the inhabitant of the breast, the man within, the great judge and arbiter of our conduct” explains our generous and noble actions. Here he is explicitly challenging the view of both Hutcheson and Hume that we act morally as a result of benevolent sentiments of any sort. But implicitly, given the echo of Hume and the context for Hume’s example, Smith is challenging the notion that reason is purely instrumental—in many ways the core innovation of Humeanism. In the cited passage, “reason” directly motivates, contrary to the Humean doctrine: It is indeed contrary to “reason, principle, conscience, the man within the breast” Smith would appear to be saying, to prefer the destruction of the whole world to the scratching of my finger. In Kant’s terms, Smith is implying that pure reason can be “practical,” that it can motivate us to act independently of and indeed in the teeth of our inclinations. Despite the on-balance opposite pull of our sentiments (the feeble spark of benevolence being, Smith thinks, dominated as an empirical matter by the opposite pull of self-love) we nonetheless act as reason dictates.

Smith goes further: One could read this passage as saying simply that as a matter of fact our moral actions don’t stem from benevolent feelings. But in a later passage, we find Smith deep in Kantian territory, arguing in effect that sentiment-motivated benevolence, when it does occur, has, as Kant (2010: 8–9) would say, no moral worth. That is, that *conceptually*, not just as a matter of fact, a moral action cannot be motivated by sentiment alone. Anticipating Kant’s discussion of “the friend of all humanity” in the *Groundwork*, Smith (Smith, 1976, 190–91) distinguishes humanity from generosity, where the former means sentiment-motivated benevolence (“the exquisite fellow-feeling which the spectator entertains for the sentiments of the persons principally concerned”) and the latter consists in acting against our own interests in virtue of the *judgment* that our interest is less important than that of another. On the other hand, as compared to generosity, “the most humane actions require no self-denial, no self-command, no great exertion of the sense of propriety.” Although Smith doesn’t say it, implicit in what he says about acting from humanity is that such action is not distinctly moral action (just as, for Kant, the actions of the friend of all humanity, while conforming to the moral law, nonetheless do not have moral worth because they are not done out of respect for the law): For there is no doubt that self-command and exertion of the sense of propriety—just what Smith denies are operating in the case of humanity—are at the core of morality for Smith.

There are certainly passages that can be cited in Smith that revert to Sentimentalism and understand the use of the Impartial Spectator either as a kind of fellow-feeling with others or as simple vainglory and pursuit of praise. Perhaps the most explicit statement that this is not his view appears in the last chapter, “Of Moral Philosophy.” Here he says (Smith, 1976, 266–267) that there are three broadly different ways of understanding “the nature of virtue” on offer. The first sees virtue in prudence and the pursuit of “the selfish affections.” The second finds virtue in the benevolent affections. The third, of which his own theory is exemplary, finds virtue to consist “not in any one species of affections, but in the proper government and direction of all our affections, which may be either virtuous or vicious according to the objects which they pursue and the degree of vehemence with which they pursue them.” This third class

makes virtue consist in “propriety.” The Impartial Spectator, as the correlate of virtuous behavior, is a mechanism for making *judgments* about the propriety of our actions or proposed actions. Like virtue itself, then, it can not be reduced to a creature of our sentiments, of either our vainglory or our benevolence. It is the instrument—a non-instrumental reason, in effect, I have argued—for judging and governing our affections. So this is not, as they say, your mother’s Moral Sentimentalism!

With some irony, as it turns out, this material from *TMS* can be used to make better sense of Arendt’s critique of the passage in *The Wealth of Nations* cited above, which appears to rely on a distinction between seeking public admiration and seeking to be remembered which is not obvious on its face. Perhaps we can say that what will be remembered is not necessarily what is admired in the moment, but what is *appropriately* admired, so that memory takes us out of the subjective into the objective just like the move to the Impartial Spectator in Smith? And by the same token, that to seek appropriate admiration is to seek to be remembered by posterity; that superficial admiration, because it will have no permanence, doesn’t please us any more than superficial censure, which is likely to be reversed with the years, will take away the *raison d’etre* for our action. On this reading, seeking to be remembered by posterity amounts simply to serving the world. Here we need to look at Arendt’s appropriation of Kant’s *Critique of Judgment* to think about the spectator’s role in the public realm.

