“Adam Smith is difficult to apprehend in his totality for the perverse reason that he is in parts so regrettably well known.” So wrote Alexander Gray (1931, 124–125) in his work The Development of Economic Doctrine. The statement might well apply to Smith’s position on who should fund the education of youth. It takes little effort to deduce that there exists an orthodoxy of sorts that Smith supported government-subsidized education through taxation. Scholars regularly assert that Smith “advocated for” (Baum 1992, 152), “pleaded for” (Reisman 1976, 225), “urged for” (Wilson 1989, 60), “insisted upon” (Fleischacker 2004, 235), or “demanded” (Skinner 1996, 192) such subsidization. If true, education ranks as one of the most significant exceptions to Smith’s presumption against government involvement in the production of goods and services outside of nightwatchman-state functions. Yet an important passage may suggest that the totality of Smith’s views on school funding is complex. Using this passage as a lens, the current study inspects the scholarship on this issue.

In previous work (notably Drylie 2020), I have offered an alternative reading of Smith. I propose that Smith is not decidedly favorable to taxpayer funding of education, that he certainly is not favorable to full funding, and that it is reasonable to read him as leaning against any taxpayer funding at all. I am, therefore, suspicious...
of common claims made about Smith’s position and curious as to how those claims
have come about and persisted. My reading is based on the full “Article” entitled
“Of the Expence of the Institutions for the Education of Youth,” located in Book
5, Chapter 1 of The Wealth of Nations (Smith 1976/1776, hereafter WN). It is also
based on the passage in question, found in the “Conclusion of the Chapter,” which
summarizes each of his positions from Book 5, Chapter 1.

Smith’s final sentence of his summary on education in “Conclusion of the
Chapter” presents a grave problem to the orthodox characterization. The complete
summary reads:

The expence of the institutions for education and religious instruction, is
likewise, no doubt, beneficial to the whole society, and may, therefore, without
injustice, be defrayed by the general contribution of the whole society. This
expence, however, might perhaps with equal propriety, and even with some
advantage, be defrayed altogether by those who receive the immediate benefit
of such education and instruction, or by the voluntary contribution of those
who think they have occasion for either the one or the other. (WN, V.i.i.5)

Those are Smith’s final words on the subject. What should be clear is that
Smith does not convey any certain or strong support for taxpayer-funded public
education. Rather, Smith coolly acknowledges that state provision may be
justifiable, and then immediately pivots away to express that it may be better to
pursue solutions through voluntarily financed schools and the networks of charity
schools in his time. There is no obvious final recommendation, and the passage
resists being further reduced. Whether it conveys ambivalence, uncertainty,
equivocation, or disinclination toward the state, it is inconvenient for any
interpretation that associates Smith with public education.

The seeming incongruence between this passage and some familiar interpre-
tations raises several questions. To what degree has this passage made its way into
the scholarship? How have its complex sentiments been treated? How should we
judge of the methods and results of the scholarship on the subject? In seeking
answers to these questions, I aim to contribute to the tradition of scrutinizing
scholarly methods, to bring to light disparate views, to spur further exploration of
the passage, and to identify a future research agenda for a topic already frequently
commented on. Smith is both a key figure in the history of thought and an authority
figure for political persuasions. Smith’s position on an issue as profound as school
funding has, then, widespread implications for discussions of the role of the state.
Analysis of patterns

To assess the presence and treatment of this passage in scholarship, I took the approach of creating as large of a sample as possible. Research was conducted from 2015 to 2020 through several university library consortiums and by way of online resources. The disciplines predominantly surveyed were the history of thought, economics, public policy, law, education, and history. Within Smithian literature, topics generally examined were education, justice, charity, beneficence, the division of labor, alienation, the theory of history, the role of the state, liberalism, egalitarianism, democracy, and French influence. A wide variety of search terms were employed to account for these themes, as well as to account for the varying language of ‘schooling’ and ‘education’ across time and place (e.g., public, popular, liberal, universal, elementary, primary, parish, charity, and compulsory). Phrase searches from Smith’s writing were also used within Google search engines. To overcome some of the quirks of Google’s algorithms, searches were conducted from different computers (i.e., IP addresses) and different geographical locations (i.e., servers).

The result of the search is a set of 191 unique English-language publications from 177 different authors, each specifically addressing Smith’s position on school funding. Of the 191, a subset of 54 from 52 different authors cited the key passage in some way. The interpretations range in scope from extensive to passing.

Several exclusions are important to note. First, I have tried to exclude all items for which one has to infer the author’s position based on the spirit of the text or on the author’s other writings. Second, I exclude reprints of the same article. Third, I exclude blogs and online-only discussions. I do, however, include items outside of formal publication sources in the few cases where I found a working paper, thesis, or dissertation which cited the passage. Lastly, commentary prior to 1893 has been excluded. That date is chosen as the publication year of the first editions of James Bonar’s Philosophy and Political Economy in Some of Their Historical Relations and Edward Cannan’s History of Theories of Production and Distribution—two important works signifying the start of the English-speaking world’s adoption of an academic form of Smithian scholarship (Tribe 2008). Commentary on Smith’s views on education prior to the date of 1893 is infrequent and mostly from politicians, social leaders, philosophers, and clergy as opposed to what we might call professional academics (and is addressed in Drylie 2020).

The specific questions I first wish to answer will be done largely with quanti-

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2. Montes (2003) and Tribe (2008) makes a convincing case that Henry Thomas Buckle’s serious effort in History of Civilization in England in 1857 and 1861 was not representative of a growing interest in Britain, and that it was poorly received.
tative analysis: (1) How prominent are the various views of Smith’s position? (2) Does the passage in question occur randomly in the sample set, or does its occurrence predict the nature of the interpretation which the author wishes to convey? (3) Has the treatment of the passage changed over time? (4) Does a scholar’s academic discipline predict the treatment of the passage? (5) Can the treatment of the passage begin to provide an indication of the quality of the scholarship?

To these ends, I first organized the examples according to the nature of the interpretation of Smith’s position. The interpretations range from full taxpayer funding to none. However, owing to each interpretation’s unique tone, rhetoric and context, it was not possible to reliably place each along a precise continuum. They thus had to be binned into categories. I decided on two broad categories, which for simplicity I will call ‘state’ and ‘dissenting’ interpretations. The first contains variants that emphasize a concrete and substantial financial role for taxpayer funding; the second contains those which significantly diminish that role, push back against it, or outright reject it.

Two dimensions were looked at to confidently place each interpretation into the categories of ‘state’ and ‘dissenting’: the extent of taxpayer funding, and the nature of Smith’s commitment to government responsibility. For the state category, the extent of taxpayer funding ranges from full to moderate, and the nature of Smith’s commitment ranges from inspired to accepting. The state category includes three common interpretative patterns: (1) It includes those who believe Smith wholeheartedly insisted upon a comprehensive and extensive funding scheme resembling the variants of today’s universal public education. (2) The state category also includes most who identify his proposal as mixed-mode, relying on both taxes and user fees. Although mixed-mode can mean anything from nearly complete taxpayer support to almost none, those included here are interpretations in which Smith accepts taxpayer support of an amount at least equal to other funding (that is, notionally, 50 percent). (3) Finally, the state category includes nearly all of those who explain Smith’s acceptance of government as based on a market failure theory. Although ‘market failure’ is a precondition which could represent either a high or low standard, those included here have treated the precondition as an easily applied, obvious rationale rather than an unsettling decision of when, how much, and how long to intervene.³ In the end, what all those in the state category have in common is a portrayal of Smith as granting with

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³ Keep in mind that Smith in The Theory of Moral Sentiments cautions against forcing beneficence: “Of all the duties of a law-giver, however, this, perhaps, is that which it requires the greatest delicacy and reserve to execute with propriety and judgment…to push it too far is destructive of all liberty, security and justice” (Smith 1976/1790, II.ii.I.8).
moderate to significant conviction a moderate to significant role for government, and thus of setting out education as a major exception to his liberty principle.

