Adam Smith and Corporate Communication: Convergence, Embodiment, and Enhancement

Lazarus Langbiir

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ADAM SMITH AND CORPORATE COMMUNICATION
CONVERGENCE, EMBODIMENT, AND ENHANCEMENT

A Dissertation
Submitted to the McAnulty College of Liberal Arts

Duquesne University

In partial fulfillment of the requirements for
the degree of Doctor of Philosophy

By
Lazarus Langbiir

May 2022
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ABSTRACT

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Dissertation supervised by Dr. Ronald C. Arnett

The importance of Adam Smith’s thought and legacy for understanding corporate communication today is at the heart of this dissertation. Corporate communication is seen in this study as “one corporate body” interacting with its stakeholders in a complex world by embracing multiplicity or difference and managing communication needs in a manner that is coherent. By examining the thought and legacy of Adam Smith within the field of corporate communication, this dissertation seeks to extend the understanding of corporate communication as “corporeal” within the framework of its social, economic and political significance. Exploring Smith’s writings and examining his legacy, the dissertation proposes the recovery of his major ideas such as self-interest and sympathy for corporate communication theory and practice. Smith’s work offers meaningful insight for social, political, moral, and commercial life in today’s age, a period characterized by diversity. The implications drawn from Smith’s thought and legacy in this
dissertation offer a vision of corporate communication that is flexible and adaptable to change based on the existing corporate environment.

*Keywords:* Corporate Communication, Self-Interest, Sympathy, Multiplicity, Responsibility
DEDICATION

To my late father, mother and elder sister,
Anthony, Clarissa, and Mary Langbiir
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Chapter 1

Adam Smith and Corporate Communication

Introduction

This study aims to explore the connection between Adam Smith and corporate communication, and to offer a roadmap for engaging in strategic corporate communication theory and practice based on the thought and legacy of Smith. In other words, I seek to understand and explain the nature and meaning of the relationship between Smith and corporate communication. My goal is to look at how Smith, widely regarded as the father of modern economics and the most influential economist in history, embodies and enhances corporate communication. I propose to both practitioners and theorists a fresh perspective of corporate communication. The articulation of Smith’s major ideas in relation to corporate communication serves as the pivot about which I demonstrate how Smith embodies and enhances corporate communication. I show that corporate communication fundamentally involves and concerns the betterment of the relationship between corporate organizations and their stakeholders. Furthermore, I argue that corporate communication functions within the framework of ethics, identity, legitimate interests, and responsibility. Essentially, corporate organizations seek to present themselves as responsible members of their community. The perspective of Smith, therefore, illuminates our understanding of what corporate communication seeks to promote and protect.

To begin with, I acknowledge that Smith’s ideas are fiercely contested by other scholars. In his major work, the Wealth of Nations, Smith described an economic system that provides the
enabling environment for people to create, sustain, and distribute goods and services that benefit entire populations and build meaningful relationships. This system, commonly referred to as the free-market system, is not accepted by all as the best economic system but continues to be the dominant economic system across much of the world today. Since corporate communication emerged and continues to evolve within this system, I want to find out what insights Smith can offer that will enrich our understanding of corporate communication. According to Charles E. Lindblom, “the market system organizes and coordinates activities not through governmental planning but through the mutual interactions of buyers and sellers” (4). As a result, economic activities within this system are organized by mutual interactions and not by a central command.

In addition to describing the market system, Smith explored the mechanics of the industrialized society that emerged in the eighteenth century and left behind a legacy of theories that continue to attract the attention of both proponents and opponents in various fields of study. Smith also examined different elements of liberation tied to human interaction and the redistribution of wealth. He described the separation of the economic sphere of action from the control of the state; the political revolutions that changed the structure of society; and the industrialization and market expansions happening at the time (Angus 78). Smith’s work created a paradigm shift in society, especially in the West. Notable in this shift was the market system upending the mercantilist system. The hitherto dominant mercantilist system maintained that wealth was finite and the only way for nations to prosper was to hoard precious metals like gold and put tariffs on imports. Smith changed this position by arguing, especially in the Wealth of Nations, that economic “self-interest” combined with the division of labor and limited government were the main catalysts of wealth creation.
In the words of Thomas S. Kuhn, “if a paradigm is ever to triumph it must gain some first supporters, men who will develop it to the point where hardheaded arguments can be produced and multiplied” (158). In view of Kuhn’s assertion and for the purposes of this project, I present a constructive understanding of Smith that goes back to the Scottish Enlightenment period to establish the importance of Smith’s paradigm shift. Smith’s work was widely received and criticized by his peers and later scholars. My constructive interpretation of Smith in this project acknowledges the scholarly objections to his work as well as his widely acclaimed ideas. I submit that a balanced review of Smith’s thought illuminates the history and development of corporate communication in a manner that is both harmonious and conflictual. I suggest that the economic and social practices adopted in the market system have resulted in the formation of numerous corporate organizations in which corporate communication is deeply imbedded.

The organizing question for this study is: how does Adam Smith incorporate and enhance corporate communication? The project draws from Smith’s intellectual history to formulate an approach of corporate communication that is rooted in rhetorical and philosophical tradition, is accepting of different opinions, and is attentive to the social values and expectations of the contemporary world. I call this approach the Smithian perspective. I argue that Smith does corporate communication by looking at different elements of liberation connected to governmental control, individual responsibility and the redistribution of wealth. In this sense, I believe Smith embodies and enhances a unique perspective of corporate communication, since current corporate communication tends to focus on how best to control all forms of communication within an organization. Thus, Smith serves as an example of a traditional liberal thinker who helps us to expand our understanding of strategic corporate communication in the contemporary world, an era dominated by the free market economic system.
The dissertation is divided into five chapters. This first chapter sets the parameters of the study; explains why I chose to study Smith despite his detractors and points to the significance of Smith for understanding corporate communication; details why I am interested in the relationship between Smith and corporate communication; describes my methodological approach; and offers a constructive understanding of Smith’s thought and legacy.

1.1 Why Adam Smith?

A renowned economist, moral philosopher, academic, public servant, and author, Smith was born in Scotland in 1723, a few months after the death of his father. (Phillipson 9). He was born in Kirkcaldy, a small port town across the estuary of the River Forth from Edinburgh on the east coast of Scotland. His father was a well-to-do Scotsman also named Adam Smith, who studied law and worked as a commissioner of customs in Kirkcaldy. Smith was raised by his mother, Margaret Douglas, a caring woman from a prominent family, with the help of his deceased father’s friends. He received an excellent education. In 1748, Smith began giving a series of public lectures at the University of Edinburgh. Through these lectures, in 1750 he met and became lifelong friends with Scottish philosopher and economist David Hume. This relationship led to Smith’s appointment to the Logic and Metaphysics chair at Glasgow University in 1751. He died on July 17, 1790, and his remains lie in the Canongate Kirkyard in Edinburgh. Smith’s intellectual credentials made him an important figure during the Scottish enlightenment period and beyond.

Smith left behind an intellectual legacy that continues to have an impact in today’s complex society, the context within which I am conducting this study. The concise Oxford dictionary of archaeology defines a complex society as a recognized stage in evolutionary models of social organization that broadly equates with the idea of ‘states’ or ‘civilizations’ as
relatively large-scale societies in which there is institutionalized inequality and abundant bureaucracy, and power is distributed between several competing centers. The emergence of such societies is recognized through the development of expansive regional political economies, evidence of corporate organization, the presence of large architectural monuments, distinctive iconography and ideology, and structured mortuary practice. I use complex society in this project to refer to the characteristics of differentiation and unequal power contained in the definition above as well as the technological, economic, cultural, political and social changes that accompany the transition from a simple to a complex society. If there is any scholar who can decode the complex society of today, I believe it is Adam Smith. I decided to focus on Smith in this study for several reasons.

Firstly, I chose Smith for this study because of the global influence of his scholarly work. Smith is regarded as one of the leading thinkers of the modern times whose ideas have shaped the science of economics, or for that matter, commercial life. His intellectual legacy hinges primarily on the two books he published, *The Theory of Moral Sentiments* and *The Wealth of Nations*. But my study will go beyond them to examine his influence over the past nearly 300 years since he was born. In 1759 Smith published his first work entitled *The Theory of Moral Sentiments*, on the heels of which, he became the tutor of the future Duke of Buccleuch (1763–1766) and traveled with him to France. In France, Smith met with other eminent thinkers of his day, such as the French economist, Turgot. In *The Theory of Moral Sentiments*, Smith expounds his theory of morality, grounded in the idea of ‘sympathy’. Smith makes a vital claim that there is a relationship between human morality and sympathy. His second book, *The Wealth of Nations*, explains how economic self-interest, division of labor, and freedom, among other factors are the causes of the wealth of nations and describes how wealth is distributed. Smith’s
reflection on economics came at the dawn of the industrial revolution. He asserts that free-market economies are the most productive and beneficial to their societies. He also argues for an economic system based on individual self-interest led by an “invisible hand,” which would achieve the greatest good for all. In both books, Smith outlined the theories and ideas that would serve as the foundation of the free-market economic system and created the environment within which corporate communication emerged and continues to evolve.

Secondly, I chose Smith because of the interest that his ideas continue to generate although they were expounded over 200 years ago. One may argue that Smith lived a long time ago and the books he published are old; that the circumstances and institutions of his time are not the same as today; that the examples contained in his books are probably dated; and policies governing society have evolved since then. Yet, his major ideas continue to be the source of debate and controversy among scholars today. For example, writing during the bicentennial anniversary of the publication of the *Wealth of Nations*, Harry Johnson stated: “The Smithian principles of free competition were developed against a particular historical background which has since been superseded as a consequence of process of economic, political, and social change … the Smithian world has been changed beyond recognition” (27). Johnson’s critique centers on the fact that society has changed. However, there is an inherent admission that Smith’s principles of free competition are still being adopted today. The principles are still important, although the dynamics of business, society and politics may have changed. Thus, the fundamental principles that drive the free-market economic system have not completely changed since Smith.

Furthermore, one may even argue that Smith’s economic theories are full of mistakes and that his political ideology is ambiguous. For example, James Anderson argued in his “observations on the means of exciting a spirit of national industry” published in *On the Wealth*
of Nations: Contemporary Responses to Adam Smith, that Smith’s reasoning on the corn-laws of Britain “is not so strictly accurate” (Ross and Pyle 88). Also commenting on the Wealth of Nations, David Buchanan stated that “with all the high qualities of commanding reason, Smith has not published a perfect work” (Ross and Pyle 133). Buchanan argues that “by focusing on the wealth of nations as the object and limit of his inquiries, Smith adopted a narrow view of his subject” (Ross and Pyle 134). For Buchanan, human society is a far greater scheme than issues connected with wealth. While Buchanan may have a fair argument, he does not entirely dismiss the fact that wealth creation and distribution is an essential part of the human society and for that matter worth exploring. I agree with Buchanan in the sense that there is more to human interaction than wealth. However, that is not enough reason to ignore Smith. I admit that the context within which Smith addressed his thoughts have changed, but the intellectual contributions he made to how society functions, especially when it comes to commerce, is very much important today.

Thirdly, because of the impact of Smith’s thought and legacy on contemporary society and economic thinkers such as Hayek, Keynes, and Marx. In the Wealth of Nations, for example, Smith illustrates the processes of an ideal market economy and the potential for growth; presents a historical evaluation of alternative economic systems; and offers a constructive advice about the need to curtail individual economic freedom in a commercial society to provide for vital social needs. Smith’s economic theories would later attract both critics and supporters. In the Theory of Moral Sentiments, Smith centers his moral theory on the principle of sympathy and in the final analysis discussed different moral systems. Thus, I contend that Smith’s thought and legacy provide us with conceptual resources to respond to the social, economic and ethical
questions that demand the attention of society today. Despite the strong opinions of his critics, Smith is still held in high esteem by many scholars.

Fourthly, Smith is referenced in discussions about political economy and capitalism. Smith’s authority is constantly invoked in debates over government regulation and deregulation (Hanley ix). The depth of Smith’s engagement with concerns such as global justice and poverty, domestic inequality and freedoms, as well as the moral benefits and challenges inherent to life in a market society is appreciated today as a valuable source of wisdom. Commenting on Smith in his *Reflections on Commercial Life: An Anthology of Classic Texts from Plato to the Present*, Patrick Murray states that “Adam Smith did not always succeed in properly conceptualizing modern commercial forms, but that did not keep him from being a brilliant, if uneasy, advocate of capitalism” (173). Scholars like Murray continue to view Smith as an unobstructive capitalist, yet it is possible to identify in his work, principles that call for restraint in capitalism.

Also, Arnett describes Smith’s role as a functional founder of capitalism because his project embraced a perceived commercial historical inevitability. According to Arnett, “Smith entered that historical conversation with the objective of both supporting and ethically tempering the progressive march of commercial life. He believed that the human condition was encountering major changes in existential life initiated by commercial excess” (103-104). For Arnett, Smith did not initiate the march towards commercial life. Rather, he observed the march happening at that moment in history. In describing that progress of society towards commercial life, Smith then stated his support for the emerging economic system. Arnett notes further that, Smith saw the need to ethically temper the excesses of this progressive march for the sake of human existence.
Fifthly, I chose Smith because of his continued influence on contemporary scholars in various fields of study. Examples of current scholars whose scholarship have been influenced by Smith include: Ryan Patrick Hanley whose scholarship focuses on the ways that Smith’s project intersects with Catholic thought; Ronald C. Arnett who examines the work of Smith within the communication ethics field; James R. Otteson who publishes and lectures widely on Adam Smith in relation to classical liberalism, political economy and business ethics; Maria Pia Paganelli who does scholarship in the history of economic thought in the eighteenth century by focusing on Adam Smith, David Hume, monetary theories, and the Scottish Enlightenment; and Deirdre N. McCloskey whose research focuses on economic theory, economic history, philosophy, rhetoric, feminism, ethics, and law.

In his essay published in An Encyclopedia of Communication Ethics: Goods in Contention, Arnett presents Smith as an exemplar of a scholar actively engaged in what we now term “communication ethics” since he unites the practical and the philosophical in response to the historical moment of 18th-century Scotland and Europe. I dare to add to Arnett’s submission that Smith also does corporate communication since the economic and moral goods that he protected and promoted such as sympathy, freedom, and legitimate interests are important elements for corporate communication. Referencing Smith in her work, McCloskey also highlights the importance of language and human meaning for economics. Both Arnett and McCloskey see a connection between Smith and the field of communication. As a result of the interest in Smithian scholarship in the academy today, we have evidence of the appreciation of Smith’s intellectual contribution to various fields of study including Catholic social thought, communication ethics, political economy, business ethics, the history of economic thought, and Scottish Enlightenment.
studies. My project seeks to add to the list by highlighting the connection between Smith and corporate communication.

These five reasons sum up the significance of Smith for my study. My dissertation is driven by the content of Smith’s work and the available literature in the corporate communication field. Whether Smith truly embodies and enhances corporate communication is based on the connections that this project aims to discover. The conclusions drawn in this study serve as my contribution to the history and development of corporate communication. I hope to spark debates about the relevance of Smith for corporate communication among future scholars, especially when it comes to how they converge, critical issues concerning this relationship and the implications of the Smithian perspective of corporate communication for future studies.

So far, I have focused on why Smith is important for this study. Now, I wish to turn the discussion to the current understanding of corporate communication and state why Smith can enhance our understanding of the theory and practice of corporate communication.

1.2 Why Adam Smith and Corporate Communication?

As stated previously, Smith wrote two fascinating books which we continue to read today. Written in the eighteenth century, these books were influential among the American founders such as Alexander Hamilton and Thomas Jefferson. Today, we continue to read them because there seems to be something enduring about them. They speak to some level of immutable human nature and continue to engage. So, why am I exploring the connection of Smith’s thought to corporate communication?

Corporate communication has become central to many businesses as they negotiate their way through an increasingly global and highly competitive marketplace. This section explains why my dissertation offers a strategic-bodily approach to communicating with stakeholders from
the perspective of Smith. The Smith who emerges from this study is not only an economist but also a moral philosopher, rhetorician, and theorist whose ideas affect culture, society and business. His ideas addressed the problems of his time and continue to offer opportunities for modern scholars to use them to respond to present-day issues. Therefore, this inquiry into a Smithian perspective of corporate communication assumes the position that the issues and problems of corporate communication have a connection with the ideas of Smith. In other words, can corporate communication learn from the thought and legacy of Smith? My inquiry is structured around the intellectual legacy of Smith, which guides us through the meaning, history and development of corporate communication. To justify this reasoning, I turn to the meaning, assumptions, and limitations of corporate communication.

Firstly, let us examine corporate communication within the framework of its economic and social significance by looking at different scholarly definitions:

- According to Goodman, corporate communication is the term used to describe “a wide variety of management functions related to an organization’s internal and external communications” (Goodman 2). In this definition, the focus of attention is on the functional role of communication within a corporation.
- Van Riel defines corporate communication as “an instrument of management by means of which all consciously used forms of internal and external communication are harmonized as effectively and efficiently as possible,” with the objective of creating “a favorable basis for relationships with groups upon which the company is dependent” (141). This definition views corporate communication as an instrument used to create relationships that favor the organization.
For Cornelissen corporate communication “is a management function that offers a framework and vocabulary for the effective coordination of all means of communications with the overall purpose of establishing and maintaining favorable reputations with stakeholder groups upon which the organization is dependent” (5). This definition views corporate communication as less of an instrument and more of a management function.

All three definitions view corporate communication as a management function, or an instrument used by management to interact with stakeholders. So, what does the term stakeholder mean?

The term stakeholder refers to any individual, group or institution that has a vested interest in an organization. A stakeholder can affect or be affected by the actions of the organization. The notion of a stakeholder is an old concept in law where it originally referred to a person who held the values (money or property) while it was determined who the right owner was (Christensen et al. 98). For Guth and Marsh, stakeholders are those people, groups or institutions that are actively identified by the organization as being critical to the organization’s success as opposed to individuals or groups that may show interest in an organization but are not deemed worthy of focus by the organization (88). These individuals, groups or institutions could be internal members of the organization or external, that is, outside of the organization. Examples of stakeholders include an organization’s managers, consumers, employees, distributors, investors, suppliers, news media, community groups, interest groups, local and national governments. Stakeholders are an important part of understanding what corporate communication does both in theory and practice.