Arendt sees the spectator as *judging* the performance of the political actor, where judgment is understood the way Kant’s third critique understands judgments of aesthetic taste. Famously, Kant thought that such judgments, though not possessed of the universality of pure reason, were nonetheless objective and disinterested. Arendt says about his position, “Therefore taste, insofar as it appeals, like any other judgment, to common sense, is the very opposite of ‘private feelings’” (Arendt, 1954, 222) and again: “Taste judges the world in its appearance and in its worldliness; its interest in the world is purely ‘disinterested,’ and that means that neither the life interests of the individual nor the moral interests of the self are involved here. For judgments of taste, the world is the primary thing, not man, neither man’s life nor his self.” (*ibid.*)

Actions that are remembered by Arendt’s spectator, then, like those that pass muster with Smith’s Impartial Spectator, have met certain normative criteria. To remember x and not y is not at all to prefer x to y in any subjective sense, but to judge that x is memorable and y not. Ultimately, and here I am going out on a limb where I can’t be sure Arendt would follow, I think that worldliness *essentially* involves the coming into play of a *normative*, and thus non-empirical, realm. This is why I think Smith in effect had a world appearing when he thought of the Impartial Spectator in the way I have singled out (he didn’t always, though—not consistently in *TMS* and certainly not in the passage Arendt finds so offensive from *WN*). In thinking about Arendt, I have found it extremely helpful to analogize action in the, or *a*, world to participation in a “practice” in Alasdair MacIntyre’s sense. Recall from MacIntyre (1981) that such a participant seeks to perform according to authoritative standards of excellence for the practice: this is to be motivated neither by self-interest nor by altruism; participation in a practice resists assimilation to the decision—theoretic perspective altogether—it is in my view the hardest such irreducible, though not the only one. What makes it resist assimilation is, again, the irreducibility of the normative—in the form of authoritative standards of excellence which must enter into the explanation in any plausible account of what we are up to when engaged in a practice.

Unfortunately, “worlds” don’t raise their heads in Smith again, perhaps because they offend against a certain conception of science modeled on the natural sciences. The irony, as Jean Hampton points out in *The Authority of Reason* (1998), is that proscribing norms altogether would do away with norms of theoretical reason that make natural science what it is: it is a norm-based practice, through and through. These are not moral norms, or norms of practical reason, but they have the same “queer” epistemological status, and they exercise the same odd authority over us, as these others (see Larmore (1996) on this point as well). Hume’s genius, in which he was followed right on down through the centuries by economists and decision theorists (albeit with some short-lived resistance from his co-national and friend Smith—if this is right) was apparently to tame the normative, by taking any apparently categorical imperative—do x

whatever you desire, *e.g.* into a hypothetical imperative—if your goal is *y*, do *x*. There doesn't seem to be any mystery about the “authority” of the latter, instrumental norm. Making reason merely the helpmate and slave of the passions seems to take the normative out of play and free the social sciences for genuine science, along the lines laid down by the natural sciences. (Hampton argues, provocatively, though, that instrumental reason itself fails to be instrumental, that underlying the hypothetical imperatives are categorical imperatives—such as, in decision theory, ‘make your preferences consistent.’ She argues that economics cannot proscribe genuine normative explanation, therefore; and that the theory of instrumental reason implicitly and unconsciously upholds a substantive rationality, a position on what ends the agent has reason to pursue, on what an agent's good consists of—an ethic if you like—but an ethic which is, not surprisingly, given its unconscious status, not a very good or convincing one.)