The second category is 'dissenting.' The extent of taxpayer funding in these interpretations ranges from, as it were, 49 percent to none, and Smith’s commitment to government responsibility ranges from unsure to principally resistant. Like the state category, the dissenting category includes three common interpretative patterns: (1) It includes those who believe Smith is uncertain of any role for government. (2) The dissenting category also includes those who emphasize in Smith a different preference and recommendation than state funding—for instance, user fees or charity. (3) Finally, the dissenting category includes those who admit there is a possible role for taxes in a mixed-model concept—but only a minority one marked by a strong limit or principle. What they all convey to me is something distinctly otherly—a reluctance toward state involvement, or merely a fine tolerance for timely, cautious, and highly conditioned state involvement.4

I then assessed the data based on how each author ‘handled’ the passage. Authors took one of four approaches. They may have: (1) cited nothing of the passage nor made reference to it, (2) cited it in whole, (3) cited just the first part, which conveys support for taxpayer funding, or (4) cited just the second part, which contains the sentiment at odds with taxpayer funding. Table 1 organizes the results based on the nature of the interpretation and the handling of the passage. The publications contributing to each cell count are provided in Appendix A.

<table>
<thead>
<tr>
<th>TABLE 1. Nature of the interpretation vs. handling of the passage</th>
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<tr>
<td></td>
</tr>
<tr>
<td>State</td>
</tr>
<tr>
<td>Dissenting</td>
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<tr>
<td>Total</td>
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</tbody>
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A few simple calculations provide the initial findings. Seventy-nine percent (151/191) of publications present a state interpretation, and 21 percent (40/191) present a dissenting interpretation. There appears, then, to indeed be a dominant interpretation of Smith as an advocate of substantive taxpayer support. As for the prevalence of Smith’s final words on the matter, 71 percent (137/191) omit the passage entirely. Surprisingly, another 10 percent (20/191) elect to truncate the passage and omit those heterodox sentiments in the second part. Thus, of the 191 articles in the survey, just 19 percent cite the heterodox part which motivates the current study—and that figure likely is upwardly biased in my sample, the result

4. Reliable categorizing was of highest concern. In my deciding whether to categorize an item ‘state’ or ‘dissenting,’ I believe that only a few examples, which present mixed-modes or uncertainty, were subject to possible categorization error.
of a search technique specifically intent on finding instances of citations. In short, Smith’s final words, especially the compelling heterodox part, have been broadly excluded from scholarship.

Why has this passage been cited so infrequently? The joint frequencies from Table 1 reveal a pattern which suggests an answer. The table shows that 79 percent (151/191) hold a state view, of which only 23 percent (34/151) cite the passage in any way. Twenty-one percent (40/191) hold a dissenting view, of which 50 percent (20/40) cite the passage. The passage is rare among those holding a state view, and it figures prominently among those proposing a dissenting view. The odds ratio puts into perspective the imbalance. Those with a state interpretation are only 29 percent as likely to cite the passage as those with a dissenting interpretation. The strength of this pattern suggests that authors’ decisions to look to this passage for value is highly determined by the message they wish to convey. With the preponderance of scholars holding an overall state view of the article, this passage has not provided any marginal benefit to their case or its nuance has not been appealing.

How should one judge of this pattern? One could fault orthodoxy, claiming that due diligence requires citing such an important passage regardless of the message one wishes to convey. But it is also possible that the tensions of the article have been resolved through other textual means. And if the state interpretation is unimpeachable, perhaps some authorial discretion as to what to cite can be tolerated. Therefore, the strong association between a state interpretation and omission—though provocative—is not conclusive evidence of deficiency. How one should judge of this pattern in the orthodox publications will require qualitative assessment, which I will provide in the literature review. Similarly, how to judge of dissenting views’ extensive use of the passage will depend upon the case they make.

Upon closer inspection, however, there is a takeaway from this pattern which does reflect poorly on the scholarship, specifically on the body of state interpretations. Table 2 reframes the data, looking only at the 54 who cited the passage in any capacity. It relates each publication’s interpretation to whether it omitted or cited the heterodox part.

<table>
<thead>
<tr>
<th></th>
<th>Omitted</th>
<th>Cited</th>
<th>Total</th>
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<tbody>
<tr>
<td>State</td>
<td>20</td>
<td>14</td>
<td>34</td>
</tr>
<tr>
<td>Dissenting</td>
<td>1</td>
<td>19</td>
<td>20</td>
</tr>
<tr>
<td>Total</td>
<td>21</td>
<td>33</td>
<td>54</td>
</tr>
</tbody>
</table>

5. Contingency tables and odds ratios are frequently used in medical research. The odds ratio calculation is (34/117)/(20/20). The Pearson chi-squared test confirms that the decision to cite the passage is related to the choice to offer a state interpretation ($\chi^2 = 11.78, p < .0005$).
Of the 34 publications which put forward a state interpretation, 59 percent (20/34) truncated the passage, omitting the heterodox sentiments. This sort of omission cannot be viewed as acceptable authorial discretion. Nor can it be discounted as simple ignorance of the passage’s existence. To omit part of what is arguably an indivisible whole reveals either unusually inattentive reading or a willingness to suppress that which is ill-suited to the author’s intended message. The odds ratio shows that among scholars who saw some appeal in this passage, those with a state interpretation were only about 4 percent as likely as those with a dissenting interpretation to reveal its heterodox part. Or the inverse, those with a dissenting interpretation were 27 times more likely to show it. There is a profound asymmetry in method here, with the state interpretations avoiding complexity and the dissenting interpretations admitting of it. Among those who acknowledge the existence of the passage, the heterodox part has been treated either as a skeleton to be kept in the closet or as a skeleton key. The pattern raises the question—one which cannot be answered—as to how many of the other 117 with a state interpretation actively concealed this passage entirely to avoid having to address its complexity.

A closer reading reveals another shortcoming of the orthodox literature. Of the 151 publications which offer a state view, I have found only one case which responds to a main dissenting argument—and even this case is evasive on the specific dissenting argument of school funding. The case is from Mark Blaug (1975, 572 n.12) who is appreciative of E. G. West’s body of work and grants him authority on many fine points on the history of education, referencing him 14 times. Nonetheless, Blaug claims Smith supported public education and, in doing so, he entirely avoids West’s assertion that Smith favored private funding. Blaug only confronts West on the more elementary argument that Smith insisted upon freedom of choice. Proponents of the state interpretation thus have almost universally ignored the dissenting interpretations—and here it is worth noting that they have also ignored the initial commentary, i.e., that from the 18th and 19th centuries, which was particularly drawn to Smith’s resistance to the idea of subsidization (Drylie 2020). This pattern of failing to address dissenting views foreshadows what a closer literature review might be able to confirm: that the orthodox interpretation has not won an argument but rather assumed the victory.

6. The odds ratio calculation is (14/20)/(19/1). The Pearson chi-squared test confirms that the decision to suppress is highly likely to be related to the choice to offer a state interpretation (χ² = 15.35, p < .0001).
7. ‘Turnabout is fair play’ has not been adopted by dissenting literature. The four who cited just the heterodox part paraphrased the state sentiments of the first part. There is no case in which the dissenting literature simply ignores evidence of state sentiments in Smith’s writing.
8. Others reference West as an authority of Smith’s views of education or take issue with other aspects of his work, but steer even further from his position on school funding (e.g., Leathers and Raines 2003, 55).
Have these patterns changed over time? I considered several possible historical demarcations to use for splitting the publications into eras, and chose the year 1976; as the bicentennial of the publication of *The Wealth of Nations*, 1976 coincides with expanded interest in Adam Smith (especially outside of economics) and roughly with a rediscovery of Smith’s other work, *The Theory of Moral Sentiments*, which has elsewhere tended to change the nature of Smithian discourse on the role of the state (Labio 2006; C. Smith 2014). Table 3 in Appendix B shows the contingency table using the 1976 demarcation. There does not appear to be a relationship between the nature of the interpretation and era. Dissenting interpretations constituted 18 percent of the sample before 1976, and 22 percent from 1976 onward, a statistically insignificant difference. Also, although there has been an uptick in the presence of the passage in the literature (as seen in Table 4 in Appendix B), there remains an unwillingness to fully reveal or engage with the heterodox sentiments.