Secondly, let us pursue the understanding of corporate communication in terms of language. Etymologically, the term “corporate” derives from the Latin word corpus which means
body. Hence, we can talk about corporate communication as a body of communication. Christensen, Morsing and Cheney in their book - *Corporate Communications: Convention, Complexity, and Critique* – used “body” as a metaphor to explore the conventions and complexities of contemporary corporate communication. The authors admit to borrowing the idea from the way social systems were described in western thought (Christensen et al. 7). Historically, traditional society and philosophers such as Plato and Thomas Hobbes used the body as a metaphor for society (Christensen et al. 7). Thus, the term “body” is used in corporate communication to refer to the structure of the organization as well as the body of communication that the organization relies on to interact with its stakeholders. Christensen et al. define corporate communication as “a ‘body’ that represents the voice of the corporation by including and integrating of its many different dimensions into one unifying expression” (7). Therefore, a corporation refers to a body of people acting as an individual while corporate communication means a body of communication.

Thirdly, staying with the bodily definition, let us further explore the contemporary understanding of corporate communication. Christensen et al. argue that contemporary corporate communication is focused on the “vision of managing all communications that involve the organization as a whole” (9). Applying the body metaphor to the organization in various ways, they examine the assumptions of contemporary organizations to totally integrate, control, and orchestrate messages as well as people. While Christensen et al admit that the body metaphor is powerful and useful, they acknowledge that the concept has blind spots. They challenged the pursuit of wholeness and unity of communication by organizations and called for a “dynamic, multivocal, and sometimes even incoherent processes of communication” (Christensen et al. 9). They also challenged communication specialists to step outside the notion of “body” to think
about other creative ways of understanding corporate communication. Such a challenge goes to the root of the conventional prescriptions or assumptions of corporate communication.

In conventional prescriptions, large organizations felt the need to explain their practices to the public and present themselves as important institutions of society. As a result, corporations made the effort to integrate or present themselves as unified bodies that have deep historical roots (Christensen et al. 18). The notion of integration in conventional corporate communication aligns all communications of the organization in such a way that “the organization speaks consistently across different audiences and media” (Christensen et al. 37). Everything the organization says or does is integrated or so assumed, whether formal or informal. Hence, issues such as branding, corporate reputation and stakeholder communication become important for the organization. The conventional approach to corporate communication primarily focuses on identity and legitimacy.

The concept of identity is critical for contemporary organizations, yet it is one of the most difficult to understand because it pervades different fields of study. For that matter, I provide four ways to clarify this term:

- The social theorist, Emile Durkheim, observed in his discussion of the causes and conditions of the division of labor in society that individual life emerged from collective life. According to Durkheim, “on this condition alone can we explain how the personal individuality of social units was able to form and grow without causing society to disintegrate” (218). As a result of the connection between the individual and the collective, we can speak of group identities and “in these conditions cooperation becomes not only possible but necessary” (Durkheim 218). In addition, “a group, whilst it retains its individuality, can be enrolled
within another larger one, which comprises others of the same kind” (Durkheim 219). In this case, we can have an organization within an industry or a community.

- In philosophy, the notion of identity can be traced back to the ancient Greeks. In early Greece, Greeks identified with the city-states. Thus, there were Athenians, Spartans, and Corinthians. Also, Greek culture was an important factor of identity in ancient Greece as it differentiated them from non-Greeks. In contemporary analytical philosophy, identity is discussed in terms of unity and diversity. Between the mid-1950s and the 1960s in the United States, for example, identity became a matter of public discourse during the civil rights movement.

- The psychologist Eric Erikson coined the term “identity crisis” in his 1968 essay *Identity: Youth and Crisis*. Erikson asserts that identity deals with a process that is located both “in the core of the individual” and “in the core of his communal culture” (50). Hence, as culture evolves, new questions about identity arise.

- Corporate organizations view identity as something that is created or shaped (Christensen et al. 63). Therefore, organizations use various forms of communication to express their ethos or culture. Shaping the organization’s identity is one of the essential goals of contemporary corporate communication as organizations seek to differentiate themselves as well as their products and services from others in the same industry.

In this project, identity refers to the way an organization presents and differentiates itself to its stakeholders in a business environment or social context.
Legitimacy, on the other hand, is derived from the Latin *legitimare*, which means the state or quality of being rightful and justifiable. Legitimacy, therefore, may be understood in terms of a government, a group or an organization considered justifiable in their conduct. Politically, legitimacy refers to the acceptance of a governing regime by the people. According to Mark C. Suchman, legitimacy “is a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs and definitions” (574). Suchman identified two approaches to legitimacy: “strategic legitimacy” and “institutional legitimacy” (575). Strategic legitimacy, for Suchman, is designed and controlled by managers of organizations to achieve a favorable perception among their stakeholders and is “purposive, calculated, and frequently oppositional” (576). In the institutional approach, Suchman defines legitimacy as “a set of constitutive beliefs constructed by social institutions” and goes beyond managerial decisions and actions (576). Christensen et al. define legitimacy as a socially constructed set of assumptions about proper corporate behavior (16). To a large extent, legitimacy is a matter of perspective. Whether it is the opinion of managers of organizations looking out or society looking in, perspectives have consequences for corporate communication theory and practice.

Returning to our earlier point, Christensen et al. argue that contemporary corporate communication theorists and practitioners must move beyond the conventional understanding of an integrated “body” to a more flexible “body” that benefits from what they call “polyphony.” The limitation of total integration is that it prevents organizations from developing healthy practices and being responsive to the organizational and social environment. They defined “polyphony” as “a management approach that challenges conventional prescriptions for corporate communications practice” (Christensen et al. 196). The idea of “polyphony” suggested
by Christensen et al. describes the notion of combining two or more independent melodic parts to create a coherent musical entity. By proposing corporate communication as polyphony, Christensen et al. seek to challenge corporate communication theorists and practitioners to move towards a body that allows for diversity of opinion and is responsive to the organizational and social context. This dissertation takes the concept of “polyphony” further by combining the ideas of Smith with the current understanding of corporate communication to create a coherent bodily communication.

Finally, the definitions explored above show that contemporary organizations are interested in harmonizing or integrating all their communications with stakeholders. In the complex social and economic environment of today, management of companies, groups, institutions, societies, communities and organizations rely on corporate communications to present themselves as single “bodies”. The bodily pursuit of corporate communication assumes that all aspects of an organization’s communication are part of the organization. It also holds that the relationship that an organization has with its stakeholders requires careful management. Therefore, it is the responsibility of management to effectively oversee the relationship that the organization has with its stakeholders through communication. This effort pursues efficiency, but I contend in this project that efficiency does not presuppose an answer.

So far, I have shown that corporate communication is an important element of contemporary organizations. I have also pointed out that centering the communication process strictly on management may lead to blind spots. In the next section, I clarify the bodily pursuit of corporate communication in the contemporary era and point to its limitations as a problem that needs to be addressed. I then argue that lessons could be drawn from the thought and legacy of Smith to address these limitations.
1.3 Corporate Communication as a Bodily Pursuit

Christensen et al. remind us of the fact that contemporary corporate communication tends to focus on integration and control. This approach may serve the purposes of explicitness, transparency, consistency and orchestration. However, such an approach lacks the ability to allow different insights and voices to emerge that may be helpful. Also, we saw in the definitions above, that contemporary organizations are increasingly focused on their organizational identity and social legitimacy because of the complex nature of today’s business and social environment. Corporations use corporate communication to differentiate themselves and their products from their competitors in a highly competitive contemporary business environment. In addition, corporations attempt to present themselves as responsible members of society.

According to Christensen et al, since World War II, “the issue of social legitimacy has intensified dramatically” and due to “the impact of globalization and new communication technologies, contemporary corporations are facing more critical, outspoken and educated audiences than organizations in the past” (18). Corporations are expected to play active social roles and are challenged by powerful publics when they fail to do so. In the United States, for example, companies like Walmart, Apple, Amazon and Facebook (now Meta) have been variously accused of paying low wages, killing local businesses, having sweatshops and not paying enough taxes. With the issues of identity and legitimacy becoming important concerns, organizations often turn to corporate communication to improve their moral and social position in the eyes of the public.

The practice of corporate communication gained momentum in the contemporary era when the authority of traditional institutions, such as the family, the church and the community seem to have diminished in their influence on society (Christensen et al 15). The gap left by the
decline of family, church and community influence was filled by the influence of major companies. Corporations used communication campaigns such as corporate social responsibility to establish the social role of the corporation in the eyes of the public. Corporations in the pursuit of identity and legitimacy have, therefore, concerned themselves with the management of their communications in such a way that conceptualizes them as one “body” communicating with its various stakeholders and depicting themselves as social institutions with responsibilities and aspirations beyond commerce. Christensen et al remind us that there is increasing emphasis on the corporate body among contemporary organizations as they attempt to ensure “consistency in corporate messages and behaviors” by integrating all the dimensions of the organization’s communication (112). Such emphasis shapes the nature and reality of contemporary businesses and the communication environment.

For Goodman, the key to having a corporate communications strategy that differentiates an organization from others in the same industry is the notion of a “corporate identity” (24). To create a corporate identity, organizations rely on communication to frame themselves as they want their stakeholders to see them. To be successful in conceptualizing themselves as responsible members of society, organizations must constantly diagnose their environment. The diagnosis reveals what issues need attention and what solutions can best be proffered. Apart from the practical aspect of corporate communication that has seen significant changes since World War II, there has also been theoretical developments in the discipline due to insights from different scholars.

Theoretically, corporate communication is multidisciplinary in nature, which means that corporate communication theories are developed and tested by engaging with other disciplines, such as marketing, business communication, advertising and public relations. In addition,
corporate communication theory pays close attention to developments in the world of organizations. According to Elving, corporate communication scholars “cannot ignore trends and developments that are taking place in professional practice,” whether such trends are based on scientific research or on the needs of society or on trends among stakeholders (71). For example, corporate social responsibility (CSR) emerged in the discipline because of increased stakeholder demand and government regulations. Corporate social responsibility is “a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis” (Christensen et al 99). Such theories serve as interpretive frameworks to help practitioners understand their role and together with their practical knowledge make decisions concerning a particular situation or problem.

In their critique of the bodily pursuit of corporate communication, Christensen et al argue that corporate communication scholars “should be open to the possibility that the ambition to restore and maintain an organizational unity and wholeness by aligning and coordinating all organizational messages may, as an unintended consequence, produce a deformed organizational body in which the head is at odds with the rest” (220). In response to such unintended consequences, corporate communication should appreciate a more fluid corporate body with the ability to adapt to change and embrace different perspectives. As much as possible, corporate communication experts should inform their practice with theory or research and demonstrate an understanding of the discipline in the process. With the ideas of Smith, this dissertation seeks to contribute to the theoretical development of the discipline and assist practitioners to make theory informed decisions based on organizational and social context.

Due to the complex and differing nature of stakeholders in the contemporary society, organizations must deal with issues such as social activism, globalization, scandal, conflict, crisis
and legislation. For corporate organizations to build trust between them and their stakeholders in the contemporary environment, they must take into consideration the different insights and voices in and around them. Organizations must be flexible and pay attention to insights from employees, important social issues, current legislation, social media and the news media. The knowledge gathered from these different sources can then be illuminated by ideas from Smith that are grounded in philosophy. Smith’s thoughts about human action, judgment, self-interest, justice, and sympathy serve as the theoretical foundation for a vision of corporate communication that can respond to the issues that organizations must deal with in the contemporary society. Smith communicates a human story to his readers through the labor of teaching, writing, and interaction, thus, prompting an interpretative response from other scholars in an ongoing meaning making process. Smith’s scholarship announces a story-centered information transfer that is meaningful and textured. By exploring Smith’s work in relation to corporate communication, I identify insights that can help deepen our understanding of corporate communication in today’s business and social environment.

Similarly, this phenomenological return to eighteenth century Scotland in search of the relevance of Smith today and the implications of his work for corporate communication grounds our perspective in history. I claim that Smith should be considered as one of the key intellectual influences on corporate communication. Although there has been a renewed interest in the ideas of Smith by scholars today, not much has been written about the implications of his work for corporate communication. As Ryan Patrick Hanley notes in *Adam Smith: His Life, Thought, and Legacy*, “for generations Smith was known almost exclusively as capitalism’s founding father. But now, around the world, readers are returning to Smith and rediscovering his relevance for our time, within the academy and beyond” (ix). Smith remains well-known as one of the first
champions of the free-market economic system. He thoughtfully articulated the elements and
direction of this system in his writings. I explore these ideas to help expand the understanding of
corporate communication.

Finally, the Smithian perspective adds to the development of corporate communication as
a discipline. This project acknowledges that we live in a diverse world; that the fundamental
concepts identified in Smith’s thought and legacy are important for society; and that corporate
organizations can learn from Smith. I explore the value of the intersection between Smith’s
project and corporate communication and suggest that this relationship offers a solution to the
current lack of flexibility observed in the bodily pursuit of corporate communication. In the next
section, I will clarify the method I adopted in this study.

1.4 Methodological Approach

I adopted an exploratory research approach in this dissertation that involves an
interpretation of the available literature. Relying on published works, I reviewed the thought of
Smith as part of my attempt to demonstrate how Smith embodies and enhances corporate
communication. I reviewed books and articles that contain elements that point to a connection
between Smith and corporate communication, with the goal of identifying patterns, themes, or
biases that form part of human communication. In my preliminary search through the available
literature, I did not find studies dealing directly with the connection between Smith and corporate
communication. Hence, my study aims to fill this gap in the corporate communication
scholarship and invite other scholars to engage with the topic. I do not presuppose any answers.
Rather, I seek to generate scholarly interest in the connection between Smith and corporate
communication. This study does not assume that the Smithian perspective is a better or lesser
kind of corporate communication. Rather, it is just a different way of viewing corporate
communication that enables corporate bodies to be flexible and responsible in their interactions with stakeholders.

As Hans-Georg Gadamer states in his *Truth and Method*, “a person trying to understand something will not resign himself from the start to relying on his own accidental fore-meanings, ignoring as consistently and stubbornly as possible the actual meaning of the text until the latter becomes so persistently audible that it breaks through what the interpreter imagines it to be” (271). Instead, such a person will be prepared for the text to tell him something. Hence, I allowed the texts to drive the content of this explorative study. But I admit with Gadamer that I approached this study with my own prejudices. I may be biased because my business education and Catholic religious background constantly remind me that Smith is the founder of capitalism, the economic system that has produced so much wealth, yet a good number of people continue to live in destitution in contemporary times. Aware of my biases, I approached this study with the hope that the texts will give me a different perspective and truth against my own fore-meanings.

I framed the dissertation within rhetoric and philosophy of communication, with the qualification that it applies specifically to corporate communication. Rhetoric refers to the art or discipline that relies on discourse to inform, persuade or motivate an audience, whether that audience is made up of an individual or a group of people. From antiquity to postmodernity, rhetoric has concerned itself with the use of language and images to manage social action. Philosophy of communication refers to the field of inquiry that raises questions about how philosophy aids and enriches the understanding of human communication. Philosophy of communication deals with questions and ideas about how human communication influences the way we think, act and create meaning through lived experience. Corporate communication stands on both fields of study to function and have meaning.
Aristotle defined rhetoric as “the faculty of observing in any given case the available means of persuasion” (24). Cicero, the most important connection between ancient and medieval rhetoric, defined rhetoric as “dealing with eloquence based on the rules of art” (Murphy 9). The speaker must therefore study philosophy and have a wide knowledge of human actions. Later in modernity, Kenneth Burke focused his definition on language and defines rhetoric as “the use of words by human agents to form attitudes or induce actions in other human agents” (41). Also, Gerard Hauser defines rhetoric in more broad terms as the “symbolic inducement of social cooperation as an inevitable consequence of language” (14). Whether it is about persuasion, eloquence, the formation of attitudes or social cooperation, these definitions show that rhetoric evokes a response in its target audience.

By framing my project within rhetoric, I can trace the rhetorical underpinnings of Smith’s economic thought that are connected to corporate communication to demonstrate how language is useful for maintaining a coherent corporate body and plays an important role in linking organizations with their stakeholders. Ultimately, corporations aim to persuade their audiences with the messages they communicate. As Deirdre N. McCloskey reminds us, economics is rhetorical. Hence, rhetoric fits well with the fundamental importance of language use in corporate communication.

Arnett and Holba define philosophy of communication as “the interplay of ideas, people and the historical situations that shape the dwelling of human meaning” (3). For Pat Arneson, philosophy of communication examines questions related to the “nature and function of human communication” (1). Arneson continues to state that philosophy of communication as a study teaches us to think about “how we are communicatively situated in the world” (8). Chang and Butchart assert that “to philosophize is to communicate philosophically, and to communicate
philosophically is to impart the wisdom of which philosophy speaks and which is spoken at the same time” (1). Hence, philosophy of communication teaches us how to understand the way organizations interact with their various stakeholders in each moment to create shared meaning through their lived experience.

In this dissertation, the interplay of ideas from Smith and the field of corporate communication results in shared meaning. The value of this relationship is expressed through rhetoric. The combination of rhetoric and philosophy of communication in this exploratory study suggests a praxis orientation. Derived from ancient Greek, the word *praxis* means a deed or a function. The ancient philosopher, Aristotle, was the first to use the term praxis “in the interests of a philosophical exchange of ideas” (Schrag 17). Aristotle used the term in his *Nicomachean Ethics* to define theory-informed action or practice. Later, Hannah Arendt defined praxis as the highest and most important level of the active life in her book *The Human Condition*. According to Arendt, “the chief characteristic of this specifically human life, whose appearance and disappearance constitute worldly events, is that it is itself always full of events which ultimately can be told as story, establish a biography; it is of this life, *bios* as distinguished from mere *zoe*, that Aristotle said that it somehow is a kind of *praxis*” (97). Based on this understanding, this study shows that corporate communication is based on theory-informed practice derived from rhetoric and philosophy of communication. Praxis moves corporate communication away from unreflective managerial decision making and into the realm of informed practice. Grounded in the rhetorical and philosophical tradition, Smith’s ideas also contribute to the theoretical corpus that shapes the understanding of the corporate communication discipline.

In the next section, I turn the focus again on Smith to discuss some of his major ideas and the deepening of his legacy by both his proponents and detractors. The goal here is to arrive at a
constructive interpretation of Smith’s thought and legacy. I also take a position on Smith to clarify my understanding of his thought and legacy. Although Smith’s ideas are anchored in the Scottish enlightenment, they are applicable to contemporary life and rooted in the history of rhetoric and communication in the marketplace. Smith embodied a distinctive view of social and commercial life that makes meaningful human communication imperative. By his detailed analysis of essential topics such as sympathy, justice, liberty, and jurisprudence, Smith enables us to address fundamental issues of the scope and limits of human freedom and communication within a commercial society.