Though Arendt was right, therefore, to find no notion of the world in the quote from *Wealth* she uses, to find in fact the worldlessness that will come to be one of the most striking characteristics of decision theory, Smith did have such a notion earlier, though obviously not so named. Indeed, I find Smith's *TMS* can deepen our understanding of Arendt's concept in ways I have tried to lay out. For Smith, as the poet says, “a road diverged:” Unfortunately, he took, in later work, the one *more* traveled on—and that's made all the difference.

III. THE ACTOR BETWEEN PAST AND FUTURE: LOOKING BACKWARD

Besides seeking to be remembered for glorious words and deeds, Arendt's actor pays attention to her own past in ways that a “rational” chooser would not. Perhaps most importantly, she commits herself. For a modern game theorist, keeping a commitment may well be “rational” despite its requiring onerous counter-preferential actions today—provided it sets the stage for future utility, the discounted value of which more than outweighs the disutility of today's action. Thus in the iterated prisoner's dilemma, we keep our commitment to cooperate at some cost today, to induce cooperation, and correspondingly greater benefits, tomorrow. Since this analysis seems not so much to explain as to explain away the notion of commitment (as Sen noted in “Rational Fools,” commitment is essentially counter-preferential choice), the defender of rational choice always has in reserve an option that seems to preserve something of common sense, but only by emptying out the theory of any content: I mean the idea that we can analyze an action that consists on its face of doing *x* because it was required by a past commitment, despite *preferring* to have done something else, as action in accordance with “preferences” after all, allowing for the second-order “preference to fulfill our commitments” and its ability to “quantitatively” override the first order preference to do something other than one's duty.

For Arendt, the reason to keep a promise has nothing to do with expected future benefits: “without being bound to the fulfillment of promises, we would never be able to keep our identities; we would be condemned to wander helplessly and without direction in the darkness of each man's lonely heart, caught in its contradictions and equivocalities—a darkness which only the light shed over the public realm through the presence of others, who confirm the identity between the one who promises and the one who fulfills, can dispel.” (958: 237) Promising lets us “keep our identities,” a backward-looking, and thus irrational, desideratum from the standpoint of rational choice theory, it would seem.

Similarly, a concern with narrative unity on the part of the actor will lead her to weigh in her decision what the rational actor would ignore as “sunk costs” (like the angel of history in the opening quote from Arendt's remarkable friend, Walter Benjamin!). Elizabeth Anderson emphasizes this important implication of such a concern. She describes (Anderson, 1993, 34) a couple, who have established over a lifetime a successful family restaurant, contemplating selling it to a big chain and deciding not to sell because it “would leave them with life-stories as successful sell-outs.” She says: “Consequentialists view the couple's reasoning as irrationally weighing sunk costs in their calculations. If a greater amount of future good can be achieved by taking up an entirely new path than it could by sticking with one's past commitments and personal investments, one should disregard the past and take the option with the greater future payoff. If having alternatives to mass-produced commercialism in restaurants is a good thing, this

consideration counts in a calculation of future good, but ... should count no differently for a couple who had devoted their lives to promoting it than for a couple who judge that it is as good as the devotees say, but who had just come into the restaurant by inheritance. The meanings a choice confers on one's past actions are irrelevant to the future payoffs, which are by hypothesis the same in either case." (op. cit., 35) Anderson calls her alternative theory a theory of "expressive rationality"—as opposed to consequentialist rationality (with rational choice theory the major version of the latter sort of theory). It seems to me that the Arendtian actor can be usefully seen as expressively rational in Anderson's sense. Her actions are justified by the attitudes they express (this is one way of glossing the most characteristic description of action Arendt gives, namely, that it is self-disclosure, disclosure of who rather than what the agent "inescapably" is) and not by their consequences. (This doesn't mean that consequences don't count; it means that the way they count is structured by expressive norms. Obviously, one couldn't be expressing love for someone by taking actions whose consequences for the beloved are awful, for example).