I also explored whether the academic discipline of the author was related to the decision to cite or suppress the heterodox part of the passage. Fifty-four cited the passage in any capacity. Forty-two of those were economists or historians of economic thought, of whom 31 (74 percent) cited the heterodox part. Eleven were non-economists, of whom only two (18 percent) cited the heterodox part. Thus, once it was determined to mine this passage for meaning, the heterodox part has almost exclusively been brought forth into the scholarship by economists and historians of economic thought (31/33). The decision to use the first part of the passage but to suppress the second can be associated with the non-economics disciplines in the sample (e.g., education, law, sociology, public affairs, and philosophy with no known focus on economics). Table 5 in the Appendix B shows the contingency table.

In summary, there is a dominant position that Smith advocated taxpayer funding, and there has been no discernable movement away from that position. Despite Smith providing a summary that stands in tension with that position, only a small portion of the scholarship has cited it. Despite that summary being in a distinct section called the “Conclusion of the Chapter” which has as its solitary function to summarize his recommended roles of the state, many have cherry-picked from it. Smith’s

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9. The Pearson Chi-squared test fails to reject the null, thus the era appears unrelated to the nature of the interpretation ($\chi^2 = .26, p = .61$). Robustness checks using different demarcation dates came to the same result. For instance, year 2000 ($\chi^2 = .08, p = .77$).
10. $\chi^2 = 11.87, p = .0005$.
11. One example was removed as that it was published by an organization with no disclosure of the authors.
12. But it should be noted that a great many economists and historians of economic thought fail to cite it at all.
13. $\chi^2 = 11.48, p = .0007$. 
writings have attracted many disciplines but very few outside of economics and the history of economic thought have cited the summary in whole. The tendency to suppress or avoid complexity begins to hint at the possibility that authorial discretion may have to be challenged, and due diligence insisted upon.

**Literature review**

The literature review seeks to answer the following questions: (1) What is it about Smith’s article on education which creates such a strong adherence to the state interpretation and leads to a decision to omit the key passage? (2) What, in contrast, comes into service for the dissenter other than the key passage? (3) Has the key passage moderated the state view in any way? (4) How should we recognize credibility on this matter?

**The logic of state interpretations**

Two passages are frequently cited to serve state interpretations of Smith: “The publick can facilitate this acquisition [of the most essential parts of education] by establishing in every parish or district a little school” (WN, V.i.f.55); and “Though the state was to derive no advantage from the instruction of the inferior ranks of people, it would still deserve its attention that they should not be altogether uninstructed” (V.i.f.61).

Many find it clear that Smith proposed extensive reliance on taxes and government control. Mike Hill and Warren Montag (2015, 75): “What Smith has in mind here…is nothing less than public education.” Patricia Werhane (1991, 19): Smith had in mind “the ideal of universal public education.” Sandy Baum (1992, 152): “Smith advocated universal education with the expenses to be paid out of general public revenues.” And Ellwood Cubberly (1920, 621): “The State has every right, not only to take over elementary education as a state function and a public charge, but also to make it free and compulsory.”

Smith’s plan would be a major change. Ryan Hanley (2009, 59–60): “Smith makes clear precisely what he has in mind…an expansive and unprecedented proposal for public education at state expense.” Gertrude Himmelfarb (1984, 59): “He urged the establishment of a state-administered, state-supported, state-enforced system of education with only token fees to be paid by the parents… He now advanced a scheme requiring a greater measure of government involvement than anything that had ever existed before.” Gavin Kennedy (2005, 226): Smith’s proposal “represented a substantial intervention by the state in the economic mode of his narrative of perfect liberty.” Emma Rothschild (1992, 91): Education con-
tains “some of his boldest proposals.” Dennis Rasmussen (2008, 107) calls Smith a radical, naming public education the “most important” of his recommendations to aid the poor. And Samuel Fleischacker (2004, 234–235) goes further, believing that Smith’s extensive recommendation in education demonstrates that his concept of sovereign is thus “broad enough to include practically all the tasks that modern welfare liberals, as opposed to libertarians, would put under government purview.”

Yet there appears to be a limit imposed upon his would-be proposal. Smith warns, “The master being partly but not wholly paid by the publick; because if he was wholly, or even principally paid by it, he would soon learn to neglect his business” (WN, V.i.f.55, my emphasis).

This passage has lent to a different pattern of responses: the mixed-mode interpretation whereby Smith is said to have sought only partial funding through taxation. Jessie Norman (2018): “The remedy Smith advanced is for government to establish a widespread system of local schools…paid for partly at public expense and partly through very moderate fees.” This mixed-mode interpretation is widespread and gains credence with scholars based on the fact that Smith provides an example (and one close to home): the Scottish parish system. Ian Ross (1984, 183): “Smith advocates a system of limited universal education, something like that of the parochial schools of Scotland.” Charles Fay (1930, 32): “He extols the parish schools of Scotland.” As for the right mix of taxes and user fees, Smith is silent. Those whom I have categorized as offering a state interpretation seem to suggest this example is determinant of a request for a large proportion for taxes. Dissenting literature does not.

What motivates Smith to cede responsibility to a state apparatus? A common answer in the state literature is that expanding education through the state could relieve suffering and provide private and public benefits. Smith has much to say on these matters. Of suffering, Smith provides a compelling depiction of the poor laborer, which includes moving comments such as: “He naturally loses…the habit of such exertion, and generally becomes as stupid and ignorant as it is possible for a human creature to become. The torpor of his mind renders him, not only incapable of relishing or bearing a part in any rational conversation, but of conceiving any generous, noble, or tender sentiment” (V.i.f.50).

Many have noted the passion with which Smith describes that suffering, and they imply that these passions motivate him in his endorsement of government intervention. Smith’s words are “harrowing” (Muller 1993, 150), “disturbing”


15. Missing on both sides is attention to the historical record which could shed light on the financial arrangements that Smith may have been aware of and possibly found exemplary. Contrast this oversight to the great attention given to identifying his source for the pin-factory analysis.

As for benefits, Smith writes, “The more they are instructed, the less liable they are to the delusions of enthusiasm and superstition, which, among ignorant nations, frequently occasion the most dreadful disorders.” Educated people are “more decent and orderly,” “more respectable” as well as respectful of superiors, “more disposed to examine, and more capable of seeing through, the interested complaints of faction and sedition,” and “less apt to be misled into any wanton or unnecessary opposition to the measures of government” (V.i.f.61).

This vigorous treatment of benefits has perhaps attracted the greatest attention. There seems to be universal agreement among those in my survey that Smith saw social and/or private value in the poor having education. The state and dissenting literature differ largely in specifying what kinds of actions such potential benefits mandate for Smith. The state literature has generally chosen to elaborate on these benefits as evidence of the strength of his commitment to education and derived from this commitment a willingness to involve government to ensure its access. The dissenting literature has resisted deriving such an implication.

The state literature richly discusses the benefits. Jacob Viner (1927, 227): “Smith supports the participation of the government in the general education of the people, because it will help prepare them for industry, will make them better citizens and better soldiers, and happier and healthier men in mind and body.” Rothschild (1998, 210–220): Smith wants people to be able to “speculate about the origins of the universe, or go to performances of tragedies, or to have conversations about their moral sentiments.” Ross (1984, 182–183): “He is led to interest himself in the vertical penetration of the Enlightenment”—meaning, the transmission of a “homogeneity of knowledge that animated the enterprise of Encyclopédie.” Jack Russell Weinstein (2007, 64): “His education comments are concerned with political as well as moral stability… Class barriers, in a commercial society, are great barriers to mutual sympathy.” Weinstein (ibid., 65), again: “A society only has perfect liberty if its members are actually capable of changing their trade when it pleases them.” James Alvey (1998, 4): “Moderation, a type of self-command (which is integral to Smith’s moral theory) is a sort of public good requiring government support.”

Irrespective of how compelling the case for expanded educational access is, a great many recognize that Smith does set a precondition for state provision. In

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16. It should be noted that some judgments such as these are shaded with delight at the notion that Smith is belatedly recognizing the irony of his beneficial system having deleterious side effects, and that some others feel these negative effects were exaggerated by Smith for rhetorical purposes.
the prelude to his public works analysis, Smith considers it appropriate for the sovereign to provide only those goods and services “which it can never be for the interest of any individual, or small number of individuals, to erect and maintain; because the profit could never repay the expence…though it may frequently do much more than repay it to a great society” (IV.ix.51). For Smith, private parties would need to reveal a current and future inability to provide the socially beneficial product.