1.5 Adam Smith, his Proponents and Detractors: A Constructive Understanding

In this section, I address the controversy surrounding Smith and take a position to aid my study. Here, I assume a constructive reading of Smith. I take the position that both the proponents and detractors of Smith are a major intellectual force, shaping and defining his legacy from the time of the Scottish enlightenment to the present, while giving rise to alternative ways of viewing the same subjects. The engagement with Smith’s ideas shows why the issues he addressed and what he thought about important subjects such as the market system, division of labor and specialization, capital accumulation, market efficiency, price theory, and sympathy, profoundly matter even now.

Smith announced the interplay of ideas, people, and historical situations that shaped what Arnett and Holba call “a dwelling for human meaning” (3). Smith left behind both an academic and practical legacy about social and commercial life. He engaged with moral, economic, philosophical, and rhetorical ideas during the Scottish Enlightenment, a time when the emancipation of the human mind was at the foundation of public discourse. Smith influenced his readers to adopt new ways of thinking and doing business. Some of his readers saw the world
differently and their research-engagement involved attacks on the position of Smith. My summary of Smith’s thought and legacy is set against the intellectual backdrop of the Scottish Enlightenment, especially in Edinburgh and Glasgow. I draw from the wealth of that knowledge and the ever-expanding literature for this synopsis.

Smith’s first recognized masterpiece, the *Theory of Moral Sentiments*, explored social life and morality. Smith published this book during his time as professor of moral philosophy at Glasgow University. Contributing to the philosophical discourse about the principles of morals in this book, Smith examined social life in terms of emotions, culture, external and embedded influence. He also explored the question of what constitutes morality. According to Eric Schliesser, the *Theory of Moral Sentiments* focuses on the “moral and psychological requirements sufficient for the harmony of society” and explains the development of the important features of human nature as found in human civilization over time (Hanley 34). The interest of the greater good built on the idea of sympathy drove Smith’s investigation in this work.

Smith’s *Theory of Moral Sentiments* achieved one fundamental purpose. That is, it laid out extensively how moral feelings arise from human sociability and vindicates the claims of civilization as a force for moral improvement. Smith tells the story of what people are and not what they should be. The book is divided into seven parts and each part begins with the word “of,” indicating the origin of whatever he is about to discuss. The titles of the different parts are: Part I - “Of the propriety of action”; Part II - “Of merit and demerit; or, of the objects of reward and punishment”; Part III – “Of the foundation of our judgements concerning our own sentiments and conduct, and of the sense of duty”; Part IV – “Of the effect of utility upon the sentiment of approbation”; Part V – “Of the influence of custom and fashion upon the sentiments
of moral approbation and disapprobation”; Part VI – “Of the character of Virtue”; and Part VII – “Of systems of moral philosophy.” Smith concludes the book with a chapter on “Considerations concerning the first formation of languages.” The Theory of Moral Sentiments is a work of constructive theorizing, supported with carefully chosen examples to clarify the general theme of each section. The two themes that anchor this book and drive Smith’s theory of moral sentiments are ‘sympathy’ and the ‘impartial spectator.’ It is a work on civility and self-improvement.

The Theory of Moral Sentiments was warmly received by both scholars and the politically elite. Worth noting is Edmund Burke’s review. The young Irish statesman, economist and philosopher, Burke, was the editor of The Annual Register, an annual survey of the past year published in the United Kingdom. Burke reviewed the Theory of Moral Sentiments in The Annual Register, in which he praised the work of Smith. He stated, “making approbation and disapprobation the tests of virtue and vice, and showing that those are founded on sympathy, he raises from this simple truth one of the most beautiful fabrics of moral theory that has perhaps ever appeared” (Quoted in Norman 66). Burke wrote a letter of appreciation to Smith, and this marked the beginning of a long friendship in which they had mutual respect, as well as points of difference. Norman sums up their friendship thus: “the two men mark an extraordinary moment in the world’s history, a moment at which the political and economic outlines of the present age first become visible, are analyzed in depth and given public explanation (xv). We owe a lot of what we know today about the relationship between markets and economics and the norms guiding society and politics to Smith and Burke. Smith’s best friend, David Hume, also wrote him a letter on April 12, 1759, in which he says that his book has been extremely applauded by many, including the bishop of Peterborough.
For Smith, the nature of justice and its central role in morality and politics made his theory easier to work on. He also made it abundantly clear in the *Theory of Moral Sentiments* that his first book was part of a bigger project. At the end of Part VII, “Of Systems of Moral Philosophy,” Smith wrote, “I shall in another discourse endeavor to give an account of the general principles of law and government, and of the different revolutions they have undergone in the different ages and periods of society, not only in what concerns justice, but in what concerns police, revenue, and arms, and whatever else is the object of law. I shall not, therefore, at present enter into any further detail concerning the history of jurisprudence” (Smith 403). Smith spent the next thirty years of his life trying to fulfill this promise. He may not have been able to accomplish everything he set out to write about, but he published a second book that would propel him to greater fame.

Before the publication of his second book, Smith served as a highly distinguished university professor and administrator. He gave a series of lectures on jurisprudence and on rhetoric. Although Smith instructed his executors to destroy all his uncompleted work, including materials from these lectures, we are fortunate to have student notes from some of these lectures. The three sets of notes on philosophical subjects, rhetoric and jurisprudence, combine to give us an understanding of Smith’s thought that otherwise would have been lost. Jesse Norman describes these notes as a vital intellectual bridge between Smith’s two published great works: “On one hand, they recapitulate key aspects of *The Theory of Moral Sentiments* in 1759. On the other, they give a clear sense of Smith’s developing thought, as he began to frame what would become *The Wealth of Nations*” in 1776 (72). Since these notes were not published by Smith himself, scholars do not concern themselves much with them when it comes to debating his ideas. Nevertheless, I will bring them up later for discussion in chapter three.
The final edition of the *Theory of Moral Sentiments* contains important topics such as the analysis of the character of virtue, a review of different systems of moral philosophy and the later addition, a discussion on the considerations concerning the first formation of languages. Yet, Smith’s contribution to moral theory may have been overshadowed by the great works of Immanuel Kant (1724 – 1804). Some scholars even argue that Smith’s work was not a work of moral philosophy but rather a work of moral psychology and sociology. (Norman 55). Norman notes that Smith did not ground his work in moral principles as Kant did. Norman concludes that Smith’s work “is about how humans become human” (55). The early framing of the *Theory of Moral Sentiments*, according to Norman could be traced back to a letter Smith published in the second and final issue of the *Edinburgh Review* in 1756. In this letter, Smith discussed Jean-Jacques Rousseau’s *Discourse on Inequality*, in which Rousseau critiqued civilization. For Rousseau, justice had become a vehicle the strong used to oppress the weak and private property made people less humane. Smith pointed out that Rousseau’s critique itself was built on *The Fable of the Bees*, a satirical poem by Bernard Mandeville that defends the paradox that social benefits are the unintended consequences of personal vice. According to Norman, Mandeville’s poem set the agenda for Smith in his second major publication, the *Wealth of Nations*.

The *Theory of Moral Sentiments* first brought Smith to fame as an author, but he is best known for his revolutionary thoughts in economics contained in his second book, the *Wealth of Nations*. This book was considered as one of the most important intellectual publications to come out of the Scottish Enlightenment. Published during a time of expanding markets and consumerism, the *Wealth of Nations* contained a plan for economic theory. According to Agnar Sandmo, Smith “created an agenda for economic theory whose outline can still be seen in the structure of modern economics” (Hanley 231). Contemporary commercial life is largely based on
this agenda. Smith’s agenda includes important elements of commercial life such as “his theory of price formation, his ideas about the relationship between the market economy and the public interest, his reflections on the role of the state, and his analysis of the sources of economic growth” (Hanley 231). Smith describes a theory of social and economic growth by showing how institutional and political reforms allowed markets to function more efficiently. The Wealth of Nations has profoundly influenced the modern understanding of economics and the ongoing search for material wealth.

In the Wealth of Nations, Smith brilliantly synthesized a large amount of information on economic theory and combined that with his own observations to tell a story about human economic behavior. He saw an economy as a system from which identifiable patterns emerged based on the interaction of people in markets on their own accord. According to Smith, the wealth of a nation is the product of that country’s land and labor which supplies its inhabitants with all the necessaries and conveniences of life. Robert Reich in his introduction to the Wealth of Nations gives clarity to this definition of wealth by stating that for Smith, a nation’s wealth is not “determined by the size of its monarch’s treasure or the amount of gold and silver in its vaults, nor by the spiritual worthiness of its people in the eyes of the Church.” (Smith xv). Rather, “a nation’s wealth was to be judged by the total value of all the goods its people produced for all its people to consume” (Smith xvi). Although this may seem obvious to today’s reader of Smith, such an assertion was revolutionary in the eighteenth century. Skeptics of Smith point out that many of his ideas can be traced to earlier thinkers, such as his French contemporaries and Chinese philosophers. The counter to this argument is that no one before Smith produced a piece of work that earned them the reputation as founder of modern economics. He was the first to systematically breakdown human behavior into such fundamental
forces and models of interaction within an environment. There is no doubt that Smith was a nuanced thinker.

In 1857 Thomas Henry Buckle claimed that the *Wealth of Nations* was the “most important book that was ever written.” Certainly, this assertion is debatable. However, Ian S. Ross agrees with Buckle to a certain extent when he writes in his introduction to *On the Wealth of Nations: Contemporary Responses to Adam Smith* that “this characteristic product of the Scottish Enlightenment, appearing at a time of expanding markets and consumerism, as well as political revolutions, is a book that has shaped profoundly modern understanding of human nature engaged in economic processes, and the ongoing search for material welfare.” Divided into five books, the *Wealth of Nations*, explores and analyzes the various aspects of wealth including money, price, wages and profit, rent, and value.

The five books are titled as follows: Book I – “Of the Causes of Improvement in the productive Powers of Labor, and of the Order according to which its Produce is naturally distributed among the different Ranks of the People”; Book II – “Of the Nature, Accumulation, and Employment of Stock”; Book III – “Of the different Progress of Opulence in different Nations”; Book IV – “How the Commerce of the Towns contributed to the Improvement of the Country”; and Book V – “Of Systems of Political Economy.” To a large extent, the *Wealth of Nations* is one of the most influential works to be published in modern times.

In the first two books, Smith discusses the components of an ideal market economy. For example, his theory of price formation distinguishes the factors of production made up of land, labor, and capital, from the categories of return which include rent, wages, and profit. He builds a macroeconomic model that shows the interdependence of economic phenomena. One factor of production flows into the other in a circular fashion. Labor is the primary driving force of output,
which in turn affects capital input. Smith dedicates Book I to the causes of improvement and natural distribution of a nation’s produce: “Whatever be the actual state of the skill, dexterity, and judgment with which labor is applied in any nation, the abundance or scantiness of its annual supply must depend, during the continuance of that state, upon the proportion between the number of those who are annually employed in useful labor, and that of those who are not so employed” (Smith 3) For Smith, the proportion of useful labor in every nation is determined by how labor is applied and the number of people who are employed to apply their skill, dexterity, and judgment. The second book deals with the way capital stock are accumulated and the labor force that it can put to work according to the different ways in which it is employed.

Smith called his economic system “the obvious and simple system of natural liberty” (Ross and Pyle xiii). He argued that “every system which endeavors, either, by extraordinary encouragements, to draw towards a particular species of industry a greater share of the capital of society than what would naturally go to it; or, by extraordinary restraints, to force from a particular species of industry some share of the capital which otherwise be employed in it; is in reality subversive of the great purpose which it means to promote” (Smith 745). Such an attempt hinders instead of accelerating the progress of the society towards real wealth and greatness. It diminishes real value. Smith’s economic system functions with competition, free trade, and self-regulation (the invisible hand). It also functions within the limits of justice.

Smith moves from theoretical analysis in books one and two to a historical evaluation of alternative economic systems in his next two books, that is, Books III and IV. Here, he discussed the mercantile or commercial system and the feudal or agricultural systems. Smith dismissed the mercantile system as a viable economic system and launched an attack against the mistaken attempts by governments inspired by the mercantile system to redirect their activities and
monopolistic tendencies to the agricultural systems against the natural law tendencies of his market system. The final book of the *Wealth of Nations* is dedicated to a “constructive advice about the necessary curtailment of individual freedom in a commercial society to provide for our chief social needs” (Ross and Pyle xiii). The topics covered in the *Wealth of Nations* relate to justice, defense, public works, religious establishments, and education. The themes contained in both the *Theory of Moral Sentiments* and the *Wealth of Nations* would have been familiar to the students who sat in Smith’s lectures, his close friends, and other contemporaries.

Smith was both an academic and public scholar. He was the founder of modern economics, and the most important theorist of economic liberalism. He first published the *Theory of Moral Sentiments* in which he argued that moral actions are those actions which awaken the sympathy of the well-instructed and impartial spectator. His second book, the *Wealth of Nations* is one of the most important books for understanding economics. Smith wrote this book after a brief tour of continental Europe, during which he met and interacted with Claude Adrien Helvétius, the philosopher and host of the French Enlightenment group known as the philosophes. The *Wealth of Nations* was published during the American war of independence and a few years before the French revolution. Great Britain, the dominant colonial power at the time, depended heavily on her colonies for resources and markets. Smith’s first book, the *Theory of Moral Sentiments* serves as background for understanding his economic theories. Later, the published notes of his students, that is, *Lectures on Rhetoric and Belles Lettres*, *Lectures on Jurisprudence*, and *Essays on Philosophical Subjects*, gave us better insight into his thinking. Despite certain undeniable weaknesses, the impact of Smith in both the academy and socio-political life has been tremendous.
The most powerful empire in the eighteenth century, Great Britain, followed Smith’s economic ideas for centuries. Also, the most powerful empire today, the United States of America, with its open economy was inspired by his ideas. Some of Smith’s ideas such as private property and free trade may seem incontestable today, but they were revolutionary at the time he wrote about them. Smith lived at a time when people had different thoughts about the dominant economic system, mercantilism. Smith argued that the division of labor and the accumulation of capital was what added value to a country’s economy and not balance of trade or colonialism. Using a pin factory as an example, Smith provided a detailed account of what is now the dominant economic system in the world today, the free market system. While many subsequent readers of Smith may agree with his ideas and themes, there are others who find fault with his thinking. Next, I highlight some of these controversies to ensure a balanced understanding of Smith and draw a conclusion to this chapter.

A key debate about Smith concerns what is commonly known as the “Adam Smith Problem,” that is, the seeming disconnect between his two books. Some scholars struggle to find an agreement between the conceptions of human nature advanced in the *Theory of Moral Sentiments* and the *Wealth of Nations*. The problem could be framed into the following question: Are there two works of Adam Smith that are entirely independent, contradictory in their fundamental principles, or should we regard Smith’s second book as a continuation of the first, though published much later, and both when taken together present a comprehensive explanation of his moral philosophy? Other scholars questioned specific aspects of Smith’s work. For example, Bruno Hildebrand criticized the natural foundations of Smith’s moral sentiments and accused him of preaching extreme materialism in his 1848 book, *Die National ökonomie der...*
Gegenwart und Zukunft, but at the same time praised Smith for describing a system that works for Britain. Hildebrand didn’t think Smith’s system applied to Germany and other nations.

Although Smith’s work did not create much controversy in Britain, in continental Europe there was a difference of opinion about this fundamental point in Smith’s thought. The argument began among German scholars in the second half of the nineteenth century concerning the contradiction between ‘sympathy’ and ‘self-interest,’ two central ideas contained in Smith’s books (Montes 66). These scholars were members of the German Historical School, a group that explicitly rejected the economic theories of the British Classical School of David Ricardo and John Stuart Mill. Proponents of this school of thought were influenced by Immanuel Kant who challenged the philosophical foundations of the enlightenment project in his *Critique of Practical Reason* by pointing out that reason alone cannot discover the principles of economics. Although scholars were silent on the matter for much of the twentieth century, it remains a subject of controversy in modern Smithian studies.

For the German Historical school of thought, there is an irreconcilable difference between the *Theory of Moral Sentiments* and the *Wealth of Nations* centered on the sympathy-based concept of human nature contained in Smith’s first book and the egoistic theory of self-interest. Leonidas Montes points to the early German cultural identity and the economic environment within which the German empire was formed as the context for this line of thinking (66 – 73). Montes then details the early reactions to Smith, beginning with the 1876 influential article, *History of English Thought in the Eighteenth Century*, written by Sir Leslie Stephen, and ending with Glen R. Morrow’s lecture given at the University of Chicago in 1923 and published to commemorate the 150th anniversary of the publication of the *Wealth of Nations* in 1927 (73 – 78). These scholars were opposed to the liberal British approach to industrialization propounded
by Smith and several members of the German Historical School attacked the factual representation of Smith’s theories. According to Montes, “Stephen (1876) and Lange (1865) viewed sympathy as a regulative force” while Morrow (1923, 1927) tackled the issue of self-interest as an inferior virtue, which falls under the umbrella of prudence, which in turn leads to an understanding of the *Theory of Moral Sentiments* as a regulating basis for economic behavior” (77). Scholars like Morrow think that Smith’s liberal concept of self-interest emanates from eighteenth century social thought. Although the German Historical School was influential in its day, it did not have much of an impact on modern economic thought.

Commenting on the controversy in his 1897 article, August Oncken claimed that three important articles provided valuable material on Adam Smith. These were James Bonar’s *A Catalogue of the Library of Adam Smith* (1894), John Rae’s *Life of Adam Smith* (1895), and Edwin Cannan’s *Lectures on Justice, Police, Revenue and Arms*, delivered in the University of Glasgow by Adam Smith, reported by a student in 1763 (1896). Bonar argues that based on the kinds of books he found in Smith’s library, Smith couldn’t have been influenced by the materialists. Hence, he should be credited for producing a brilliant literary piece of work in his *Wealth of Nations*. John Rae in his biography of Smith supports the continuity between the *Wealth of Nations* and the *Theory of Moral Sentiments*. The notebook of Smith’s student edited by Cannan gives the final credence in support of Smith. These are the words of someone who heard Smith speak. For Cannan, *Jurisprudence* forms the connecting link between the *Wealth of Nations* and the *Theory of Moral Sentiments*.