Despite what has been said so far, it must be admitted that there is a great paradox at the heart of my argument in this section: Arendt over and over again ties action to the capacity to begin something new, to what she calls "natality." How then can it be argued that action is essentially backward-looking in *any* respect? In a minute I will quote Arendt from the very beginning of her career, in her dissertation on St. Augustine, exploring this paradox with great eloquence. I think the heart of the matter is that the actor, for Arendt, must forego sovereignty over her action: She is the subject of her story, but not its author. Her story will be told by others. She cannot fabricate the meaning of her words and speech. ("In other words, the stories, the results of action and speech, reveal an agent, but this agent is not an author or producer. Somebody began it and is its subject in the twofold sense of the word, namely, its actor and sufferer, but nobody is its author" (Arendt, 1958, 184).) In action, Arendt, says, we "disclose who we inescapably are." It is thus bound to be governed by an expressivist, backward-looking logic, rather than the consequentialist, forward-looking logic that governs any sort of making or fabrication. In ways that we cannot control, we disclose ourselves in our action. And to disclose ourselves is to disclose something completely new that only came into existence with our birth.

Here is Arendt broaching these themes in her earliest work on Augustine: "The decisive fact determining man as a conscious, remembering being is birth or natality, that is, the fact that we have entered the world through birth. The decisive fact determining man as a desiring being was death or mortality, the fact that we shall leave the world in death. Fear of death and inadequacy of life are the springs of desire. In contrast, gratitude for life having been given at all is the spring of remembrance, for a life is cherished even in misery" (Arendt, 1996, 51). Here she is glossing Augustine, but it is not hard to see the roots of her later work. Decision theory treats people exclusively as desiring beings. We need a view of human agency that recognizes people as "conscious, remembering" beings as well. This, arguably, is what Arendt's theory of action does.

To act "for the sake of the world," in Arendt's sense, is to act neither selfishly nor selflessly. The Adam Smith problem, as traditionally conceived, sees a tension between *TMS*, where we are guided by "sympathy" and *The Wealth of Nations*, where we pursue our self-interest. I have argued that, like Arendt, Smith's view of agency in *TMS* fits neither picture, but is compatible with, and indeed can help to elucidate, Arendt's conception of action for the sake of the world; and that it is this rich picture of agency that is lost when we get to *The Wealth of Nations*. Rational Choice Theory inherits the "worldlessness" of *The Wealth of Nations* picture, unfortunately, and in doing so accepts and becomes complicit in the "subjectification" of the world that is the hallmark, for Arendt, and lamentably so, of the modern age.

REFERENCES

- Anderson, E. (1993). *Value in Ethics and Economics*. Cambridge: Harvard University Press.
- Arendt, H. (1954). *Between Past and Future*. New York: Viking.
- _____ (1958). *The Human Condition*, Chicago: University of Chicago Press.
- _____ (1996). *Love and Saint Augustine*, Chicago: University of Chicago Press.
- Benjamin, W. (1996). *Illuminations*. New York: Schocken Publishing.
- Kant, I. (2010). *Groundwork for the Metaphysics of Morals*. Retrieved on 8/21/2011 from www.earlymoderntexts.com/pdf/Kantgrou.pdf.
- Hampton, J. (1998). *The Authority of Reason*. Cambridge: Cambridge University Press.
- Larmore, C. (1996). *The Morals of Modernity*. Cambridge: Cambridge University Press.
- MacIntyre, A. (1984). *After Virtue*. Notre Dame, I.N.: University of Notre Dame
- Sen, A. (1977). "Rational Fools." *Philosophy and Public Affairs*, 6, 4, 317–34.
- Smith, A. (1976). *The Theory of the Moral Sentiments*. Liberty Fund: Indianapolis.

ENDNOTES

- ¹ Kevin Quinn is Associate Professor of Economics, Bowling Green State University. His research is primarily in the area of economic philosophy, especially the exploration of the conception of rationality employed by the discipline, and the history of economic thought.