Some specifically note this precondition. Kevin Quinn (2013, 121) writes, “As with any other good, then, the case for government involvement in its provision or financing will depend, for the economist, on identifying a market failure of some sort.” Others seem implicitly to recognize it, and others to give it no attention. Regardless, for those whom I have classified as having a state interpretation, this precondition has been met in Smith’s time or would inevitably be met in any society built upon liberal commerce. Jerry Muller (1993, 148, 150): Smith was “writing at a time when there was no general education. … As an antidote to the mental degradation caused by the division of labour, Smith recommended universal public schooling, largely at government expense.” Quinn (2013, 121): “There did not seem to be a market for educating the poor.” Alvey (1998, 4): “Education is not sufficiently provided to the public by the private sector.” Dogan Göçmen (2012, 62): “As a solution to alienation…Smith proposes universal education.” Paul McNulty (1973, 361): “His real purpose was to point out that the deleterious effects of division of labor could be overcome or eliminated by governmental programs supporting educational or cultural programs in which the laboring poor could participate.” Public funding of education was necessary if Smith’s liberal project for commerce was to be considered virtuous.

Scholars have consistently focused on these passages to make the case for Smith as an advocate of taxpayer funding. Such a focus, however, is tight, and that potentially comes with the cost of excluding other material that arguably alters the context and the reading of these passages. And it happens that all of the passages occur in the last quarter of Smith’s article. In the first three-quarters of the article there is a remarkably different tone, as there is in the “Conclusion of the Chapter.”

The logic of state interpretations which cite the passage

Some advocates of the state interpretation have let the “Conclusion of the Chapter” passage appear in their articles. Has doing so caused some moderation of the state view that has not been captured by my broad categorization scheme? Is

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there something to learn about the passage from their readings of it?

Unsurprisingly, those citing just the first part add no new perspective. Brian Lund (2002): “The economists, [Smith in particular], who promoted the market as the most efficient distributive mechanism agreed that education was the most important exception to the general prohibition against state intervention.” Edmund Phelps (1997): “The public sector was to serve economic development—to expand opportunity.” Irene Gordon and Lawrence Boland (1998, 1235): “Adam Smith clearly acknowledges that there is a necessary social role for government [in defense, justice, roads, and education]…. Market failures exist.” Elise Brezis (2006, 21): “Adam Smith was aware of the positive externalities of education on the society, and therefore thought that educational institutions should be financed in some part by the state.”

Rather than showing any particular attenuation of state sentiment, there was even a tendency toward didactic and dubious fiddling with state sentiments. Janice McClung Holtkamp (1994, 3), for example, places the truncated first part in the position of an epigraph—therein, summoning Smith as a definitive and authoritative voice introducing a study which will claim to show “that investment in higher education by society is a necessary and beneficial endeavor.” D. Naismith (1988, 28) includes the first part in artificial block quote which creates a highly deterministic characterization of Smith. He cites the third duty of the sovereign as “erecting and maintaining certain public works and certain public institutions.” But he removes all the conditions, and instead appends to it “Education…may, therefore, without injustice, be defrayed by the general contribution of the whole society” (ibid., my emphasis). The “therefore” takes on a far different association than in Smith’s original. And Frank Solomon (2013, 158) uses an artificial block quotation to the same effect: He conjoins Smith’s “The publick can facilitate” clause to the final paragraph of the “Conclusion of the Chapter” instead of to the key education paragraph I have focused on which is adjacent to it.¹⁸ The final paragraph merely restates the general principle of market failure, therein permitting Solomon to avoid the hedged comment about its applicability to education.

Perhaps surprisingly, those who cited the whole passage also did not attenuate their interpretations in any way. Joseph Spengler (1975), Elehanan Cohn (1979), Claire Palley (1991), Brendan Walsch (1998), Orhan Kayaalp (2004), and Wilfried ver Eeck (2013) may have cited the whole passage, but they provide no interpretation of the whole. Instead, they appear to have cited it merely for the apparent drift of its first part.

Only a few authors cite the whole passage and sense the contrary drift of the second part. Andrew Skinner, for example, writes of the conclusion, “The modern

¹⁸. Solomon (2013) has not been included in the dataset as he did not cite the passage.
reader has to make a considerable effort to understand Smith’s intentions” (2012, 168). Skinner also writes that “Smith’s position was thus somewhat ambiguous” (1995, 88). Murray Milgate and Shannon Stimson (2009, 114) find that the duality of the passage shows Smith was “less than whole-hearted.” Charles Leathers and Patrick Raines (2003, 54–69) pause at it as well. However, none of these authors maintain these dissenting tacks. They each resolve the passage by adopting a dual-policy interpretation which is common in the literature.

This dual-policy interpretation states that Smith had two views of subsidization, one for the rich attending universities and one for the poor needing elementary education. Smith addresses both types of students within his article “Education of Youth.” The argument goes that Smith cannot recommend subsidies as a financial structure for universities because they tend to corrupt quality, but he nonetheless recommends expanding them as a solution for the poor. Reisman (1998, 376) writes, “In respect to Oxford, Smith was a libertarian… In respect to secondary education for the lower classes, however, he was visibly more interventionist.” Richard Stone (2005, 69–71): Smith is “curiously negative” regarding the “educational arrangements of his day” for higher education; but Smith is an “optimist” regarding “the children of the common people.” Rothschild (1998, 209): “He finds no good reason that the public should pay for educational endowments, or for the great ecclesiastical corporations…but he is strongly in favour, by contrast, of public support for the education of the ‘common people.’” Jerry Evensky (2005, 228): “Although Smith wants government to finance education for the working class children, he is very much against government financing of that institution which provides the instruction of people of all ages: religion.” Clyde Dankert (1974, 164): “It should be added that our author was thinking here [on the disincentives of endowments] primarily of education for the well-to-do classes. He supported a somewhat different arrangement for the education of the masses.”\footnote{Finally, Pierre Tu (1966, 10) and George Fallis (2007, 91), who cite Smith’s final words, assert this dual-policy perspective as well.}

The question is: on what basis has this dual-policy account been established? It is unclear. There is no particular citation which establishes it, and the authors do not explain themselves. My inference is that the two distinct policies either appear so self-evident to these authors that they feel it requires no elaboration, or that they arrive at two policies as a logical necessity to make sense of an article which is at first highly critical of subsidization and then seemingly receptive to it. Only those who cite Smith’s final words and sense its duality seem to wrestle overtly with the dual-policy idea.

\footnote{19. For more examples see Morrow 1927, 326; Robbins 1965, 90; A. Brown 1975, 267; Himmelfarb 1984, 58; Rothschild 1998, 210; Ortmann 1999, 303; Birch 1998, 34.}
For instance, Skinner provides varying interpretations. In one instance, he resolves the tension in the passage in support of the mixed-mode model (Skinner 1995). In others, he wants to address the passage as only applicable to university students and ignore that it applies, as written, to elementary education as well (Skinner 1988; 2012). Skinner leans toward the dual-policy interpretation, stating that Smith “protested against” university subsidization (Skinner 1988, 12–13) but recommended elementary subsidization even as it “infringe[s] the natural liberty of the subject” (1988, 10). Similarly, Milgate and Stimson (2009) and Leathers and Raines (1992; 1999) want to discuss the passage only in relationship to religious education. Milgate and Stimson (2009, 114) assert that Smith “sharply distin-
guished” his views of elementary education from religious education, rejecting endowments for religion but “unambiguously” recommending taxes for elementary education. It is important to note that to maintain this interpretation, Milgate and Stimson tinker with Smith’s final words which pertain to “education and religious instruction” alike, and they drop the word “education.” These efforts by Skinner (1988) and Milgate and Stimson (2009) seem to imply that Smith’s message requires some rewriting or downplaying in order to align it with their impression from the article itself. But again on what basis is that impression formed?