The so-called “Adam Smith problem” became less of a point of interest among scholars for nearly half a century. But during the celebration of the 200th anniversary of the publication of the *Wealth of Nations*, the Oxford University Press published *The Glasgow Edition of the Works*
and Correspondence of Adam Smith, and this ignited the debate again. The editors of these publications made a tremendous attempt to review the original texts in their introduction and this renewed the interest of current scholars in the subject. Some scholars thought the “Adam Smith problem” was a futile attempt to discredit Smith or an outright misunderstanding of Smith’s concept of sympathy and self-interest. This group of thinkers included the editors of the Theory of Moral Sentiments, Raphael and Macfie (1984); Raphael (1985); editor of the Wealth of Nations, A. S. Skinner (1976); Donald Winch (1978); Haakonsen (1981); and Heilbroner (1982). Others argued that the problem is scholarly relevant and should not be ignored. These were Teichgraeber (1981); Dickey (1986); Nieli (1986); Evensky (1987); and Griswold (1999).

The result of this renewed interest is that the “Adam Smith problem” is an important issue in Smithian studies and for that matter an ongoing debate.

At the turn of the millennium, Adam Smith scholar, James R. Otteson, continued to advance the debate. Otteson in a 2001 article argued that “by the time August Oncken published his article in 1897, the scholarly tide was already beginning to turn regarding the so-called Adam Smith problem” (51). He further stated that more than half a century before Oncken, there were several scholars who argued that there appeared to be two faces of Smith, which held that “Adam Smith the moral philosopher, who had originally thought that human relations were based on a sympathy men felt for one another, at some point became Adam Smith the economist, who thought that self-interest was what motivated men” (Otteson 51). This is what the German Historical School called Umschwungstheorie. The conclusion of these and other nineteenth century scholars was that the two books Smith wrote were inconsistent. In his article published in the History of Philosophy Quarterly, Otteson, contrary to what many contemporary scholars hold, acknowledged the reality of the Adam Smith problem.
Otteson rejects the answer that Smith was already thinking about his second book when he wrote the first and that some of the same words appear in both books. Instead, Otteson does an analysis of some of the major themes contained in both books and points out their discrepancies. He begins by examining the relationship between virtue and self-interest which Smith discussed in part six of the Theory of Moral Sentiments. Otteson explains that this is where Smith describes the role of the impartial spectator. What the impartial spectator judges to be proper in one’s situation determines what is virtuous. According to Otteson, this is where Smith outlines the degree to which we must exercise self-interest, benevolence, or other virtues in various circumstances (53). Otteson adds that in part seven of the Theory of Moral Sentiments, Smith “examines what he considers to be the four leading explanations of moral judgements: those that in turn make virtue consist in propriety, in prudence, in benevolence, and, finally, the ‘licentious system’ – those that argue that the prevailing motivation men feel is self-love” (53). Based on these two statements, Otteson argues that it is in parts six and seven of the Theory of Moral Sentiments that we find the roots of the Adam Smith problem.

Otteson argues furthermore that in the Wealth of Nations Smith extensively discusses prudence as that which “flowing from self-love” and “out of concern for our own long-term interests” enables us to deny ourselves of immediate gratification, save our money, and invest our capital (60). However, Smith fails to mention the importance of benevolence in this process as he did in the Theory of Moral Sentiments. Even the few times that Smith uses the word “benevolence” in the Wealth of Nations, he elevates self-interest over benevolence as the source of human motivation. Hence, Otteson accuses Smith of presenting a different definition of human behavior in the Wealth of Nations than what is in the Theory of Moral Sentiments and fails to mention beneficence, justice, and self-command as virtues underlying the pursuit of
wealth and informing human interactions. Besides the so-called Adam Smith problem, there were other controversies.

Another important debate is the attack by neo-liberal conservatives on Smith. Built on the classical liberalism of the eighteenth century, these are a group of scholars who believe in the functioning of the free-market system but distinguish themselves by also advocating some conservative principles such as holding on to tradition. Their position pre-supposes a corruption of the current liberal system. They blame Smith for laying the foundations for the abuse of the liberal agenda. The group emerged in the twentieth century, although they trace their roots back to Edmund Burke (1729 – 1797) and the French Revolution. Burke, a champion of the “old order”, in his *Reflections on the Revolution in France* published in 1790, opposed the revolution. He is believed to be the precursor to today’s conservatism. Written in the form a letter “intended to have been sent to the gentlemen in Paris”, Burke criticized the principles of the French Revolution and urged reform instead of rebellion as an instrument of change.

Kenneth Dyson locates the origins of neo-liberal conservatism in Germany and France. He lists eminent economists such as James Buchanan, Frank Knight, Henry Simons, Ralph Hawtrey, Jacques Rueff, Luigi Einaudi, Walter Eucken, Friedrich Hayek, Alfred Müller-Armack, Wilhelm Röpke, Alexander Rüstow, and Paul van Zeeland as leaders of this thought. They identified an emptiness in liberalism and thus attempted to reevaluate the term “neo-liberalism”. Conservative liberals dissociated themselves from its meaning characterized by “a freewheeling, deregulated, market economy and, … the penetration and abuse of state power by the vested interests of large corporations” (Dyson 3). For them, the ideal statesman is one who is enlightened, morally responsible, economically and legally trained to function as a powerful arbiter working in the interest of the public. But at the same time, there must be clear rules or a
mechanism that protects the framework necessary for the system to function. The market also had the ability to discipline and punish abusers of the system. The counter argument against neoliberal conservatism is “the appropriation of the language of an aristocratic culture by bourgeois intellectuals” in an age of mass democracy (Dyson 130). Neo-liberal conservatives saw themselves as the prophetic voices of the people, issuing warnings and offering guidance.

Carlos Rodríguez Braun reminds us in his 2019 article published in The Review of Austrian Economics that scholarly opinions about liberalism in Smith’s thought are not new. Most notable among them is Jacob Viner who called Smith “the great eclectic” in his 1927 article. Braun notes that even before Viner “there were economists like Henry Sidgwick and Joseph Shield Nicholson, who condemned the exaggeratedly liberal portrayal of Smith” (465 – 466). The position of these scholars is that Smith’s supporters may have pushed his views beyond the intentions of Smith himself. I agree with Braun that it is one thing to accuse the supporters of Smith of exaggerating his views and another thing to outrightly condemn Smith’s liberal position. On the balance of his proponents and detractors, as Braun argued in his article, Smith is a liberal who has some anti-liberal aspects to his views. A nuanced assessment of Smith, like Braun’s article, in my opinion, gives us a true picture of Smith.

Smith’s detractors may disagree with him on several grounds, however, from a constructive hermeneutic viewpoint we can draw insights from their work to aid our understanding of Smith. I believe an economic system that relies on both sympathy and self-interest as its foundation is what fully embraces the thought and legacy of Smith. When these two aspects of the human life work together in a synergistic or complementary way, then, we are following the path of Smith. I agree with Jesse Norman that Smith has been at the center of the ideological battleground involving competing views of economics, markets and societies (ix).
Smith placed markets and norms at the center of both economics and sociology. Therefore, much of modern socio-economic life could be traced back to Smith. These achievements make him important for corporate communication. As we shall find out in the review of the history and development of corporate communication later in this project, there are economic and social implications to corporate communication theory and practice.

**Conclusion**

In this opening chapter, I clarified the significance of Smith for this project, the approach adopted in the research, and pointed to some relevant ideas and themes in Smith’s work. I also acknowledged the fact that there is a positive and not so positive extraction of Smith by various scholars. Ultimately, I present a constructive understanding of Smith that addresses the scholarly controversies surrounding his thought and legacy but highlights his importance for corporate communication. By doing a constructive interpretation, I admit that Smith is not the be all and end all of scholars who enhance our understanding of corporate communication.

As seen in my assessment, Smith was a successful scholar whose influence transcends the period of the Scottish Enlightenment. Although Smith is better known as an economist, the rhetorical, philosophical, and communicative praxis implications of his ideas extend our understanding of corporate communication in an increasingly interdependent world. Viewing corporate communication through the lens of Smith expands our understanding to include commitments to history, rhetoric, economic freedom, ethics, justice, commercial life, self-interest, character, sympathy, division of labor and specialization. A key insight of this dissertation is how Smith’s ideas, theories, and philosophical perspectives complement the bodily pursuit of corporate communication to create a new vision of corporate communication.
In chapter two, I undertook a concise review and assessment of the literature on rhetoric of the marketplace. This aimed to acknowledge both the scholars who influenced Smith and those he influenced. I addressed the fact that, although Smith is regarded as the father of modern economics, economic thought did not begin or end with him. This chapter shows the place of Smith in the history and development of economic thought, that is, the origins and development of economic ideas and their interrelations. In my assessment, I was particularly interested in the development of the market over time. I took into consideration the political and rhetorical underpinnings of economics. Although, this review took into consideration the historical periods, my goal was to locate Smith in the ongoing conversation about how the idea of the market has evolved.

In chapter three, I explored the historical context within which Smith lived and worked, that is, the Scottish Enlightenment. My interest here was to trace the issues, events, and scholars connected to the intellectual life of Smith. I went over Smith’s intellectual biography and examined his major publications as well as the student notes published by Glasgow University to clarify his key ideas and how the Scottish Enlightenment made that possible. Then, I examined how Smith’s ideas influenced the modern thinking in terms of political, social and economic life. All these, I argued are grounds to find connections between Smith and corporate communication. In the final analysis, I provide a synopsis of Smith’s work found within the rhetoric and communication fields based on the available literature.

In chapter four, I explored the development of corporate communication as a “body” of communication. This chapter outlines the contemporary understanding of corporate communication. I examined different definitions and perspectives of corporate communication with the aim of finding major themes and principles that undergird the discipline and practice of
corporate communication. This chapter lays the ground for me to outline the connections between Smith and corporate communication that I found in my study that allows us to view corporate communication from the perspective of Smith.

Finally, chapter five, contains a summary of my findings, implications of Smith’s ideas for corporate communication and my suggestion to have a Smithian perspective of corporate communication. This is my contribution to the field. It is my informed opinion that this convergence between Smith and corporate communication brings to the discipline a sense of freedom and responsibility. Smith allows for control and flexibility to co-exist in the corporate communication process.
Chapter 2

Rhetorical Foundations of Economic Thought and Development of the Market

Introduction

To understand the connection of Adam Smith to corporate communication, we must understand Smith’s relationship to rhetoric of the marketplace. And to understand Smith’s connection to rhetoric of the marketplace is to situate him in history and rhetorically construct the foundations of his thought. Hence, this chapter reviews the economic rhetoric of various scholars and the development of the idea of the market through history. All through the history of economics, there are notions of ecology and anthropology.

These notions connect the ideals of economics to the life of the concrete human person. What we know of the world is based on our interaction with it. We create different worlds by choice because we participate in them. For instance, a sculptor takes clay and can leave different imprints on it by shaping it into an imagined image. Corporate communication relies on language to function in a similar manner. Language exists among people and that is where the world is. Phenomena is a matter of consensus.

2.1 Early Foundations

Scholars generally agree that the earliest foundations of economics were laid by the Greek philosophers, although one of the arguments against this assertion is that the market wasn’t developed. Yet, I shall begin this review with Aristotle in Greece as a reminder of how rhetoric of the marketplace is rooted in ancient history. Aristotle was born in Macedonia and his
uncle was a physician to Philip, who made him the teacher of Alexander the Great. His teacher was Plato, who taught that knowledge of the truth makes you know how to act (ethically).

Most schools of modern economic thought trace their roots back to Aristotle. And the main texts often cited are the *Nichomechean Ethics* (5.5) and *Politics* (1.8-10). The modernist view is that the ancient economy is to be understood as an early and restricted version of what we are familiar with today, not as something different in kind, and that it is to be studied by bringing to bear the same economic concepts we use to study the economy of our own time. For Scott Meikle, the economic thought of Aristotle “was the backbone of medieval thinking about commercial behavior and matters that we would call ‘economic’” today (1). Much of current Catholic social teaching and Islamic economic thought have their foundations in Aristotle’s economic thought.

Aristotle’s economic ideas gained prominence because of his analytical contribution to the study of economics, his understanding of wealth, and his influence on the pursuit of wealth in the modern world. The following statement is the foundation of Aristotle’s economic thought:

> With every article of property there is a double way of using it, both uses are related to the article itself, but not related to it in the same manner – one is peculiar to the thing and the other is not peculiar to it. Take for example, a shoe – there is its wear as a shoe and there is its use as an article of exchange; for both are ways of using a shoe, inasmuch as even he that exchanges a shoe for money or food with the customer that wants a shoe uses it as a shoe, though not for the use peculiar to a shoe, since shoes have not come into existence for the purpose of exchange (Aristotle, quoted in Meikle 8).

This statement unites both *Nichomechean Ethics* (5.5) and *Politics* (1.8-10) and is pivotal in all of Aristotle’s economic thought. Meikle helps us to make sense of Aristotle’s economic thinking.
Aristotle examined the principle of exchange. According to Meikle, embedded in Aristotle’s economic thought was this twofold understanding of goods. Aristotle’s theory of economic value is basically a search for commensurability between two things that are very different. He divides what we would call “economic value” into two parts, use value and exchange value. In the case of Aristotle’s example, a shoe - there is its wear as a shoe and there is its use as an article of exchange. Use value is simply a matter of the natural properties of the artefact or product. But they can be exchanged as well, and if they become subjects of systematic commerce they acquire a second kind of value, i.e., value in exchange or exchange value.

With this, “Aristotle laid the foundation of the distinction between use value and exchange value, which has remained a part of economic thought to the present day” (Meikle 8). Exchange value was not important in the ancient economy. The ancient world tended to think about things in terms of their use value. Therefore, continuous production was the main concern of the ancient economy and not the accumulation of wealth. And the principal unit of production was the household. Deficiencies led to division of labor and exchange. Exchange at this time was first reciprocity based on proportion or fair exchange.

Additionally, Aristotle introduced two themes which appear and reappear in his thought, interweaving with each other and with observations that contradict them. The first of these is the idea that money, just because it is a common measure of everything, makes products commensurable, and thus makes it possible to equalize them. The second is the idea that it is need which makes things commensurable (Meikle 21). Money is a wild card because it can be anything and anything can be money. It is abstract and its invention dates to 500 B.C. In the exchange economy, people went to money stores to buy money because money facilitates exchange over time and distance. In the money store, what was sold wasn’t money but time, that
is, the time value of money. Ultimately, however, everybody thinks in the form of the use value of things. There are natural limits to things connected to use. But with money, there is no limit. We forget the pure persuasive power of custom when we pursue money endlessly.

Next, Aristotle makes a distinction in the concept of wealth. He distinguishes between wealth as available use-value (true wealth or stock of things) and wealth as available exchange-value (or money) (Meikle 48). The end sought by true wealth is limited, because, being defined as the stock of things that are useful, a natural limit is reached when there are enough of them. “Enough” meaning enough for the good life. The end sought by wealth as available exchange-value, however, is without a natural limit. This will be so, at least, where money is made the end. The classical political economists – Smith, Ricardo, and Marx, each made the distinction between use value and exchange value. Subsequently, that distinction was conflated by others such as Mill, Marshal, and Cairncross.

The ancient system provided a medium of circulation, not a means for the settlement of credit transactions. So, the Greeks were a very long way from developing productive credit as we have today. Hence, the hoarding of exchange value as coin, gold, or silver, was simply the most useful and sensible thing to do with it. This is how Aristotle identifies the usefulness of money - it serves as a guarantee of exchange for the future: supposing we need nothing now, it ensures exchange shall be possible when a need arises, for it meets the requirement of something we can produce in payment to obtain the thing we need (Meikle 21 -23). According to Meikle, Aristotle’s market was the same, just that it wasn’t fully developed as today’s market. Meikle’s book is a hermeneutic of Aristotle’s economic thought.

In terms of labor and time, Aristotle states that we can’t rely on labor and time in concrete terms to quantify commodities (Meikle 133 – 134). Thus, we must think of them in
abstract terms. That is, we quantify quality in terms of money (modern convention). The necessity in the modern era is to build an economy based on money. But for Aristotle, we can only translate quality to quantity by convention or name. This is because money exists not by nature but by law, according to Aristotle. In ancient times, time was in events. The clock was invented to have a fixed time in the late 1200s. At this point, events are fixed in time. With time fixed, it is now used to quantify quality, that is, money. With the artificial development of time, we began developing artificial perspective of labor time.

Besides Meikle, M. I. Finley gives us an understanding of the ancient economy from a slightly different perspective. Ian Morris claims in the forward to Finley’s book, Ancient Economy, that it is possible to “build a coherent model of a single ancient economy, which sums up the important features of the whole Graeco-Roman Mediterranean from 1000 B.C. to A.D. 500, but excludes the Ancient Near East, at least until the incorporation into Macedonian kingdoms and then the Roman empire” (xix). The economic arrangement within this period is diverse. Finley describes the ancient market as historically situated and rhetorically constructed. Rhetoric deals with uncertainty. That is why we talk about persuasion. It is a system for managing uncertainty, change and avoiding violence.

For Finley, Aristotle’s position is – acquire knowledge that enables you to act because without certain knowledge everything is relative. Therefore, Aristotle argues that instead of viewing money as a means, money becomes an end. If money is a means, it is a means to an end. But when it becomes an end, then, the pursuit of a means becomes irrational and endless. Philosophy equips us with knowledge for action while uncertainty is action without certain knowledge. Since Finley wrote, we now know more about the ancient economy than before.
Finley argues that in the absence of meaningful quantitative data in the ancient period, “the best that one can do is to judge whether or not one model, a set of concepts, explains the available data more satisfactorily than a competing model” (194). In his work *The Ancient Economy*, Finley presents us with a historical understanding of the relationship between wage and labor. The very idea of wage-labor requires two difficult conceptual steps. First it requires the abstraction of a man’s labor from both his person and the product of his work. For example, when someone purchases an object from an independent craftsman, one has not bought his labor but the object, which he had produced in his own time and under his own conditions of work. But when one hires labor, one purchases an abstraction, labor-power, which the purchaser, not the “owner” of the labor-power, determines (and for which he normally pays after he has consumed it). Second, the wage-labor system requires the establishment of a method of measuring the labor one has purchased, for purposes of payment, commonly by introducing a second abstraction, namely, labor time.

In terms of land, Finley stated that there was a close connection between status and possession guided by law. The Greeks fully preserved for their citizens a monopoly of the right to own land and who in the political class had authority over the landowners (Finley 95). The law was backed by custom, tradition, social, and political pressures. Investment in land, was never in antiquity, a matter of systematic, calculated policy, of what Max Weber called economic rationality.

There was no clear conception of the distinction between capital costs and labor costs, no planned ploughing back of profits, and no long-term loans for productive purposes. In the late Middle Ages and the early modern era, however, there emerged the extension of the society’s
resources by techniques that permitted lenders or lending institutions to deal with tokens of one sort or another as if they were cash.

**2.2 Contributions in the Middle Ages**

Moving on from the ancient period to the medieval times, Richard H. Tawney tracked the influence of religious thought on capitalist economy and ideology since the medieval period in his *Religion and the Rise of Capitalism*, first published in 1926. The typical economic system in medieval times was that of the Schoolmen. During this period, the standard teaching was that the sermon was the basis for economic decision making. Therefore, the standard appeal in difficult cases of conscience was to the Bible, the Fathers of the Church, the canon law and its interpreters. Controversial decisions were reached in terms of morality and religion and not in terms of economic expediency.

For instance, between the following choices, there is a chasm which no theory of the permanence and ubiquity of economic interests can bridge, and which deserves at least to be explored.

- Between the conception of society as a community of unequal classes with varying functions, organized for a common end, and that which regards it as a mechanism adjusting itself through the play of economic motives to the supply of economic needs.

- Between the idea that a man must not take advantage of his neighbor’s necessity, and the doctrine that man’s self-love is God’s providence.

- Between the attitude which appeals to a religious standard to repress economic appetites, and that which regards expediency as the final criterion.
In medieval times, the facts of class status and inequality were rationalized by a functional theory of society, as the facts of competition were rationalized in the eighteenth century by the theory of economic harmonies. Society was interpreted not as the expression of economic self-interest, but as held together by a system of mutual, though varying obligations. The Church’s doctrine of economic ethics was the expression of the conditions of medieval industry. There is no place in medieval theory for economic activity which is not related to a moral end.

The most fundamental difference between medieval and modern economic thought consists, indeed, in the fact that, whereas the latter normally refers to economic expediency, however it may be interpreted, for the justification of any particular action, policy, or system of organization, the former starts from the position that there is a moral authority to which considerations of economic expediency must be subordinated.

In the Middle Ages, theologians were the intellectual leaders. Even natural phenomena were interpreted along the lines of religious doctrine. As the modern period approached, especially shortly before Smith was born, the pursuit of economic self-interest, which is the law of nature, came to be identified by the pious with the operation of the providential plan, which is the law of God.

2.3 Transition into Modernity

In the modern period, scholars reignited classical economic thought and deepened it based on the signs of the time. In his 1985 work, *Essentialism in the Thought of Karl Marx*, Scott Meikle emphasizes the roots of Marx's dialectical method in Aristotelian essentialism and organicism. Marx insisted on the importance of considering reality in holistic terms. According to Meikle, the commodity is the starting point for Marx’s analysis of capitalist society because
the commodity contains within its essence a contradiction between its use value and exchange value.

In his *Politics* and the *Nicomachean Ethics*, Aristotle clearly shows the penetrative power of essentialist categories and method, for among other things it brought him closer to an understanding of money than any author until the nineteenth century. He identifies the circuits C-C, C-M-C, M-C-M, and M-M, and achieves this by following out his methodological principle that: “He who considers things in their first growth and origin, whether of a state or anything else, will obtain the clearest view of them” (Aristotle quoted in Meikle 1985). For Aristotle, exchange arises at first from what is natural, from the circumstance that some have too little, others too much.

Aristotle introduced the first form of exchange, the form that is primitive both historically and logically, that is, barter, or the direct non-monetary exchange of one commodity against another, which will be represented as C-C, to indicate the exchange of two commodities unmediated by money. Exchange mediated by money is represented as C-M-C, in the case of selling to buy or M-C-M in the case of buying to sell. Finally, the direct exchange of money for money is represented by M-M. In this case, exchange is an instrument. It falls within the first of Aristotle’s two arts of acquisition, namely, that kind which is by nature part of the management of the household. This is so because its aim is the acquisition of wealth as use-value not as exchange value.

Wealth is thus defined as several instruments to be used in a household or in a state. This form of exchange, however, makes possible another, which is concerned only with getting a fund of money, and that only by the method of conducting the exchange of commodities. The owner comes to the market, not with goods, but with money which he advances against commodities to
resell them for a greater sum. He does not stop there, however, because once he has finished one circuit, he still has as much reason to return and buy again because of the profit he made. Aristotle says of this kind of exchange that there is no limit to the end it seeks; and the end it seeks is wealth of the sort that is mere acquisition of currency. Those who are engaged in acquisition increase their fund of money without any limit.

Marx’s overall view of the historical process is that it is the process of development, or genesis, of human society through forms towards its fullest and highest form, in which its inherent potentials are fully realized. History is the process of coming-to-be of human society. Its essence is human labor, and its different “principles” are the social forms in which that labor is historically supplied. Marx was interested in market economy and its value-form, and its suppression by a society of freely associated producers who subordinate social wealth to themselves, rather than being dominated by it.

The ancient class organism was the city-state with slave and peasant production, and finally production by serfs. The potential for development, and the line of development of this organism was not such as could easily lead to the development of those higher methods of labor and productivity that would usher in the capital-form and its new form of surplus extraction. Market economy, the production and circulation of commodities, grew, and English feudalism was inadequate to the task of preventing or drastically inhibiting it.

The work that textures the thoughts of Karl Marx on capital and labor is his book entitled *Capital: A Critique of Political Economy*, published in 1976. It is one of the most powerful works in modern times against capitalism. Firstly, Marx argues that capitalism leads to the alienation of labor. Alienation, according to Marx, occurs when the proletariat is made to sell his or her labor for a minimum wage. In such a situation, the worker’s labor takes on an existence
independent of him or her. The worker has no connection to the fruit of his labor. He works not because that is his true nature, but because he needs the money. Secondly, Marx argues that the inherent contradictions of capitalism will eventually lead to its downfall. Such contradictions consist in capitalism’s insistence on the profit motive and the logic of demand and supply. These elements, Marx argues, will eventually undermine the strength of capitalism. Thirdly, Marx says that capitalism commodifies or objectifies the worker, making him or her an appendage to the machine. As an object the worker is quickly disposed of when his or her usefulness is exhausted. As an object, the worker is treated any way the owner of capital wants. Division of labor limits him or her as well in terms of what he or she can do. The owner of capital succeeds in objectifying the laborer with the help of sophistic rhetoric. Thus, to be ethical, the speaker, unlike the capitalist tycoon, must communicate truthfully.

Contrary to Karl Marx, Max Weber in his book, The Protestant Ethic and the Spirit of Capitalism, examines the rise of capitalism in relation to the virtues that propelled the productivity of those operating within the system. Weber defines capitalism as the pursuit of profit through “peaceful” means, created through an account of “balance” between hard work and the fulfilment of duty (Weber 17-18). Thus, capitalism can recruit the workers it requires in industrialized nations, whereas this would have been nearly impossible without capitalism. Weber argues that the free and mutually beneficial exchanges between labor and capital in this system make society better. He rejects the Marxist concept of dialectical materialism and relates the success of capitalism to the Calvinist belief in the moral value of hard work and the satisfying of one’s worldly duties.

Turning our attention from capital to labor, Emile Durkheim’s The Division of Labor in Society deepens our theoretical understanding of labor questions which businesses must deal
with. Durkheim helps us to understand the different types of solidarities in human society, namely, mechanical solidarity and organic solidarity. According to Durkheim, mechanical solidarity or solidarity by similarities is a phenomenon of simple societies where people are bonded through familial relationships (57). Here, the population is homogenous and simple. Division of labor in such societies is based upon demographic considerations and there is little social mobility. The breaking of this kind of bond is considered as a crime.

Organic solidarity or solidarity arising from the division of labor, however, is a phenomenon of more developed societies, where there are social diversity and people are bonded through associations (Durkheim 88). Division of labor in this society is based upon expertise acquired through formal education. Here, the population is heterogeneous and complex. Durkheim’s argument that division of labor is based on social considerations and not economic is instructive. As a social function, division of labor has as its foundation the family where men, women, and children are required to perform specific functions.

Douglas and Isherwood turn our focus to consumption and its implications for social policy in their book, *The World of Goods*. According to Douglas and Isherwood, overconsumption is more serious and more complicated than personal obesity, and moral indignation is not enough for understanding it. People do not buy stuff just for material welfare or psychic welfare, or display. Rather, consumerism is a social phenomenon determined by social factors. As a social phenomenon then, consumption must be grounded in the same social system that accounts for the drive to work, itself part of the social need to relate to other people, and to have mediating materials for relating to them. Such mediating materials include food, drink, and hospitality of home to offer, flowers and clothes to signal shared rejoicing, or mourning dress to share sorrow.
For Douglas and Isherwood, the myth surrounding consumption can be broken through the combined lenses of economics and anthropology. They argue that “moving toward a differentiated idea of time associated with different kinds of consumption activity,” is important for “periodicity and synchronization of responsibilities” (Douglas and Isherwood 195). They also assert that “incorporation in a group lengthens the time span of decisions immeasurably.” (Douglas and Isherwood 195). Regardless of what economists have said about the phenomenon, economics alone cannot adequately explain people’s consumption behavior. The truth is, consumption behavior is a social phenomenon; therefore, the place to seek to explain it is anthropology, a branch of study that deals with cultural practices.

People are influenced in their consumption. Hence, it would be absurd to aggregate millions of individuals buying and using goods without reckoning with the transformations they affect by sharing consumption together. Significantly, it must be noted that the theory of consumption must be a theory of culture and a theory of social life. Among the important metaphors recurring in the text are goods, consumption, consumerism, culture, food, economics, and anthropology.

2.4 The Contemporary Period

On Contemporary Economic Ideas, Todd G. Buchholz in his book, *New Ideas from dead Economists*, takes a fresh look at historical figures whose ideas have shaped the science of economics, examining how these ideas relate to our contemporary economic challenges. He outlines how government policies and private economic decisions affect everyone whether directly or indirectly. For us to understand our present situation and how our children will be affected in the future, we ought to understand how these great thinkers have influenced our current situation. These are the giants of economic science during the past two centuries. Among
these economic thinkers are Adam Smith, Thomas Robert Malthus, David Ricardo, John Stuart Mill, Karl Marx, and Alfred Marshal.

Adam Smith: He is the main subject of my dissertation. Smith is famous for his epoch-making classic, *An Inquiry into the Nature and Causes of the Wealth of Nations* published in 1776, a book that blends philosophy, politics, and business. His main concern in that text was “to uncover causal laws that explain how to achieve wealth. Smith holds the view that all human beings naturally seek their interests and have the tendency “to truck, barter, and exchange one thing for another” (Buchholz 19 - 22). Smith argues that human beings almost always need help from others, but it is hoping in vain to expect it from their benevolence only. We stand a chance of being successful if we can convince them that it is for their own advantage. The future of society, therefore, lies not in the best of motives but on the ability to steer strong motives toward the attainment of vision. In the view of Buchholz, the “invisible hand” is the transparent symbol of Smithsonian economics, that is, the imagery “symbolizes the true orchestrator of social harmony, the free market” (Buchholz 23). This sums up Smith’s teaching about the market and economics.

Eighteen century thinkers like Smith had strong opinions and believed that their ideas would be relevant forever. By the time Smith published his *Wealth of Nations*, “merchants were trading within the British Isles and across the seven seas, population was expanding, merchants were organizing small factories, and banking systems were spreading throughout Britain and the Continent” (Buchholz 10). But this was not the profound thing that dominated the Enlightenment period. The most significant revolution at the time was thinkers investigating, questioning, and explaining the world around them. Foremost among them was Smith.
Thomas Robert Malthus: Malthus was born on February 13, 1766. Like Smith, he was interested in the work of Newton. So, he read the *Philosophias Naturalis Principia Mathematica*. He lived through the French revolution. In 1798, Malthus predicted global population explosion with dire consequences. According to the Malthusian Theory, while population would swell and spread at an explosive pace...food supplies would only inch along. There will be social rapture and decay (Buchholz 44). Clearly, this would result in a shortage that would require human creativity to make up. He published the *Principles of Political Economy* and debated David Ricardo on the trade policy and the question of economic depression. He died in 1834.

David Ricardo: Ricardo never attended college but delved deeply into economic theory as much as any other scholar on the subject. He was a supporter of free trade and the proponent of the “Law of Comparative Advantage”, which states that “people and countries should specialize in whatever leads them to give up the least” (Buchholz 1989). In other words, if it is cheaper to import a good than to produce it locally, then it makes sense to go ahead and import it. His relationship with Malthus began with debates over their opinions on currency and trade issues. Ricardo did not read the *Wealth of Nations* until he was 27 years old. He started writing articles and pamphlets on the currency and inflation in 1809 and later joined the London intellectual society (Buchholz 71). He published his treatise, *On the Principles of Political Economy and Taxation* in 1817, in which he commented on Adam Smith’s work and contemporary issues.

John Stuart Mill: Born in 1806 in London, his father taught him Greek when he was three years old. He read the works of ancient Greek philosophers such as Plato and learned Latin. Though he was born during the Enlightenment, he read a lot of classical and romantic works. He summed up his frustration with both rationalism and romanticism when he published his thoughts on economic methods (Buchholz 103). A utilitarian in the mold of Jeremy Bentham,
Mill asks troubling questions about the ethical foundations of economics and capitalism. His main contribution to economics comes through his work *Principles of Political Economy*. According to Buchholz, he proposes a schizoid approach to production and distribution. He argued that fixed, universal laws control production but not the distribution of wealth. For Mill, society is an important factor in production and distribution.

Karl Marx: We have already discussed him at length. Born in 1818 in Germany, Marx was known for his penetrating inquiry into the laws of capitalism and the hidden code that rules the development of civilization (Buchholz 116). Though he was not popular during his lifetime, Marx had a tremendous impact on twentieth-century economic thought. Like John Stuart Mill, he read both rationalist and romantic works. Marx began life as a journalist in Germany after obtaining his doctorate but would later travel to Paris and become friends with Friedrich Engels, author of *The Conditions of the Working Class in England in 1844*. In the 1840s Marx built the historical and philosophical foundations for the study of capitalism ((Buchholz 121). He predicted the collapse of capitalism, “that the masses would soon erupt in revolution and shake the owners until they tumbled from their pedestals” (Buchholz 121). A proponent of historical materialism, he held the view that the first historical act is the production of the means to satisfy human needs (Buchholz 122). Marx refers to the ideas, laws, customs, and ethos that maintain the status quo as the “superstructure” that frames the perception of people. The base is the means of production, especially labor. His views were first expressed in his *Contribution to the Critique of Political Economy* but is best known for his later work *The Communist Manifesto*, which he published with his friend, Friedrich Engels, in 1928.

Alfred Marshall: He was the preeminent marginalist of neoclassical economics. “The essence of marginalism is the insistence on incremental, gradual moves as the focus of inquiry”
(Buchholz 150). Marshal did not invent the idea. Rather, he followed in the footsteps of Augustin Cournot and others who started exploring the marginalist idea decades before Marshall. However, it was Marshall who first clarified and comprehensively applied marginal analysis in economics. By so doing he established the marginal tradition that continues to dominate microeconomics today. Some of the most important economists of the twentieth century like John Maynard Keynes learned from him. He was the embodiment of marginalism in his day.

Buchholz concludes this introduction to modern economic thought by pointing to the progress the world has made since Smith. In his words, “the truth is that economics befuddles even the sharpest mind” (Buchholz 304). Buchholz also surmises that economics is not a science of precise laws as Smith and some of his successors tried to depict. So, how do we sum up the modern thought? We turn to other texts for answers.

2.5 Philosophical Beliefs and Systems of Thought

A major resource for a textured understanding of the modern world is the work of Ingersoll, Matthews, & Davison entitled *The Philosophic Roots of Modern Ideology*. The overarching theme looked at from different angles by the authors is ideology. In their view, ideologies are action orienting belief systems whose adherents take them to be true. Explaining further, the authors note that ideologies may indeed contain some untruths, but they may also contain some truths. An ideology attempts a meaningful analysis of the existing environment to discover real truths concerning humanity. Adherents of any type of ideology believe that their view of life alone is beautiful, good, just, and best for humanity. The major ideologies discussed in the text include liberalism, conservatism, Marxism, fascism, Nazism, and Islam. In this review, I will restrict the discussion to liberalism. Suffice it to say that Smith comes from the
liberalism tradition. As a result, I am interested in how liberalism emerges in the analysis of his work and how it enhances corporate communication.

Liberalism played a revolutionary role in Europe, challenging, altering, and sometimes destroying the values, customs, habits and opinions of traditional culture. Same has been the case wherever liberalism has become the dominant ideology. Although liberty is at the heart of liberalism, it is difficult to say exactly what liberty means. Ingersoll, Matthews, & Davison state that the word liberty or freedom “has had different meanings to different people” (22). Therefore, they define liberalism as a diffuse system of ideas and values that has been associated with such widely divergent thinkers as Thomas Hobbes, James Madison, John Stuart Mill, and John Rawls. As varied as the use of the term liberalism is, it is still possible to find common traits of the idea that are embraced by most of its proponents.

Before liberalism emerged in Europe, much of the continent, especially during the Middle Ages and early part of the modern period was under a social system known as feudalism, which means “property in land” (Ingersoll, Matthews, & Davison 22). This system was founded on an agriculturally based economic system that was tied to locality. This system produced structured communities that were hierarchically organized and quite stable. Community was valued over and above independent rights. Tradition was paramount. People rarely questioned the values, customs and traditions because they believed they were ordained by God. Despite these characteristics, feudalism gave way to liberalism during the modern period, especially with the emergence of enlightenment ideas.

According to Ingersoll, Matthews, & Davison, modern liberalism claimed that human beings are rational individuals who can use their reason to understand and to alter the world for the better (23). As a result, needs such as liberty, equality, and universal justice that were not
apparent in the old order became important. The modern state and capitalistic economic system combined to overthrow feudalism. What emerged was the modern market society based on a “radically individualistic (and economic) concept of humanity” (Ingersoll, Matthews, & Davison 23). In the liberal system, the individual is the atom of society. The essential humanity of the individual is found within the person as a rational creature. Hence to be rational is to be able to discover and learn the basic principles that govern the material and moral universe. Liberalism sets the individual free from any unquestioned authoritative traditions. It allows the individual to identify and pursue self-defined ends that are not tied to another person’s expectations of them. In this system, society is a set of arrangements and relationships freely entered for specific purposes. The early proponents of individual freedom were Martin Luther, Francis Bacon, and Renes Descartes.