As far as I can tell, it is only Leathers and Raines (2003) who provide a stated reasoning to adopt a dual-policy interpretation. Leathers and Raines state that "the entire discussion of the education of youth devoted more attention to university education for the sons of ‘gentlemen and men of fortune’ than to the basic education of the ‘common people’" (2003, 54). In addition, they too seem to be governed by another premise—namely, that Smith’s writing tends toward “incompleteness, weaknesses and contradictions” (ibid., 69). My reading of their approach is that Smith’s final words—which make no distinction between the rich and the poor—should have done so if they were to be consistent with Smith’s treatment of endowments. Predominantly derived from observations of universities, his study of endowments produces only weak implications for what to do about elementary education. Smith had no intention for the lessons of endowments to be broadly applicable.20

If there are other rationales by which to establish a dual-policy perspective, I am unaware of them. Another that I sense but cannot attribute to any particular author is that Smith, in facing whether to commence a public work, contemplated the issue in terms of likelihood and magnitude of effects. Smith’s article might make clear that he views positive effects as unlikely, but perhaps Smith finds that the upside potential for the poor renders public financing a worthwhile experiment,

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20. Leathers and Raines (2003, 55), interestingly, reference E. G. West to dispute his position regarding economic gains, but they do not acknowledge that West had a different reading of the key passage.
i.e., worth the risk of wasted expenses and further marginal degeneration. None have written anything so formal. However, this narrative perhaps fits with the spirit and narrative of many interpretations; Smith is embarrassed by the strength or excessively broad application of his argument for commerce in WN, and now he must concede to a different perspective and make amends for the damages done to the poor. That is, Smith’s cool calculations and excessive prudence must give way to a compassion. The problem with this rationale, however, is that it certainly goes too far if Smith’s final words represent his views. Namely, the only effect of this transformation of thought in his final adjudication is that, instead of rejecting government outright, he cautiously includes it as an option in a solution set, and a disadvantaged option at that.

To conclude, very few of those who cite Smith’s final words note the contrary drift, and those who do nonetheless recast it in favor of a state interpretation. As such, moderation of the state views has not occurred. In this process, some curious liberties have certainly been taken with Smith’s final words, but in doing so these authors elevate the challenge for anyone who would place value in them. Perhaps the conclusion poorly represents Smith’s views, and must be reinterpreted through the greater lens of the article. And indeed, one wouldn’t want to abandon an entire article in favor of a single citation if that citation is not representative of the rest.

But is it the case that Smith’s final words do not match the article? The dissenting literature relies on both, suggesting there are harmonies between them. The dissenting literature also takes some pride in recognizing these harmonies and has accused the orthodox literature of inattentive reading. For instance, they state that much of the article, especially his criticism of endowments, has been “neglected” (West n.d., 2) and treated as “mere curiosum” (Rosenberg 1960, 568). I draw a similar conclusion about the state literature. I find little attention being dedicated to the first three-quarters of the article. I also identify a great many authors who sense the article is “contradictory,” “vague,” “awkward,” “unspecific,” “muddled,” “odd,” “deficient,” “ambiguous,” “wandering” and “unformulated,”21 and yet who have not pursued these internal tensions and peculiarities for alternative meanings. Different levels of attentiveness to much of the article may account for the disparate views.

The logic of dissenting interpretations

The survey identified 40 interpretations which hold a dissenting view of

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Smith’s favored role for government in education. They take great inspiration from the first three-quarters of the article, from which none of the prior quotes come. There Smith maintains that endowments are disincentives to quality instruction because they provide guaranteed salaries to teachers irrespective of performance. For dissenting scholars, his depiction of the ill effects confidently answers the primary question of his study: Are endowments a good model which validates establishing government schools based on a tax fund (V.i.f.2-4)? The dissenting scholars answer with varying degrees of confidence that endowments provide no such validation for taxes. They do not directly address the possibility of a dual-policy interpretation. They instead treat his argument as uniformly condemnatory. As that their accounts are usually relatively terse, I must infer why they do not consider the dual-policy view. They either find the specifics of college and university endowments as unessential to his argument; or they reject the factual basis of Leathers and Raines’s premise that Smith is predominantly focused on colleges and education. I will first identify some of the passages that inform their reading. Then, I will outline what I believe steers dissenting scholars away from a dual-policy perspective.

Some of the most highly critical passages of endowments occur, indeed, in regards to colleges and universities. Smith writes of the fully salaried university teacher: “His interest is, in this case, set as directly in opposition to his duty as it is possible to set” (V.i.f.7). Of partially salaried teachers, he writes of partial effort, and explains that effort is “always more or less diminished” accordingly (6). Authorities cannot improve this causal relationship. “In the university of Oxford, the greater part of the publick professors have, for these many years, given up altogether even the pretence of teaching” (8). Authorities often worsen the causal relationship, rendering the teacher “obsequious” to the arbitrary goals and “one of the meanest and most contemptible persons in the society” (9). Of natural will toward excellence and personal reward, Smith is suspicious (4).

In each case, Smith’s explanation is clear and rhetorically charged. Guaranteed salaries and limits on student choice of college teachers will “extinguish all emulation” (V.i.f.13), “blunt the edge of all those incitements to diligence” in teachers (14), and cause a teacher to operate with interests as “in opposition to his duty as it is possible to set” (7). The college tutor or teacher may “commonly teach very negligently and superficially” (33), may “flatter himself that he is giving a lecture” (14), may “neglect his duty” (8), even “altogether” (9). Endowments, at least, in colleges and universities, fail to achieve quality because of their primary function of subsidizing the teachers’ salaries.

Endowments also fail to produce meaningful curricula. With teachers and administrators receiving guaranteed salaries, students have no means to command change. As a result, over time the curricula fail to render the education “proper” for
“the education of gentlemen or men of the world, or more likely either to improve the understanding, or to mend the heart” (V.i.f.32). They become full of “exploded systems and obsolete prejudices” (34). Some fields may even be a “useless and pedantick heap of sophistry and nonsense” (46). Regardless of intent, a lecture devolves into a “sham-lecture” full of “nonsense” (14).

Does this negative assessment of colleges amount to a condemnation of a specific college form of endowment or, instead, does it contribute to condemnation of all endowments? I believe dissenting scholars generally recognize that Smith does not set up his study to find a variegated set of cause-and-effect relationships, nor does he find them. He asserts that performance pay is integral to effort “in every profession” (V.i.f.4)—even in teaching, about which he hypothesizes that endowments “have necessarily diminished more or less the necessity of application in the teacher” (5). Here is not a partial or particular hypothesis about colleges. In fact, he believes his hypothesis to be true in both “schools and colleges” (ibid., my emphasis). In the ensuing test of his hypothesis, in no case does his commendation of them depend upon any variable unique to colleges.

Dissenting scholars may note that Smith also addresses non-college examples and his message is consistent. Endowed colleges and universities are without merit, but England’s privately funded “publick schools” for grammar and language (by which he means schools outside the home), are “much less corrupted than the universities” because they are based on user fees. In another comparison, in endowed riding schools, “good effects” are “not commonly so evident”—but in privately funded schools of fencing and dancing, a student “seldom fails of learning to fence or to dance” (V.i.f.16). The distinguishing characteristic of these comparisons is solely whether endowments exist—not whether a certain kind of endowment exists or whether a certain kind of student is involved. The comparisons make the point that endowed schools differ from private schools; endowed schools do not differ from each other in ways that require him to modify his judgment.

Dissenting scholars may also note that Smith is consistently critical across a large sample set. Unsatisfied with the limited variety in his contemporaneous examples, he turns to the historical records of ancient societies to determine if endowments have ever had a positive outcome. Smith examines the ancients’ schools of gymnastics and music; reading, writing, and accounting; philosophy and rhetorick; and civil law. He cannot find a single example where subsidization was a cause of the success of the school. Moreover, he makes clear that a better direction of focus for governments may be the stimulation of demand for education rather than the supply. Counting these schools amongst his examples may render Leathers and Raines’s premise false. Smith dedicates more time to colleges and
universities, but those examples constitute a minority set in his entire study.

Still, why address colleges and universities at all in a study dedicated to understanding the “Institutions for the Education of Youth?” And then why so much attention? Does this not inevitably confuse the reader as to the proper scope of his condemnation? To the first question, to provide a thorough study would require attention to them, as that the concept of the “education of youth” contained within its domain college and university students. This can be established by legal accounts (e.g., Pickering 1762), as well as through common parlance and other education writing (e.g., Denning 1763). To the second question, there are two natural reasons for the magnified attention. First, endowed colleges predominate among the potential contemporaneous examples. Endowments, as a means of funding, are strongly intertwined with the history of colleges from their 13th century inception (Wood 1792) and thus they represent the bulk of contemporaneous examples at his disposal. Second, they are the examples which his audience had experience with and could relate to. Smith is using familiar college and university examples in the same manner that a parent would use known and particularly poignant examples of car crashes to advise their rash child how to avoid the same end.

But one might argue that these answers are insufficient to explain Smith’s lengthy and well-known history of colleges and universities, which spans approximately a quarter of the article. I cannot speculate as to what dissenting scholars think of this history, but in my own work I have offered some additional context which explains its length. Namely, his history does not occur arbitrarily as a digression (or a fixation). It is prompted by a specific challenge from a rhetorical interlocutor: a warm-hearted and well-intended sentiment which argues that despite endowments’ problems, something is better than nothing (V.i.f.18). Smith’s history is a carefully chosen response to this sentiment, a case study or morality tale for the audience unmoved by his methodology thus far. His history goes on to show that endowments are greatly to blame for the intellectual, moral, and social destruction occurring across Europe. A series of ironic counter-responses to the challenge wraps up his history: a portrayal of wealth turning to poverty, legacies degrading into feebleness, science devolving into nonsense, and good intentions ending in social ruin (V.i.f.34–37, 46-47). The history of colleges and universities provides the correct lens to make these points, as worries of moral decay and poor quality in British colleges was a frequent point of conversation.

22. In Drylie (2020), I more fully show the presence of a dialogic structure used by Smith to further his argument, and I characterize this paragraph as an interjection of incredulity. Leathers and Raines (2003, 56) attribute this warm-hearted sentiment to Smith himself, calling it his “most revealing comment.” I find no merit to that reading based on the context.
at the time. Smith utilizes those anxieties to his advantage. That he again rebukes the challenging sentiment of something-is-better-than-nothing later in the article reveals how much the sentiment worries him for its ability to persuade people to retain some faith in the rotten institution of endowments.\footnote{He concludes his overall assessment of endowments, “Were there no publick institutions for education, no system, no science would be taught for which there was not some demand” (V.i.f.46). This statement has frequently been misattributed to the statist idea that a society cannot rely on the preferences of society, but rather must provide what legislators know to be of importance. But an honest assessment of the context shows that it is his second and very pointed rebuke of the idea that any action is better than none.}

Finally, I suspect that some scholars are attentive to the tone and manner in which he concludes his analysis of endowments. He writes of the ancients: “The demand for such instruction produced, what it \textit{always} produces, the talent for giving it; and the emulation which an unrestrained competition \textit{never} fails to excite, appears to have brought that talent to a very high degree of perfection” (V.i.f.45, my emphasis). He finds that the ancients, unburdened by endowments, were superior to modern teachers. He also introduces the language of markets for the first time in the article. He writes of “competition,” “trade,” “sale,” “goods,” “price,” “profit,” “demand,” and “bankruptcy” (45). Therein, he situates the market for education back into his general view that freely functioning markets can naturally arrive at superior ends for society. Education is unexceptional. It may need encouragement and protection, but it is not so distinct that it requires government production.

Dissenting literature pulls from these citations and impressions to various degrees and arrives at a range of portrayals of Smith. Smith is either unsure, restrained in his invitation to government, principally resistant to government, or advocating alternatives to government. I shall now provide examples of their commentary.

Given his earlier criticism of endowments, some scholars react to the tone, ambiguity, and under-defined qualities of his would-be recommendations for government, and they derive uncertainty. Arthur Lynn (1976, 371): “No final solutions and little practical guidance are to be found here. Given the \textit{intractability of such problems}, his uncertainty is understandable; one has the impression that he really favored market-like price equivalents in most cases but recognized the pragmatic reality” (my emphasis). Christopher Lucas (1972, 363–364): “Whether the government was to help support the system also is uncertain.” Among those who cite the passage, Peter Browning (1983, 70) writes, “Smith’s long—and delightful—discourse on education does not, however, lead him to any firm conclusion on who should pay.” Tom Stonier (1985, 14–15): Smith “equivocated on the question of whether the expense of education should be borne by public or private funds.”
Others grant there is a role for government but believe there is no textual basis for anything more than a minimal one. Milton Friedman (1976): “Smith himself did not regard his third duty as providing extensive scope for governmental activity.” Jeffrey Young (1997, 200): “Government must take ‘some pains,’ but there is no indication that this requires anything more than a marginal infringement of a natural liberty…It does not necessarily mean government operated schools, much less the demise of capitalism.” James Otteson (2011, 166–167): “This intrusion on the free market that Smith endorses is quite a weak one.” P. J. O’Rourke (2007, 141): “Adam Smith was only a tepid advocate of public education.” West (1964, 466): “Adam Smith was especially careful to avoid a state system which would reproduce the errors of endowed schools.” West (1980, 998), again: “Close textual examination reveals the tamest of Smithian programs…This is surely not a program of social control via coercive state education.” Alexandra Hyard (2007, 76) concludes that Smith’s proposal was “a minor proposition” and “mainly…a private matter.”

Occasionally, the reasons for Smith’s resistance are elaborated upon. Milton Friedman (1976): “Despite Smith’s acceptance of the appropriateness of governmental establishment and maintenance of such institutions, he devotes most of his discussion to a scathing attack on the effects of governmental or church control of institutions of learning” (my emphasis). Fay (1930, 187): “The sacredness of liberty to him explains why, unless there be no other way, he is disinclined to the provision of education by an external body.” Charles Griswold (1999, 254) finds approval for government only “as long of course, as the means chosen are carefully thought through so as to prevent the evils that always accompany the creation of state-enforced standards (e.g., the creation of administrators of those standards, in this case teachers, whose income is assured).” And West (1964, 475) reminds the reader that “suggested improvements must be envisaged in the realm of the politically possible. The state is not a disembodied abstraction and its officials are presumably just as fallible as other human beings.” In large part, these scholars have reacted to Smith’s criticism of endowments and understood his displeasure through a broader understanding of his relationship to liberty.

Those who cite the passage convey a similar message of disapproval, and often characterize it as his pointed, conclusive warning against the state. Steve Bradley and Jim Taylor (2004, 2): “In spite of the warnings delivered by Smith in the 18th century, and the recent interventions by Friedman and other right-wing academics, the trend until very recently has been towards increasing government intervention in education by the state.” David Friedman (1997): “It is often said that Adam Smith, despite his general belief in Laissez-faire, made an exception for education. That is not entirely true. In the course of a lengthy and interesting discussion, Smith argues both that education is a legitimate government function,
at least in some societies, and that it is a function which governments perform very badly.” Robert Wright (2017, 126): “Smith, after all, was a keen observer of government. He realized that although the government could occasionally run a successful business, like the loan office in Pennsylvania, the public pawnshop in Hamburg, and the various postal systems, government businesses often failed because of ‘slothful and negligent’ provision, and ‘thoughtless extravagance.’” And George Montgomery (1949), introducing the whole “Conclusion of the Chapter” writes, “Were Smith’s treatment of government spending and borrowing to have come to the attention of certain politicians and liberal economists of the past two decades, they should have refrained from making some of the flagrantly immature declarations as to the significance of the economy of the state and particularly public debts.” Smith’s final words, then, permit these authors to heavily weight Smith’s overall suspicion of the state. Education is not an exception.

Some scholars conclude that Smith’s faith in private action was discernible in the article and constitutes his preference. Milton Friedman (1976): “[Smith] favored financing [institutions for the education of youth] largely by specific fees.” Edward Ryan (1990, 152): “Smith gave his support to this method [of user fees] in such areas as education and the use of turnpikes.” West (1964, 465–467): Smith preferred to “remove all obstacles to competition” and rely on “market forces in providing education.” Eamonn Butler (2007, 69): “He remains unclear on just how much government should pay towards this basic education, though he expresses high regards for the private schools for the skills like fencing or dancing, where the students pay the whole amount.”