Luther is noted for nailing his 95 theses on the church door at Wittenberg on October 31, 1517 (Ingersoll, Matthews, & Davison 25). This singular act sparked the reformation in the Church because Luther questioned the authority of the Church on so many grounds. To Luther, authentic religious experiences could have no intermediaries. Therefore, it is possible, he argued, for the individual to have a personal relationship with God; be able to understand God’s word in an individual manner; and receive graces from God without the sacraments. Faith alone was necessary. Bacon’s ideas marked the beginning of the scientific spirit that would sweep through Europe and the rest of the world in the modern era (Ingersoll, Matthews, & Davison 26). Bacon believed that science had given humanity the means to create a new world.

Building on the earlier contributions of Copernicus and Galileo, Bacon set in motion the scientific revolution. The adaptation of experimentation and cooperative investigation drove humanity towards objective knowledge. For Descartes, he encouraged humanity to think and
seek scientific knowledge, starting from the premise that “everything must be questioned” (Ingersoll, Matthews, & Davison 26). In his philosophy, to be human is to think. The common characteristics in the thinking of these scholars are secularization, individualism and rationalism, which are basic tenets of liberalism.

One of the first thinkers to bring liberalism into political science in modernity is the English philosopher, Thomas Hobbes. Hobbes first set out to envision society without a government. This he called the state of nature. He described such a state as “solitary, poor, nasty, brutish, and short.” It a state in which there is a free for all fight for survival. On this basis, Hobbes built his theory of the necessary foundations for political obligation. He suggests in his *Leviathan* that absolute power rests in the sovereign who brings order to the chaos of the state of nature. In the absence of the sovereign, Hobbes suggests that people enter a social contract to preserve their humanity. Hobbes constructed his political theory in response to the economic and social reality of seventeenth-century England. His theory shows the dark side of liberalism.

Following Hobbes was John Locke, whose state of nature contains some of the elements of Hobbes. Both philosophers saw people “as distinctly individual, free, equal, and possessed of certain natural rights,” but for Locke, God is “a central factor in politics” (Ingersoll, Matthews, & Davison 32). Locke found his theological connection useful in his economic argument too. He argues that although individuals have a natural right to things, God gave the earth to humanity for the common good. Locke’s liberalism coincided with the emergence of the historical dynamics of capitalism (Ingersoll, Matthews, & Davison 33). His ideas and those of his predecessor Hobbes, created the political environment for this new liberal perspective of economics to flourish. The contrast to liberalism was conservatism, defined by Edmund Burke as “the protection of individual rights from potentially tyrannical actions by majorities” (Ingersoll,
Matthews, & Davison 42). Burke presents us with the rudiments of conservative thought to guard against the excesses of liberalism. For him, society is an organism in search of structure and stability. Liberalism on the other hand, brings to this structure and stability, the values of toleration and dialogue in search of a more democratic society.

The idea of liberalism as we have seen above can be defined from different perspectives. It is sometimes as specific as individual freedom but other times more general as in the case of justice. The idea also applies to different aspects of life including social, political, and economic life. Adam Smith found it useful to link his economic and moral thought to liberalism because he wanted to live in an environment with the least trappings that will also allow him to feel the sentiments of those around him. Both freedom and character were important to Smith.

Liberalism since Smith is more than two centuries old. Beginning as a response to the feudal and medieval systems of governance, it represents a unique synthesis of the ancient and the modern. However, since the early part of the twentieth century, through the world wars to today, globalization has cast a deep shadow across liberalism’s future by separating economic activity and the political community of belonging (Pierre 132). The result is massive impoverishment, political turmoil, and moral rift among others.

Kenneth Dyson’s *Conservative Liberalism, Ordo-liberalism, and the State: Disciplining Democracy and the Market* published in 2021 gives us a sense of the current state of liberalism and its future. Dyson traces the origins of conservative liberalism to the French revolution. He claims that conservative liberalism emerged as a response to the revolution and that this form of liberalism has a renewed relevance in the twenty-first century due to what he calls “a heightened sense of fragility and contingent character of liberalism” (Dyson 1). For him the ideals of liberalism have been lost to crony capitalism.
According to Dyson, liberalism is confronted with numerous challenges including climate change, religious fundamentalism, terrorism, the demise of tradition and community, corporate and governmental surveillance, poverty, identity politics, migration, and treasonous elites. These challenges have combined to offer opportunities for unscrupulous populist politicians to emerge and move nations towards nationalism. Against this background, Dyson examines the attempts that have been made to renew liberalism. These attempts have led to what is now known as conservative liberalism.

Dyson offers a historical perspective of how liberal theorists reframed the idea of liberalism during past crisis to serve as an example to the current situation. Great attention is given to conservation because it is a cross-national effort to rescue liberalism. The aim of conservative liberalism is to restore the promises of liberalism – moral purpose, prosperity, security, a humane society, and a more worthwhile life (Dyson 3). Conservative liberalism is an attempt to revive liberalism as a response to the current crisis facing capitalism and democracy.

Robert L. Heilbroner, economist and historian of economic thought, brought together a carefully selected group of economic thinkers in his book, *The Worldly Philosophers* and creatively finds a common theme that binds their varied ideas, that is, the search to understand how a capitalist society works. He discusses social and political issues that are fundamental to economics in the contemporary era and concludes with a reminder about the purpose and limits of economics.

Heilbroner offers us an expansive, detailed, persuasive, and coherent exposition on economic thought with historical and sociological orientations toward social phenomena. After giving a background account of the historical development of markets under the title, “The Economic Revolution”, in the second chapter of the book, Heilbroner discusses the ideas of
Adam Smith, Parson Malthus and David Ricardo, the Utopian Socialists, Karl Max, the Victorian World, Thorstein Veblen, John Maynard Keynes, and Joseph Schumpeter. These scholars, according to Heilbroner, shaped and swayed the minds of people and the world.

Additionally, these scholars left behind them “shattered empires and exploded continents; buttressed and undermined political regimes; they set class against class and even nation against nation … because of the extraordinary power of their ideas” (Heilbroner 13). Today, their economic thoughts are important, especially as the world is bedeviled with numerous economic issues. The ideas of the great economists are as important as the ideas of the great philosophers and scientists. They shape people, nations and institutions and affect corporations. They all sort to understand and explain the world around them, as well as the behavior of their fellow human beings in relation the creation and distribution of wealth.

At the heart of man’s economic evolution is the quest for survival. History shows that attempts to find a solution to this problem has been all but partially successful. Even in the very wealthy nations there exist poverty and misery. From primitive societies to advanced communities, people have struggled to find a balance between self-centeredness and cooperation. Heilbroner argues that modern society faces the possibility of a breakdown not from the forces of nature, but from sheer human unpredictability in a hugely industrialized world (19). In search of answers to the need for survival and imminent unpredictability, societies have been organized into different economic systems based on various ideologies.

Historically, there have been three major evolutions. one option has been to organize society by tradition in which different families took up certain professions and handed them down from one generation to another. So, there would be families that engaged solely in farming and another family involved in craftsmanship. Under such a system, customs and traditions are
held in high esteem. Another system is the command society in which the ruling authority tends to control and direct affairs. In these first two approaches, there is very little diversity and individuality in the system. The third solution to the survival problem is the arrangement in which everyone is allowed to do what they see fit for themselves so long as they abide by the rules of the system. This arrangement is called the market system.

In this system, it is the lure of gain that directs affairs and not tradition or the authority. Heilbroner submits that it was this solution to the survival problem that called forth the economists (21). Economists undertook to explain how this revolutionary system works. Beginning in the early fourteenth century to the eighteenth century, Heilbroner outlines the historical development of the economic evolution made possible through philosophical, political and economic ideas (21 – 41). Markets have existed as far back as history goes, but the period covered here saw significant changes such as the emergence of mercantilism and capitalism.

The first true economic blueprint of modern society came from Smith with the publication of the *Wealth of Nations*. His vision was largely adopted by the Western world and for generations has shaped the rest of the world. He gifted the world a solution it had been searching for in a clear and understandable form. A new vision had been born to which everyone could associate themselves with. Smith’s vision, also known as the market system, is a system of liberty. He helped to forge the beliefs of his time, an age of humanism and reason. The market system is a closely interconnected system regulating most resource allocations. It also contained within it the development of a capital accumulation process, along with the development of science and technology for increased production. The history of economic thought viewed from the perspective of Smith, is primarily a history of the development of the market system that overthrew the feudal and mercantile systems.
2.6 Public Discourse

I will turn this review briefly to some practical elements that make rhetoric in the marketplace possible. An important text that deepens our understanding of public opinion is the work of Edward Bernays, *Crystallizing Public Opinion*. It is the foundational work on public relations that defines the basic problems and issues of the field, as well as the problems that have beset it from the outset. It expands our understanding of public discourse. And since corporate communication is a form of public discourse, knowing the critical theories undergirding public discourse will help the practice of corporate communication. Public relations for Bernays, is not about propaganda but about interpretation; the public relations counsel interprets the client to the public and vice versa (Bernays 50). The public relations counsel does not improve the value of the product itself but makes the value of the product more evident and appreciated among its public.

Communication is essential to making information about markets, organizations and political issues known to people, allowing them to make decisions and understand complex issues. The corporate communication practitioner creates awareness by placing information before the public that establishes a product’s value with respect to competing products and sustains goodwill and cooperation by information management. Hence, public opinion matters. Bernays understands public opinion as an aggregate of individual opinions that is constantly changing, thus, creating a constant tension between permanence and change, group and individual. Public opinion is a rhetorical construct in the Aristotelian sense.

Another element of public discourse worth understanding is the public sphere. A public sphere may be defined as “a discursive space in which individuals and groups associate to discuss matters of mutual interest and, where possible, to reach a common judgment about them.
It is the locus of emergence for rhetorically salient meanings” (Hauser 61). The public sphere is incredibly complex. Publics are neither simple nor homogeneous. They are constantly forming, disbanding, and interacting. Just as public opinion is never uniform, publics are reticulate and formed by relationships between persons. Therefore, society consists of many publics, with flexible boundaries. Relationship in the public sphere is one of interaction and mutual influence. In the words of John Dewey, “the public consists of all those who are affected by the indirect consequences of transactions to such an extent that it is deemed necessary to have those consequences systematically cared for” (13). Dewey believes that there is a private sphere, but he also believes that the actions taken in the private sphere have social consequences and are therefore of public concern.

For an in depth understanding of public discourse, we turn to Jacques Ellul’s Propaganda: The Formation of Men’s Attitudes. This book attempts to understand the nature of public discourse in an age of mass media technology. Ellul describes public discourse in terms of “propaganda,” the purposeful, technique-driven manipulation of opinion toward the end of maintaining and wielding institutional power. He believes it to be the omnipresent force in post-industrial society, and he believes that it is a grave threat to humanity. Propaganda is a seamless, integrated web of discourse that infiltrates all aspects of society. It is the rhetoric of the total society. It is also a totalizing rhetoric that threatens to destroy human society.

2.7 The World Economy in the Twenty-First Century

At the turn of the century, nearly every nation across the globe seemed to have either fully accepted the market system or at least embraced some of its basic principles. With the collapse of the Soviet Union in the early 1990s, there was hardly any country that had a centrally planned and essentially self-sufficient economy (Cameron and Neal 387). There have been
astonishing advances in technology, especially aided by the internet, announcing new possibilities to billions of people around the world. The employment, consumption, distribution, and production landscape has changed dramatically. New investment opportunities have also emerged. As a result, the factors of production including capital, labor, and the market have responded with high competition, volatile pricing, increased movement of goods, high quality of goods and services, and migration of people.

Some politicians have responded by implementing policies of control that will shield their nations from the negative effects of globalization. According to Cameron and Neal, “no one can predict how the various countries and regions of the world will adapt to this new historic epoch of rapid technological change combined with the opening of new markets” (387). Recently, however, the current global marketplace has been threatened by terrorism, the Covid-19 global pandemic, Russia’s invasion of Ukraine, and the threat of a nuclear war.

**Conclusion**

The literature explored in this chapter is not exhaustive, but it shows that Smith is part of a long-standing intellectual conversation that began in ancient times, continued through the medieval era, and into the modern period. Even in contemporary times, conservative liberals and other scholars continue to show interest in the primary issues that Smith wrote about. At the root of the said conversation are issues connected to moral, social, political, and economic life. The marketplace as we have it today has developed and changed significantly over time. But liberalism in all its forms has survived from the early classical thought of Aristotle, especially his principles of liberty and free exchange. Rhetoric has played a useful part in the development of these principles. For that matter, my project again turns to language to give order to the contemporary issues and the perspective of Smith.
Chapter 3

Adam Smith, the Scottish Enlightenment, and his Writings

Introduction

This chapter announces the importance of the context within which Adam Smith’s ideas were born and nurtured. What were the issues, problems or situations that caused Smith to write or speak? What impact did Smith’s work and the Scottish enlightenment have? Smith was born at a time of great scientific accomplishment and distinctive change. One profound change during the lifetime of Smith was the emergence of the Scottish intellectual culture known as the Scottish enlightenment.

The first global conflict, commonly known as the Seven Years War (1756 – 1763) was fought between the British and the French but it stretched from North America through the Caribbeans to Senegal in West Africa and India in Asia (Norman 68). It was a war led by two economic superpowers with colonial ambitions. According to Norman, the year 1759 proved pivotal during the war, as Britain emerged victorious in the key battles by the end of that year. The resulting effect was that the British empire would continue to expand both politically and economically. Domestically, however, there was a crucial change in 1760 when George III became king following the death of George II. The new king was highly critical of the politicians and quickly moved to assert himself and take up more powers and duties. A major question that the new king and the politicians of his time were confronted with was, how to settle the debt incurred because of the war. The combined effect of these happenings and changes led to a period of tumultuous governance within the British empire until 1770. Later, Smith would have a
lot to say about the effects of war on the public debt and the taxation required to service it. He also gave a set of lectures on rhetoric, government and law in Edinburgh, the student notes of which would miraculously survive and be published after his death.

I review the historical moment in which Smith lived to show its relevance today. I assert in this chapter that the questions that Smith and other scholars addressed during the Scottish enlightenment are still relevant in the contemporary era, especially as it relates to corporate communication. The chapter begins with an intellectual biography of Adam Smith. It then moves on to outline the Scottish enlightenment and its role in creating the modern commercial society. A selection of the major thinkers of the Scottish Enlightenment and the issues they discussed add more clarity to our understanding of the historical moment. The questions that demanded the attention of scholars in this historical moment are highlighted to put in context Smith’s thought and legacy. Finally, I argue that the ideas and issues pursued by Smith in such a relatively unknown center of enlightenment continue to have an impact in the postmodern period and this offers a ground for understanding corporate communication today.

A communication approach that seeks to affirm multiplicity and diversity works to understand and respond to the demands of the historical moment and not operate in an imaginary ideal. In practice, corporate communication is strategic and imaginative. History reminds us that modern society bases its legitimacy on the rights and wills of the individual (Christensen, Morsing and Cheney 219). As a result, the pursuit of self-interest and individual rights alongside other social actors and institutions matter.

3.1 Intellectual Biography of Smith

Adam Smith’s intellectual biography reveals an educational background that includes studying at some of the top universities in the world and an illustrious career in both academia
and public service during the Scottish Enlightenment, a point when history changes direction.

The medieval era had been overtaken by the modern era and the questions that occupied the minds of scholars had shifted from the Church being the focus of attention to the human intellect and experience. Smith began his education at a time when Scotland became a pioneer of the new sciences (Hanley 3). The old medieval departments of learning gave way to new and revised disciplines. Psychology, for example, became a study not of the soul but of the passions. Political economy became a separate discipline out of moral philosophy. Smith grew up at the heart of these changes as a member of a close-knit community of intellectuals in Edinburgh and emerged as a nuanced thinker in Glasgow.

Ultimately, Smith emerged in history as a key member of the Scottish Enlightenment. He was actively engaged in discussions within the broad social environment and shared his ideas through teaching and writing. This section describes and outlines Smith’s intellectual life story to give some background context to his thought and legacy. I don’t intend to provide a detailed biography, which has been taken care of already by his biographers. For the purposes of this dissertation, this intellectual overview seeks to demonstrate the importance of Smith as a key member of modern thinkers who contributed to shaping society during their lifetime and continue to impact the human experience today. Smith’s intellectual experience, especially in economics, makes him an important contributor to the western intellectual tradition.

I will rely on facts from three key biographical studies including Dugald Stewart’s *Account of the Life and Writings of Adam Smith*, John Rae’s *Life of Adam Smith*, and Nicholas Phillipson’s *Adam Smith: An Enlightened Life* to map out Smith’s education and work. Stewart (1753-1828) was a contemporary of Smith and his first biographer. A philosopher and mathematician, he is best known for popularizing the Scottish enlightenment. Rae (1813-1893)
was a Scottish Orcadian surgeon who explored parts of Canada and fellow of the Royal Society. He solved two great mysteries of nineteenth century Arctic exploration with the discovery of both the final link in the Northwest Passage and the fate of the 1845 expedition led by Sir John Franklin. He complements Stewart’s account with information from particulars about Smith and several of his letters that emerged in the nineteenth century. Phillipson (1937-2018) was emeritus reader in history and honorary fellow at the school of history, classics & archaeology at the University of Edinburgh. In his account, he reconstructs Smith’s intellectual ancestry and formation to make it radically new and convincing. Taken together, these biographers provide us with a hermeneutic entrance into the thought and legacy of Adam Smith.

Smith’s biographer, Dugald Stewart, recounts a story in which Smith was kidnapped at an early age by marauding vagrants and was rescued by his uncle. Stewart refers to Smith’s uncle as “the happy instrument of preserving to the world a genius, which was destined, not only to extend the boundaries of science, but to enlighten and reform the commercial policy of Europe” (Wightman and Stewart 269-270). An only child, Smith was born into the midst of some key figures of the Scottish intelligentsia.

While Smith looked up to scholars like “Lord Kames, also known as Henry Home (b. 1696) and David Hume (b. 1711), he had friends and colleagues such as the literary critic Hugh Blair (b. 1718), the historian William Robertson (b. 1721), the social philosopher Adam Ferguson (b. 1723), the natural scientists James Hutton (b. 1726) and Joseph Black (b. 1728).” (Hanley 4). These scholars set in motion what became known as the Scottish Enlightenment, characterized by a break with the a priori reason of the Middle Ages to the study of common sense and individual perception. Distinguished from the French Enlightenment or the British Enlightenment based on its own characteristics, Scotland moved into the age of enlightenment on
the back of earliest philosophers such as Gershom Carmichael (1672-1729), George Turnbull (1698-1748) and Francis Hutcheson (1694-1746). Of the three, Hutcheson is sometimes referred to as ‘the father of the Scottish enlightenment’ (Broadie 104). Smith received his education from some of the best thinkers of the time and was friends with others, especially David Hume.

Smith had the first rudiments of education at the school of Kirkcaldy. His passion for books was noticeable at an early age. He had an extraordinary memory. By the age of fourteen Smith had received advanced education in the classics and mathematics. Smith’s early education in the 1730s “coincided with the first real signs that Kirkaldy’s economy was beginning to develop in an entirely new direction” (Phillipson 12). The booming linen industry helped transform the economy of this part of Scotland both as a center of production and as a market. From the grammar-school of Kirkcaldy, Smith was accepted into the University of Glasgow in 1737 for a three-year program in social philosophy. He studied under some of the leading scholars of the time such as the liberal philosopher Francis Hutcheson, the experimental philosopher Robert Dick and the mathematician Robert Simson. In 1740, Smith went to Balliol College, Oxford. These were vital years in Smith’s intellectual development.

At Oxford, Smith studied mainly Greek, Latin, French, Italian, and English Literature. In contrast to Glasgow, Oxford did not seem to have made any discernible impression on Smith. He spent his time there reading materials as he saw fit. Several years after he left Oxford, Smith wrote in his Wealth of Nations about a certain ancient university that serves as a sanctuary for exploded systems and obsolete prejudices after they had been hunted out of every other corner of the world (Hanley 5). In fact, Smith was nearly dismissed from the university because a copy of David Hume’s A Treatise of Human Nature was found in his room. The study of human nature in all its branches, more particularly of the political history of mankind, opened a boundless field to
his curiosity and ambition. Smith devoted his leisure time to polite literature, which not only added to the splendor of his conversation but enabled him to exemplify some of his favorite theories concerning the natural progress of the mind in the investigation of truth. At the time of his college education, the merchants of Glasgow were beginning to prosper from trade with the British colonies across the Atlantic.

Smith returned to Scotland in August 1746 after failing to secure a job in England and chose to settle quietly in Kirkcaldy with his mother. Although his bursary had destined him for the Episcopal Church, Smith had no interest in working for the Church. After engaging in private study for two years, Smith emerged again in 1748 to deliver a series of lectures on rhetoric and jurisprudence under the patronage of the lawyer and philosopher Henry Home, also known as Lord Kames, in Edinburgh. This is the period Smith launched himself into the sophisticated intellectual life of Edinburgh and laid the foundation of his thought and legacy. During this time, he made his most important friendship with the philosopher David Hume. A friendship founded on the admiration of genius and the love of simplicity for both eminent men (Wightman and Stewart 273). The two will go on to have a fascinating relationship of sharing knowledge, disagreeing on key concepts, and attempting to understand and fix problems in their social system. Smith’s public lectures on rhetoric came to an end when he was offered a position at his alma mater, the University of Glasgow.

For both Smith and Hume, language and rhetoric are the basis for understanding and reason. Estrella Trincado, in her book The Birth of Economic Rhetoric recognized Hume and Smith as among the major group of authors who provided the theoretical background for the Scottish Enlightenment. The others being Francis Hutcheson and Adam Ferguson. According to Trincado, “… the Scottish Enlightenment broke with the a priori reason of the Middle Ages to go
into the study of common sense and the common world, to individual perception instead of the perception of an Almighty and inapprehensible Creator of human existence” (2-3). Edinburgh became a cosmopolitan city with a rich cultural life and educated elite that included Francis Hutcheson, David Hume, Adam Smith and Adam Ferguson. An important issue that concerned these scholars was the complex relationship between historical progress, economic growth and moral improvement in society.

Smith got his first academic job in January 1751 when he was elected the chair of logic and rhetoric at the University of Glasgow. Upon the death in 1752 of Thomas Craigie, the immediate successor of Francis Hutcheson, Smith was transferred to the chair of moral philosophy. He remained in this position for thirteen years, a period Smith described as by far the most useful and happy time of his life (Hanley 6). Glasgow was a significant center of what has come to be called the Scottish Enlightenment. The university boasted a galaxy of talent and learned societies. Smith’s reputation as a scholar grew exponentially and a multitude of students came from long distances to the University of Glasgow, merely on account of him. His concepts became the main topics of discussion in clubs and literary societies. Glasgow was the perfect situation for him to teach and pursue the ideas that mattered to him, which he communicated to the world in the form of writing.

Smith published the first of his two main works, *The Theory of Moral Sentiments*, in April 1759. An inquiry into the origin of moral approbation and disapproval, the book focused on ideas such as benevolence, justice, judgment, sympathy, and social responsibility. This publication established Smith as a moral philosopher and brought him to the forefront of English philosophers. The book was highly praised by David Hume and Edmund Burke, among others. It has gone through six British editions, one Irish printing, and has been translated into French and
German. One of the successes of this first book was that it earned Smith a job as tutor of Henry, the Duke of Buccleuch.

Smith resigned his chair at Glasgow and went on a grand tour of the European continent in February 1764 with the young Duke until November 1766. During this tour, which took them to Toulouse, Geneva and Paris, Smith met several philosophers including Voltaire and Quesnay. The pleasant and productive tour was truncated when the Duke’s younger brother, Hew Scott, died. Upon his return, Smith spent six months in London where he read commercial texts and revised his first book, *The Theory of Moral Sentiments*, to include a chapter on the origin of languages. Afterwards, he returned to Kirkcaldy to be with his mother and work on his next book.

The second of his major works appeared on March 9, 1776, in London under the title *An Inquiry into the Nature and Causes of the Wealth of Nations*. The substance of this project was an examination of the political institutions that relate to commerce, finances, ecclesiastical and military establishments. Smith examined those political regulations which are calculated to increase the riches, the power, and the prosperity of a State (Wightman and Stewart 275). In this great treatise on political economy, Smith also paid great attention to the role of small towns in forming the commerce and culture of the regions of a commercial state. These small towns offer ordinary men and women the opportunity to learn the meaning of fair prices and wages. With such a foundation, they are then able to appreciate general and more complex truths such as the meaning of liberty and order. Smith saw the modern commercial city as a complex pluralistic entity with the power to improve as well as corrupt human nature. The *Wealth of Nations* was an enormous success. It went through five London editions in Smith’s lifetime and was also printed in Dublin and Philadelphia.
As the Glasgow publications show, Smith was also interested in the history of philosophical subjects, jurisprudence and rhetoric. Apart from distinguishing himself as an excellent teacher, his scholarship soon took a reputation of its own. But beyond his immense intellectual contribution to humanity, Smith valued his human relations. He took time off to attend to his friend Hume, who was dying. Hume died in August 1776. Smith’s eulogy of his friend, written in the form of a letter to their publisher William Strahan and dated from Kirkcaldy on November 9, 1776, cast Hume as a sort of modern Socrates. Two years later, Smith was appointed commissioner of customs responsible for collecting duty on imported goods and suppressing smuggling in Scotland. His office collected about six hundred pounds a year. Before he died, Smith despaired of his literary legacy and described his masterpieces as paltry, wishing he could have done more.

Smith’s life and work have had a great influence on British policy and upon the commercial system around the world, including the United States of America. Smith inspired the work of classical economists in the early nineteenth century, such as David Ricardo and John Stuart Mill, who were both in favor of the free market system. Indeed, British trade policy underwent far-reaching reforms in the period from 1830 to 1850 (Hanley 554). As a result of Smith’s work, the East India Company’s monopoly was abolished; the West Indies sugar preferences were eliminated; the Corn Laws were repealed; and the Navigation Acts were abandoned. Smith addressed the problems of his age in his writings and expounded theories that apply to society and not abstract academic treatises. In Smith’s modern world, the free movement of goods and services consumed by society is the aim and end of commercial life.

Smith continues to lurk behind so many industrial policy decisions and debates about commercial life in society today. He set a blueprint for social organization. Smith’s thought and
legacy has a home in the field of corporate communication but extends to business ethics, organizational communication, communication ethics, political economy, and moral philosophy. Smith’s intellectual biography reveals several themes, including: a deep recognition and appreciation of the historical moment and the language of sociability; a sincere interest in learning about his society and fostering the good of society; and the intellectual courage to interpret human engagement and improvement. Smith’s intellectual legacy demonstrates his relevance to the field of corporate communication, given that Smith literally tells the story of a complex society that represents a corporate entity with so many interlocking parts in a unified and meaningful manner. He had a well-developed philosophy that earned him invitations to give public lectures on rhetoric and teaching positions at the university of Glasgow. Questions about the benevolence and selfishness of human nature as well as the transformations that were overtaking the state system in Europe and the transformational power of commerce in the eighteenth century were of great interest to Smith. His moral philosophy was rooted in the ideas of his teacher and mentor Hutcheson.

Smith’s interest in rhetoric, jurisprudence, ethics and political economy always returned to “questions about sociability and the processes of social exchange on which society, the progress of civilization and an understanding of the role of government in fostering the civilizing process depended” (Phillipson 54). Therefore, the process of social interaction as experienced in everyday life is important for the study of society and sociability. Smith perceived time as a ‘creative present’ (Trincado 185). We value greater capacity of perception in objects not because it is useful, but because it draws us closer to reality as originally “we approve of another man’s judgment, not as something useful, but as right, as accurate, as agreeable to truth and reality”
Though Smith had read the works of Hume and other idealists, he does not use the word phenomenon synonymously with perception.

For Smith, perception is not a plain image. Hence, it is thanks to movement in time that we can perceive the variation of perspective. For example, society is an organism with its own life history, but time allows us to situate ourselves in the intuitive position capable of understanding perspective. The next section examines Smith’s legacy within the Scottish Enlightenment and how that gives us a better perspective of the modern commercial society.

3.2 The Scottish Enlightenment

The eighteenth century is generally described by scholars as the period of the “enlightenment” or the emancipated mind. Both the Copernican revolution and the Cartesian revolution are significantly responsible for creating this momentous turn in human history. The bonds of the medieval world, characterized by the neatly ordered hierarchy of beings leading up to one supreme power, were broken and gradually a new world order emerged. In particular, the extraordinary rise of Scottish intellectual life could be traced back to the lawyer and judge Lord Kames as well as the moral philosopher Francis Hutcheson. Together, “they revolutionized the Scottish intellect and created a new understanding of human nature and society” (Herman 60). A student of Hutcheson, Smith, emerged from this era as both a philosopher and economist. Smith’s classical approach to economics was introduced to the world in the late 18th century with the publication of his Wealth of Nations. Smith’s ideas had an enormous influence during the enlightenment period and continue to impact society down to today.

The enlightenment, the most intellectual movement of modern history, moved the achievements of science to the point when ideas challenged society to embrace new ways of thinking that affect society. Likewise, commercial life flourished, especially in Glasgow, which
saw its most spectacular transformation in the 1750s and 60s when Smith was a professor at Glasgow University (Phillipson 25). The major thinkers of the Scottish enlightenment asked commonsense questions and sought insight embedded in both reason and experience. The Scottish Enlightenment is important in this project because it shaped Smith’s thinking and produced some of the best philosophers whose ideas in turn shaped the contemporary world.

Eighteenth century Scotland generated the institutions, ideas, attitudes and habits that is often characterized as the Scottish enlightenment. The first person to use the term “Scottish Enlightenment” was probably William Robert Scott in his 1900 book, *Francis Hutcheson: His Life, Teaching and Position in the History of Philosophy*. As an article of investigation, however, the Scottish Enlightenment was identified and framed much earlier in a series of memoirs, biographies, and autobiographies devoted to the group of intellectuals who had personified the Scottish ‘Golden Age’ and had given Edinburgh its reputation as the ‘Athens of the North’ (Sebastiani 1). The emergence of Scotland into the modern world came from scholars and institutions, especially universities and the law courts. Born and educated in this era, Smith would have his own enlightenment circle that included his friend David Hume, the famous preacher Hugh Blair, the historian William Robertson and the moral philosopher Adam Ferguson. Nicholas Phillipson described this period as “an extraordinary moment” in the history of Scotland (Hanley 115). A time when the history of civil society marked by progress merged with the philosophy of common sense.

The Scottish enlightenment set the philosophical agenda for the modern world shaped by technology, capitalism and modern democracy. The driving force of the enlightenment project in Scotland was education or the reordering of human knowledge. Some scholars argue that the Scottish enlightenment project is rooted in the intellectual revolution of the seventeenth century.
Paul Wood in his *encyclopedia of philosophy* entry about the enlightenment in Scotland attributes the creation and crystallization of the Scottish enlightenment to three groups. These are the virtuosi or artists led by Sir Robert Sibbald, the clergy men in the Presbyterian and Episcopalian churches who promoted religious moderation and modern learning, and the first generation of Scottish Newtonians. All three helped reform Scotland’s academic landscape, cultural environment, and society at large.

The enlightenment project was further helped by the evolving impact of the printing press, demonstrated by the establishment of Longman Publishing in 1724. Furthermore, the publication of Samuel Johnson’s *A Dictionary of the English Language* in 1755; J. J. Rousseau’s publication of *The Social Contract* in 1762; and the publication of the *Encyclopedia Britannica* in 1768 in Edinburgh offered more material to the intellectual community in Scotland to interrogate their progressive ideas. Later, the signing of the *Declaration of Independence* in America in 1776 and the French Revolution in 1789 demonstrated that the enlightenment ideas were being taken seriously by the modern world. Finally, the late 1700s to early 1800s witnessed the industrial revolution that would completely transform society and commercial life in a world that was becoming more global and diverse in nature.

The enlightenment philosophy emerged within a context of philosophical debates in the major centers of learning in the West. Scotland, especially the important cities of Glasgow and Edinburgh, attracted a close-knit community of scholars and thinkers willing to take up new ideas and put old ideas to the test through debate, discussion and criticism. Edinburgh, for example, opened the first circulating library in 1726 and ten years later a public theater. With the opening of a public theater in Edinburgh in 1736, the performing arts gained prominence. The Scottish enlightenment was not just original to Scotland and robust in nature but was influential
in the eighteenth century across the modern world. It was a period of commercial transformation and rising economic sentiments. As a result, Smith witnessed the shift in society from the aristocracy to a commercial world concerned with wealth accumulation. Smith was one of the first to understand the economic mechanisms of this early industrial society.

Philosophers of the Scottish enlightenment distinguished themselves and influenced the thinking of people through their writings and general philosophical debates. Some of the thinkers who were part of this movement were Francis Hutcheson (1694 - 1746); Thomas Reid (1710 - 1796); David Hume (1711 - 1776); Adam Ferguson (1723 - 1816); and Adam Smith (1723 - 1790). These important figures of the Scottish enlightenment planted the seeds of modern commercial society in the form of ideas. They provide us with a good understanding of the general philosophical ideas that propelled debates among scholars during the eighteenth century in and around Scotland and contributed to the transformation of society. For example, Hutcheson wrote *An Inquiry into the Original of our Ideas of Beauty and Virtue* in 1725 in which he discussed the origins of human sense perception concerning beauty and virtue. He does not limit beauty to just works of art but rather to refer to natural phenomena. He also retains this understanding in his moral philosophy when he says that virtue has a sort of beauty. For Hutcheson, we perceive things to be good naturally, aesthetically, or morally. Hutcheson’s work on moral theory and aesthetics gave impetus to the Scottish enlightenment.

Smith learned to deal with the problems of moral philosophy from Hutcheson. He treated classic problems such as “the origins of our ideas of morality, justice, political obligation, natural religion, and beauty” as questions about sociability and how it is cultivated in common life (Hanley 107). Other important problems he dealt with were the nature of the affections and sentiments that are aroused when we find ourselves ethically challenged by the conduct of others
and the nature of our response to the conduct of others. Smith learned to grapple with these moral questions from Hutcheson. Contemporary Scotland benefited from his moral teachings grounded in religious toleration and freedom of expression. Later, Smith would contend with these ideas and develop his own thoughts.

Smith established through his writings that he subscribes to the tenets of the Scottish enlightenment, especially the common life built on social experience and education. However, he also demonstrated independence of thought. In his *Historical View*, John Millar described Smith as the ‘Newton of political economy’ because he had discovered the principles of commerce (404). Smith himself declared his admiration for Newton in his lectures on rhetoric when he identified the didactical mode of writing as the Newtonian Method. The modern commercial society, also referred to as the “modern economic epoch” by Simon Kuznets, is largely characterized by human progress in “exploration and discovery, maritime commerce and growth of navies, and related phenomena” (Cameron & Neal 193). Cameron and Neal argue that Smith would have agreed with Kuznets about the fact that a large part of the economic, political, cultural, and social history of the world between 1492 and 1776 can be explained by technological and scientific advancement. The discovery of America, for example, was made possible by the development of navigational techniques.

Fundamental to the age of enlightenment in Scotland was the idea of progress. That is, the constant evolution and development of human character based on certain principles and discernible patterns. History and human nature became key topics of discussion among the great thinkers of this era who were both common sense philosophers and philosophers of rhetoric. These thinkers succeeded in linking together history and human nature in a manner that showed the cooperative nature of human beings, discussed the doctrines of freedom and liberty, and
assessed the issues of moral sense and reason. Smith owed most of his philosophical roots to this period and the education he received at Glasgow University. Probably his greatest debt is owed to Francis Hutcheson, the professor of moral philosophy (Hanley 107). Smith acknowledged Hutcheson as one of the founding fathers of the Newtonian or “experimental” approach to the study of human nature.

Another enlightenment thinker who had a great influence on Smith was his friend David Hume. Smith read Hume’s work when he was a student at Balliol College, Oxford. Hume extensively address questions about the principles of human nature or the science of man in his scholarship. Through his writings, Hume transformed the study of the science of man. He wrote on the anatomy of the mind, politics, economics, history and religion and concluded that “the source of our cognitive powers lay in the imagination, the passions, and the customs and habits we acquire in the course of common life” (Hanley 108). Smith agreed with Hume on this but criticized Hume for not developing a systematic theory of language and failed to ask the historical question of how justice would differ in different types of property-owning society (Hanley 109). Members of the school of commonsense philosophy including Thomas Reid and Adam Ferguson contributed to the development of Scottish philosophy in the mid-eighteenth century by promoting sound practical reasoning.

Smith’s understanding of the principles of human nature assumed that the moral sensibilities we acquire during our common life is rooted in social experience and education. With the publication of the *Theory of Moral Sentiments*, Smith created a system of general laws about human behavior and aroused debates about the principles of human nature that laid at the heart of the Scottish enlightenment. Hanley argues that “Smith set the fundamentals of his system between 1748 and 1762 in the lectures and papers given in Edinburgh in 1748-50,
developed in Glasgow as professor of moral philosophy from 1752-63 and published as *The Theory of Moral Sentiments*” (110). Smith lays out in these lectures, papers and book an analysis of the different sensibilities that an individual needs to acquire to develop the language skills that form the bases for social life and our understanding of the world.