Those citing the passage agree. David Friedman (1997): “His conclusion is that while it is legitimate for government to subsidize education, it may be more prudent to leave education entirely private.” Wright (2017, 126): “Most public services, therefore, were best left to the private sector, including, where appropriate, non-profit corporations.” Kerry King (2005b, 357): “Although the debate over school choice has just recently become a major topic in education reform, implementing choice and competition in education was first discussed by Adam Smith.” Arthur Taylor (1972, 47): Education, “being of benefit to society as a whole, could legitimately be made a public charge…[but] Adam Smith offered [the free market] a modicum of encouragement when he expressed a preference for a system in which the expense of education was ‘defrayed altogether by those who receive the immediate benefit.’”

Aside from user fees, the phrase “voluntary contribution” in the passage conveys to some authors that Smith also held faith in charity. Walter Clark (1903, 230) concluded succinctly that Smith approved of “education of common people in charity schools.” Jack High (1985, 317), paraphrasing Smith: “If we do in fact benefit from the additional education of others, voluntary contributions enable
us to capture these benefits without the necessity of government action.” Robert Heilbroner (1986, 312) comments in his condensed version of WN that education “may also be defrayed by general contribution, but better by fees and voluntary contribution.” West (1994), adopting the persona of Smith in a mock interview with the Minneapolis Federal Reserve, states: “I always wanted the parents, even poor parents, to pay fees covering some significant part of the costs, and if there was to be some non-parent support, I recommended voluntary contributions from the immediate neighbors. This was not therefore an argument in favor of state education as so many writers tend to believe.” Finally, my own work aims to rehabilitate the place of charity in his thoughts on education (Drylie 2016; 2020).

The thought of charity has crossed the mind of a few who offer a state interpretation, but they sell Smith short. Daniel Rauhut (2005, 29–30) implies that Smith missed the fact that “private agents can provide several of the things Smith lists as government duties.” Reisman (1998, 371): “The State is in and the market is out—or perhaps Smith simply threw in his cards without appreciating just how much the automaticity of interest could rise to the challenge.” And Gaston Rimlinger (1976, 230) claims Smith had “little faith in private charity.” Overall, few have noted or have taken Smith’s phrase “voluntary contributions” as a meaningful proposal. However, Smith does in fact identify charity as an option in the article, which he attributes to the English solution to the problem (V.i.f.55). A close reading will reveal that he in no way dismisses the option.

A pattern that emerges in the dissenting literature is that Smith, indeed, contemplated a role for government but constrained or denied it. These scholars turn to the abundance of criticism of endowments as evidence that Smith’s true message to the reader is to proceed warily and to resist the seduction of any apparent easy solution. Because of public benefits, government action may be looked at as just; however, government action will likely disappoint and end up being unjust.

Three distinguished dissenting interpretations

It is important to note that the dissenting literature has not strongly argued the points I make above, nor heavily substantiated them. My above citations of Smith far exceed evidence provided by any one of them. And while those who cite the passage tend to make the argument more forcefully, there remains a tendency toward terseness. In only three cases do scholars provide elaborate interpretations. Each makes contributions beyond points in my foregoing discussion.

Knud Haakonsen (2006, 20–21), who does not cite the passage, writes that government is part of the solution to “replace the moral community of spectators that is lost when people move away from the dependency relationships of
traditional society to the ‘anonymity’ of the wage economy in commercial society.” But then he importantly defines Smith’s notion of governance as encompassing “the great number of public offices which were certainly of a civic nature but which were not offices of the state.” Here is a notion of governance which opens up a much more indeterminate solution set of possibilities than the set of mixed-mode options which have presented themselves so far. Haakonssen concludes that the funding for education will come “in part by society, and by the multiplicity of confessional groups that tend to arise from freedom of religion.” The politics to such ends should crucially be driven by “a wide variety of leadership roles in local communities.”

The other two distinguished interpretations do cite the passage and apply a similar historical perspective. First, E. G. West, who has investigated this subject more than any other has, wrote:

Smith was ultimately so heavily critical of the way in which any element of “subsidy” was in danger of being squandered, that one often gets the impression he believed they were typically non-productive, if not counterproductive. The penultimate paragraph of his long section on public works [the key passage discussed in this paper] deserves more attention than it usually receives. It shows Smith’s final balance of all the arguments reviewed earlier in the same chapter… It is relevant that Smith relies on voluntary contributions from the “neighbours.” These neighbors would recognize benefits to themselves of the prospects of the poor in near proximity to them having an education. With a free-rider problem partially resolved through proximity, education can therefore be left to these neighbors to provide subsidies to augment family education and expenditure. (West 1977, 15–16)

West is particularly keen on Smith’s “voluntary contribution” phrase because he believes Smith’s concept of the sovereign was not equivalent with today’s government, but rather represented a range of government and quasi-government roles. The sovereign was generally cast first as a “stage manager” and not a “leading actor,” a protector of property and markets, not a producer (West 1977, 18). The sovereign’s role would involve, then, the active enabling of both private and charitable markets, which at the time did require enabling (Drylie 2020).

The last example is from Craig Smith:

Without this local responsibility there is a real danger that the providers will become unaccountable and inefficient. The sort of government action that Smith is endorsing here is clearly not that of a remote eighteenth-century national government, but rather that of a local association accountable to its residents. Moreover, even in this case the service is to be organised in such a way that the individuals involved have direct relationships unmediated by a
state apparatus. Those who “receive the immediate benefit of such education and instruction” are reasonably to be expected to meet the expense, just as those who make use of the legal system will support the expense involved through court fees. It would seem that Smith thought that most of the activities covered by his heading of police would be maintained at a sub-national level and quite separately from the institutions concerning justice. (C. Smith 2012, 795)

These interpretations by Haakonssen, West, and Craig Smith have similar qualities. They eschew the cloying framework which is so common in the literature and which states that even this icon of the free market could admit its shortcomings when it came to important things like education. Instead, they reveal that a close reading of the text in historical context allows the article to be both internally coherent as well as coherent to the principles that run through WN. They cast Smith as a writer who is gifted, disciplined, and tending toward consistency in his thinking. They elaborate on the logical possibilities of the text—like those sensed by, say, a William Boyd (1932, 324), who only speculated that Smith’s choice to name the agent as “the public” is one that “leaves open the possibility of other educational authorities.” They resist the temptation to conceal complexities, and over-define the solution for the modern reader, as did Eli Ginzberg (2002, 102) who simply replaced the word “public” with “state” in the phrase, “The public can facilitate, encourage, and impose.” They resist the misdeeds of, say, an Albion Small (1907), who misquoted Smith’s subject of criticism throughout the first three quarters of the article as “private endowments,” when Smith in fact makes no distinction and used the phrase “publick endowments” (V.i.f.3). Regardless of one’s ilk, these well-known scholars’ efforts on this topic deserve as much attention as their efforts elsewhere have received.

**Conclusion**

There are many aspects of Smith’s article which could bring public education to mind. Smith recognizes the challenge of educational access and describes the problems of the poor; he identifies many private and social benefits which would derive from more widespread access; he specifies a market-failure rationale for government to intervene; and he makes a call to action. But Smith also provides a theory that public subsidization, as a specific kind of action, will be corrupting; and as one of his first French translators noted, Smith lays out “incontestable examples” of that corruption (Garnier 1843/1802, xxx).

The challenge for the reader has been to determine how to characterize Smith’s call to action, given his misgivings about endowments. The majority since
1893 have either lightly weighted or dismissed his anxieties about endowments and have read the text as providing a clear prescription of subsidization. Those who have dissented have been moved by the vigor of his criticism and have characterized his call to action as vague or constrained by his criticism.

The observed pattern in the literature suggests that that literature does not constitute a body of knowledge that makes a strong case for either interpretative choice. The state view almost universally suffers, at a minimum, from omissions. Those who perpetuate the state view have rarely cited Smith’s final adjudication of the funding options, and have even regularly suppressed, ignored, and deflected the part which is inconvenient for the state view. A strong refutation of the inconvenient part is absent, and a recognition that others have dissenting views has almost never been put to paper. The state interpretation hangs a great deal on the claim that Smith’s views of endowments are irrelevant. On the other side, the dissenting view suffers from lack of voice. They have not recognized that the prevalence of state view in the literature necessitates that they provide more evidence and a stronger case. They have not cried out that there may be an injustice occurring in the manner in which many scholars position Smith within a political discourse. The result is that debatable points remain undealt with, and unresolved elements of the text remain unexplored.

I will conclude with an attempt to stimulate the debate which I feel is missing. I provide a series of additional inconveniences for the state interpretation. The dismissal of three-quarters of the article has allowed for the avoidance of these inconveniences. They also have not been substantively put forward, or addressed at all, by dissenting authors. Each elevates what I would expect to be a reasonable burden-of-proof to make the state case. I have elaborated on each of these in prior work (notably Drylie 2020).24

- In the most famous of his purported advocacy quotations, Smith writes “The publick can facilitate this acquisition by establishing in every parish or district a little school” (V.i.f.55, my emphasis). Could Smith’s use of the term “the public” instead of “government” matter? A concept of the public as being distinct from the state did exist in Smith’s time. Moreover, Smith’s use of the term regularly reflects that distinction. Considering that immediately after this statement he identifies two ways to establish a school—the Scottish quasi-government model and

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24. I borrow this burden-of-proof phrase from Charles Griswold (1999, 295), who writes, “A burden-of-proof argument suffuses Smith’s writing in political economy; the state may intervene in all sorts of ways, but those who would have it do so are required to show why it should in this particular instance, for how long, and in precisely what fashion, and how its intervention will escape the usual dangers of creating entrenched interest groups and self-perpetuating monopolies.”
the English charity model—a different interpretation is possible. Namely, Smith takes advantage of the ambiguity of the term *the public* and uses it as an expedient to broadly summon agents, both governmental and civilian, to consider this option.

• The Scottish quasi-government education system in Smith’s time was not on a strong foundation, but the extant charity system was thriving, broadly supported by those in the rising ranks, and well-known. Thus, his readers would need convincing to abandon charity for government. Smith makes no such compelling case. He never adjudicates clearly in favor of the state system over the merits of charity, but rather places them in close equipoise as the introduces them. In the “Conclusion of the Chapter” he even tends to favor charity, as the term “voluntary contribution” would have clearly conveyed charity in his time.

• Smith repeatedly portrays endowed schools as “corrupt” (e.g., V.i.f.17, 20, 30, 33, 45, 49). But he also specifically denies government any claim to success throughout his assessment of ancient schools, and he chastises historians who have given governments too much credit (V.i.f.39–45). He accuses them of fabricating “ingenious reasons,” being “predisposed” to see wisdom in ancient governance (40), and tending to “over rate” the role of the legislator (45). Therein, he asserts that there is a distinct bias or prejudice of thought on the matter—one which he cannot be cajoled to adopt (45). If Smith still wanted to recommend tax-financed endowments, Smith sets a high bar for himself to explain why society should replace extant options for the poor with one that is theoretically flawed, historically unproven, widely corrupt, and supported by prejudicial thinking. He does not, and likely had no intention to, make such a case.

• The idea of widespread schooling based on a tax fund was afoot in Britain when Smith wrote. It had been recently posed by the popular moralist John Brown (1765) and was passionately critiqued by the famous scientist and educational thinker Joseph Priestley (1765) as well as by the popular, outspoken reverend Samuel Parr (1828/1780). However, none had done justice to the topic, relying on theoretical arguments rather than comprehensive evaluations of endowments’ potential merit. Smith is almost certainly aware of these famous debates, and his article’s rigorous approach may serve to rectify their deficiencies. Perhaps most important to note, however, is that Brown’s inspiration for his provocative work was Montesquieu, who asserted in his 1748 *The Spirit of the Laws* that government should take a role in providing education (2001, 53–56). Montesquieu is generally treated
as insignificant in the historiographies on education, but he had an important temporary impact in Britain through Brown’s work. Smith mentions Montesquieu in his article (V.i.f.40) and rebukes him along with other historians for their romanticism of government. In doing so, Smith most definitely has entered into this contemporaneous debate, and taken a side against government.

- In a few brief paragraphs, Smith’s possible solutions contain at least 13 examples of restraints and limits (V.i.f.54–56). The defining quality of his solutions is their smallness. Even the idea of a school-per-parish is restrained, as that such a model had already been shown to be insufficient in providing widespread access in most Scottish parishes. Smith did not make a push for an elaborate, complete, or expensive solution.

- Smith never specifies that small schools, small incentive rewards, and mandatory capability testing should all happen. They could be three independent options. Additionally, the multiple calls for the state and the public to “give attention” to education also never specify which option. Given that Smith shows an appreciation for demand-side encouragements instead of supply-side provisions in the article (V.i.f.41, 42, 44, 45) and elsewhere in Book V, Chapter 1 (V.i.e.26, V.i.g.3, V.i.g.14), it is credible to think that he may prefer incentive rewards and capability testing. These demand-side alternatives to subsidized schools, however, are almost never discussed in the scholarship.

- Smith shows a glowing appreciation for patience on the topic of education (V.i.f.45, V.i.g.14, V.i.g.3). He shows the same appreciation throughout Book 5, Chapter 1 (V.i.d.9, V.i.e.26). His standard for market failure is that a private solution shows itself to never be possible. This pattern, and his failure to cite urgency on the topic of the poor, suggest that an unfortunate situation for the poor would not easily sway him to seek immediate or dramatic change.

- In Smith’s time the primary goal of philanthropists was to convince social, political, and academic leaders that the poor should have education at all, many of whom saw widespread access as a threat to the natural order of Britain. For a person of his place and rank, Smith takes a radical position in support of the poor having education. But an argument for education is not an argument for government provision of this education. Historical context would suggest that today’s reader should resist the urge to lightly treat this distinction.

- In Smith’s time, numerous writers juxtaposed the ‘dead’ giving which had established endowments with the ‘living’ giving of charity. Despite
both being a form of subsidization, endowments fail because of a lack of ongoing scrutiny for quality and purpose, whereas charity succeeds through great attention to these. The strength of this juxtaposition can be surmised by its longevity into the late 19th century. In Smith’s final adjudication, he employs a juxtaposition as well—between “general contribution” and “voluntary contribution.” This juxtaposition benefits from the contemporaneous one, and, I would argue, efficiently aligns Smith with the larger thinking about how endowments differ from charity. Without Smith having to elaborate why he finds charity superior, his preference for charity be understandable to his audience. And, indeed, the initial responses indicate that his immediate audience saw him as a supporter of charity for schooling.

Quentin Skinner warns that “we can only classify the unfamiliar in terms of the familiar.” In doing so, we may end up with “conceptual muddles and mistaken empirical claims” (1969, 4–6). On the topic of education, today’s public-school models are familiar to writers. It is hard not to think that this familiarity makes certain passages appear as if Smith was prescient—and, if one favors the public-school model, worthy of praise. But a closer textual examination reveals there is much weighing against such an interpretation. That which has been presented as supportive of orthodoxy is not unequivocally so. As Smith was writing, there was an array of government reform initiatives being discussed surrounding the regulation of endowments and charity, and even, nascently, the possible provision by government. Smith enters into that discussion, providing an important study that was received by his immediate audience as providing cautionary lessons (Drylie 2020). Nathan Rosenberg (1960, 570) suggested that the result of giving too little credit to Smith’s interest in exact institutional details in Book V, Chapter 1 “has been a neglect of some of the most fruitful and suggestive aspects of Smith’s analysis and a distortion of the broader implications of his argument.” I second that view. And on reflecting on Alexander Gray’s comments at the start of this study, I am inclined to believe that on the topic of education, the familiar and the partial may have, indeed, displaced the unfamiliar and whole.
Appendix A:
List of publications addressing Smith’s position on school funding

State interpretation


First part only: Clay (1968)**, Bates (1973)**, Reisman (1976), Eze (1983), Novak

Second part only: (none).

Dissenting interpretation


First part only: Billet (1978).


Notes: * dissertation; ** master’s thesis; ~ readily inferable; ^ applied only to universities or religious institutions, but view of elementary expressed as taxpayer funded elsewhere.

Appendix B

### Table 3. Contingency table of era vs. nature of the interpretation

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### Table 4. Contingency table of era vs. decision to cite the passage at all

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### TABLE 5. Contingency table of discipline vs. decision to cite or suppress 2nd part

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About the Author

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