Smith’s contribution to the Scottish enlightenment and the development of the modern world is detailed by his biographer Nicholas Phillipson in his *Adam Smith: An Enlightened Life*. Phillipson concludes that Smith’s philosophy could be summed up as “a modest man who set out to reflect on a simple, apparently unremarkable characteristic of human nature – our desire, when all things are equal, to improve our own lot, that of our families and that of the civil society to which we belong” (276). Phillipson further postulates that Smith’s disposition was one that many shared – the day laborer shared with the aristocrat, the young person shared with the elder statesman, and many such examples (276). Smith taught the prudent citizen to value small and progressive adjustments to life and the management of public affairs.

Smith left behind a legacy that reminds us that the human desire to improve comes naturally to us and its power is seen in the remarkable material, moral and intellectual progress of humanity and the advance of human civilization. Born and educated during the Scottish Enlightenment, Smith witness and preserved through his work a world that was progressive and whose fortunes were being transformed into the world we know today.

### 3.3 Legacy of Smith and the Scottish Enlightenment

Smith and the diverse Scottish enlightenment thinkers gave us an understanding of the world and human society as a single intelligible structure that is continually adjusting to conflicting tendencies through history. Smith’s life and work takes us through moments of debate and human encounters during the Scottish enlightenment. This section turns to the issues
and situations that caused Smith to speak and write about human relationships and the duties and responsibilities we have toward each other. Smith’s thought and legacy is built on this foundation. The intellectual biography of Smith points to various phases of his life, including his interest in the science of man, rhetoric, jurisprudence, political economy, moral philosophy, and questions about the principles of social organization.

Like human beings in society, organizations communicate with different stakeholders concurrently and sequentially. Christensen, Morsing and Cheney describe corporate communication as polyphony or a body with multiple voices in their book *Corporate Communications: Convention, Complexity, and Critique* (194-196). Hence, dealing with issues such as social trust, interpersonal trust, consumption, regulation, trust in markets and trust in institutions requires an understanding of what matters to the many audiences that the organization communicates with at every moment in time. Corporate communication values diverse voices and the wisdom that each voice brings to the communication process. The writings of Smith describe to his readers a similar world in which individual voices matter in human society.

Smith is an important figure in the history and development of modern economics. However, the history of economics goes back to ancient times. The word “economics” originates from two Greek words – *oikos*, which means household, and *nem*, which means “regulate, administer, organize” (Finley 17). Hence, the term “economics” derives from the compound word *oikonomikos*, that means regulating, administering or organizing the household. The first Greek philosopher to write about this was Xenophon in the fourth century B.C. His work served as a guide for the gentleman landowner. Other ancient philosophers such as Plato and Aristotle also dealt with the subject. Cicero discussed similar issues in the medieval era. In the modern
period, Grotius, Cumberland, Puffendorf, Harrington and others touched on the subject. But it was Hutcheson’s *Short Introduction to Moral Philosophy* published in Latin in 1742 and translated into English five years later that brought the subject into the intellectual world of the Scottish Enlightenment. In Books II & III of his *Introduction to Moral Philosophy*, Hutcheson addressed economic issues concerning marriage, parents and their children, masters and servants, property, succession, contracts, the value of goods and of coin, and the laws of war.

Smith’s *Wealth of Nations* published in 1776 gave structure and meaning to a subject that had been developing for more than 2000 years. Smith laid the foundation stone of the modern discipline known as “economics”. His work is a synthesis of classical economic thought presented in a deep, complex, and historical manner. The focus of this work was the social world in all its dimensions and depth. It is one of the characteristic products of the Scottish Enlightenment. Around the time of this publication, the world was witnessing expanding markets and consumerism, as well as political revolutions in Europe and America. The *Wealth of Nations* has by far profoundly shaped the modern understanding of human nature engaged in economic processes, and the continuing search for material welfare.

Smith’s earlier book, *The Theory of Moral Sentiments* details a comprehensive system that explains the origins of moral actions and decisions, as well as what constitutes virtue. In this work, Smith contends that human beings are inherently moral but warns of the danger of corruption by external sources. In *The Theory of Moral Sentiments*, Smith sets forth a theory of how morality functions both at the personal or individual level and at the societal level. Grounded in moral philosophy, this work helps us to trace the principles that guide Smith’s theory of free trade expounded in the *Wealth of Nations*. Virtue, for Smith, comes from a combination of propriety, benevolence, and prudence. Justice requires us to respect ourselves
and others, thereby restraining us from inflicting immorality upon others. Just as the world or human society pulls us in multiple directions, corporate communication theory and practice attends to multiple audiences. Thus, both the corporate communication theorist and practitioner must navigate multiple identities in their work. Smith’s book, *The Theory of Moral Sentiments*, serves as a moral compass for both the organization as a whole and its individual members.

Essentially, Smith described a way of life that enables us to balance a life of unity and individual identity as good citizens. Although Smith vigorously defends commercial society, which has the tendency to worsen corruption and division, his moral philosophy tends both “to establish and confirm the best and most useful habits of which the mind of man is susceptible” (Smith, *TMS* 388). The first biographer of Smith, Dugald Stewart, had this to say about *The Theory of Moral Sentiments*: “with the theoretical doctrines of the book, there are everywhere interwoven, with singular taste and address, the purest and most elevated maxims concerning the practical conduct of life” (Wightman and Stewart 291). According to Hanley, the most recent scholar to affirm the practical significance of Smith’s work is the economist, Russ Roberts. He described *The Theory of Moral Sentiments* as a guide to the good life and how to achieve it (125). Smith argues that it is in the human nature to seek to balance concerns for others and concerns for the self.

The Scottish Enlightenment literature explored in this dissertation show changes in attitudes and beliefs not only among scholars but also among ordinary people during the eighteenth century. Thus, the enlightenment was not only an intellectual endeavor but a real liberation of the general populace from inherited believes and values, mostly from the ancient and medieval periods. The cultural significance and social impact of the literature of the Scottish Enlightenment is debatable but cannot be dismissed. Towsey argues in his introduction to the
tenth volume of his *Reading the Scottish Enlightenment* that “the Scottish Enlightenment advocated a particular type of reading, with the emphasis put on critical judgement and good taste by writers as varied as David Hume, Adam Smith, Francis Hutcheson, George Campbell, and James Beatie” (17). He further states that the ongoing difficulties of reconstructing Scottish identity created by the Union of Scotland with England in 1707 may have encouraged readers to appropriate the texts they read to themselves.

The fact that Scotland shared in the gradual globalization of European commerce is a key indicator of the impact of the Scottish Enlightenment. The familiar world of the people progressively changed before their eyes in terms of commercial, military and intellectual growth. Smith discussed these developments in his writings. “Though Smith does not explicitly say so, he is both describing what he saw happening before him in the Highland clearances and projecting it backwards as a model for what he thought must have happened in England in the later Middle Ages when a feudal society gave way to a commercial one” (Macfarlane 73) These factors shaped the behavior and thinking of people in Scotland in the eighteenth century. Today, readers of the works of Scottish Enlightenment thinkers take a historical journey to interact with the authors and people who lived during that time. While the ideas of Smith and the other Scottish Enlightenment philosophers remain the same, the social, cultural and intellectual impact of these texts on their readers continue to evolve.

**3.4 Relevant Themes and Ideas**

This section moves away from the university teacher, public scholar, and important figure in the Scottish Enlightenment to his texts. Smith’s contribution to knowledge is the reason for inviting him through his writings into this discourse about the bodily pursuit of corporate communication in the complex business and social environment of today. My focus here is to
highlight his major themes and ideas that I consider relevant to my project. I reckon that these themes and ideas were formed during the Scottish Enlightenment.

**The Theory of Moral Sentiments**

First published in 1759 and revised five times by Smith, *The Theory of Moral Sentiments* (TMS) is a summary of Smith’s moral reasoning. The last and sixth edition was published shortly before his death in 1790. The book is divided into seven parts. The parts are further divided into sections and chapters. In this work, Smith deals with the origin and foundation of our judgments concerning the sentiments and conduct of others, as well as those concerning our own. Smith adopts a social approach to morality. Additionally, Smith presents an exceptional analysis of the nature of virtue as well as what is required of us to act virtuously towards other human beings. He immediately introduces his readers to his doctrine of sympathy as the organizing principle in the formation of the moral sentiments. In the concluding part, Smith conducts a historical survey of systems of moral philosophy going back to ancient times and from the second edition onwards added the essay on the origin of languages.

Building on the works of his contemporaries such as Hume and Hutcheson, Smith developed a theory of morality that was not directly dependent on God or religion. In the view of Smith, our moral sentiments or sense of right and wrong develop over time as people interact with one another and discover what works and what does not work; what is approved by others and what is not. The principles of morals explored and analyzed by Smith in this book were developed from his lectures given in the moral philosophy class at the University of Glasgow between 1752 and 1758. He coupled his theory of moral sentiments with a key insight, human beings naturally desire to be seen by others as morally accountable beings. To achieve this, people must act within the generally accepted norms of morality for society.
This work is a detailed analysis of the complex elements of social cohesion. According to Smith himself, his principles of morals address two central questions:

First, wherein does virtue consist; or what is the tone of temper, and tenor of conduct, which constitutes the excellent and praise-worthy character, the character which is the natural object of esteem, honor and approbation? and secondly, by what power or faculty in the mind is it, that this character whatever it be, is recommended to us? or in other words, how and by what means does it come to pass, that the mind prefers one tenor of conduct to another, denominates the one right and the other wrong; considers the one as the object of approbation, honor and reward, and the other of blame, censure and punishment? (Smith, *TMS*, 315)

These questions drive Smith’s theory of moral sentiments. His theory seeks to explain not just the nature and function of moral rules but proceeds to explain the foundations of legal and political institutions, and the basis for economic motivation. Now, I will review some of the major themes in this work to highlight his key principles. The review contains extensive quotes from the work under review to convey the essentials of Smith’s system of thought.

*Sympathy as the Foundation of Moral Action and Virtue*

The concept of sympathy is central to Smith’s theory of moral sentiments and so he found it important to address it first. Our judgments concerning the conduct of others, as understood by Smith, are founded on sympathy. This idea is the believe that human beings render judgment on the actions of others by sympathizing – whereby sympathizing means using one’s imagination to project how they might feel if they were in the position of another person. According to Smith, “… Of this kind is pity or compassion, the emotion which we feel for the misery of others, when we either see it, or are made to conceive it in a very lively manner.”
(Smith, *TMS*, 13). This sentiment is in the human nature. For example, when we see someone exacting revenge upon another person, for a purported injustice, we enter the perspectives of both people to determine whether the revenge exacted is justified or not. When we imagine ourselves to be in the place of these people, we form some idea of what they are going through.

This process of imaginatively putting ourselves in the place of others is what Smith refers to as the source of our fellow-feeling. He states, “whatever is the passion which arises from any object in the person principally concerned, an analogous emotion springs up, at the thought of his situation, in the breast of every attentive spectator” (Smith, *TMS*, 15). Whether the feeling is joyful or sad in nature does not matter. Rather, “in every passion of which the mind of man is susceptible, the emotions of the bystander always correspond to what, by bringing the case home to himself, he imagines should be the sentiments of the sufferer” (Smith, *TMS*, 15). In this case, “sympathy” goes beyond its ordinary meaning of “pity” and “compassion” to denote our fellow-feeling with any passion whatsoever. Smith uses the word “Sympathy” to describe both the process by which mutual fellow-feeling is attained as well as the outcome of that feeling itself.

Sometimes sympathy may appear to arise from the view of a certain emotion in another person instantly based on the knowledge of what excited them in the person concerned. However, this is not universally true or the same with every passion. According to Smith, “there are some passions of which the expressions excite no sort of sympathy, but, before we are acquainted with what gave occasion to them, serve rather to disgust and provoke us against them” (Smith, *TMS*, 15). A case in point is when an angry person overreacts to a provocation. We tend to be disgusted with them than the person who provoked them although we may plainly understand their situation. Of this kind of situation, Smith concludes that “nature, it seems, teaches us to be more averse to enter into this passion, and, till informed of its cause, to be
disposed rather to take part against it” (Smith, TMS, 16). This means the process of sympathy is more nuanced and complex than first thought.

Smith explains further that, in certain situations we must ask questions to arrive at an outcome, that is, our response. According to Smith, the first question we must ask is, what has befallen you? Our sympathy is not substantial until we have an answer to this question. The result of the sympathetic process is, therefore, twofold: First, the jointly occurring experience in two minds of a passion. Second, a further pleasure of sharing this sympathetic passion. Hence, knowledge of what caused the moral situation is an important element of the process and not just the imagination of how they feel. Sympathy does not take place so much from the view of the passion, as from the situation that excites it.

The passion we feel or imagine a person to be feeling may not be exactly what they are feeling, or they are in fact incapable of feeling them. In that case, the passion we feel in our breast is not what exactly they feel. Smith articulates this as follows:

As we have no immediate experience of what other men feel, we can form no idea of the way they are affected, but by conceiving what we ourselves should feel in the like situation. Though our brother is upon the rack, if we ourselves are at our ease, our senses will never inform us of what he suffers. They never did, and never can, carry us beyond our own person. And it is by the imagination only that we can form any conception of what his sensations are. Neither can that faculty help us to this any other way, than by representing to us what would be our own, if we were in his case. It is the impressions of our own senses only, not those of his, which our imaginations copy (Smith, TMS, 13). It is, therefore, by our imagination that we place ourselves in his situation and can conceive ourselves enduring the same sufferings.
In the case of people who have lost their faculty of reasoning and for that matter are incapable of understanding their situation, Smith writes: “Of all the calamities to which the condition of mortality exposes mankind, the loss of reason appears, to those who have the least spark of humanity, by far the most dreadful, and they behold that last stage of human wretchedness with deeper commiseration than any other” (Smith, *TMS*, 17). People in this state are unaware of their own misery. The sympathy we feel for such people cannot be anything related to what they feel. Therefore, as Smith describes it, “the compassion of the spectator must arise altogether from the consideration of what he himself would feel if he was reduced to the same unhappy situation, and, what perhaps is impossible, was at the same time able to regard it with his present reason and judgment” (Smith, *TMS*, 17).

Another unique element to the idea of sympathy is how it applies to children. According to Smith, when a mother hears the cry of a sick helpless infant who cannot express what it feels, she joins to the infant’s real helplessness, her own consciousness of that helplessness, and forms, for her own sorrow, the most complete image of misery and distress. The mother is anxious because she is concerned about what might happen to the child. This form of sympathy is what moves the mother to assess the situation and care for the infant.

Smith argues that it is even in the human nature to sympathize with the dead. We do so because they are in danger of being forgotten but also, we imagine our own death and what might happen to us. This dread of death, as Smith calls it, is “the great restraint upon the injustice of mankind, which while it afflicts and mortifies the individual, guards and protects the society” (Smith, *TMS*, 118). For Smith, our fellow-feelings are turned into reflected passions that benefit not only the individual but society in general.
The imaginative capacity of sympathy described by Smith in the scenario above is centered more on the situation than on the feelings of the person being observed. As noted, in certain situations, the person being viewed is oblivious of what is happening to them. However, it is possible for one to feel a passion from imagining how one would feel if you were in the exact same situation. Only in a perfect situation do we find that sentiments of the observer are in concord with that of the one being observed. Smith explains how the concept of sympathy works and helps us to understand how we form moral judgments.

First, Smith suggests that human beings are inherently sociable and willing to enter the sympathetic process. Second, that circumstances surrounding a particular situation is an important element of the process of determining the way in which we arrive at canons of virtue and criteria of vice. Our response, therefore, depends on the appropriateness of the behavior of the person being observed to the situation. Here, context matters. Third, that in some situations it is difficult or impossible to match our emotions with the exact emotions of the other person. In this case, we use our imagination to determine how we feel about the situation. The principle of sympathy compels us to assume a socially approved mode of behavior. Sympathy is a stabilizing principle for human conduct in society. It helps us to determine the appropriate level of self-interest, the proper show of benevolence, and the desirable measure of justice needed in every situation to make moral judgments.

Smith essentially argues that morality is inherent to humanity. Therefore, we can identify with his ideas. We can relate to this theory and explain some of our own experiences in the manner understood by Smith. Concerning moral systems, Smith states that every system of morality that ever had any reputation in the world is founded on natural principles (Smith, TMS, 315). Sympathy is the foundation of Smith’s moral system. In the final part of the book, Smith
writes in detail about the moral systems of other scholars who addressed the central questions of moral theory, that is, what constitutes virtue and how do we come to know what is virtuous?

On the first question of wherein does virtue consist, Smith introduces his readers to the historical development of moral theory. He discussed Hutcheson’s “benevolence”; Clarke’s “acting suitably to the different relations we stand in”; and other scholars arguing that virtue comes from “the wise and prudent pursuit of our own real and solid happiness” (Smith, *TMS*, 315-316). Smith even goes back to the classical period to discuss the moral theories of Plato and Aristotle. For Plato, virtue lies in living justly while Aristotle taught that actions that expressed the principles of propriety showed virtue. Referencing the Stoics, Smith said they believed in the expression of propriety through the passive acceptance of fortune. Epicurus on the other hand argues that virtue entails maximizing pleasure and minimizing pain. Lastly, Mandeville believes that virtues derive from vain self-interest. Smith concludes that virtue is a composite function of propriety, prudence and benevolence since these reflect the true parts of our moral nature.

On the second question of what faculty in the mind recommends the virtuous character to us, Smith discussed different theories including Hobbes’ theory of ‘self-love,’ “which makes us perceive that this character, both in ourselves and others, tends most to promote our own private interest”; Cudworth’s theory of ‘reason,’ “which points out to us the difference between one character and another, in the same manner as it does that between truth and falsehood”; Hutcheson’s theory of a ‘peculiar perceptual faculty,’ “by the peculiar power of perception, called a moral sense, which this virtuous character gratifies and pleases, as the contrary disgusts and displeases it”; last of all, “by some other principle in human nature, such as a modification of sympathy, or the like” (Smith, *TMS*, 316). In the end, Smith offers his theory of sympathy as the answer to the question about how we come to understand what is virtuous.
Smith argues that we tend to trust people who are willing to trust us in return. We are willing to abandon ourselves to follow their guidance and direction. Smith makes this point when he states that:

The great pleasure of conversation and society … arises from a certain correspondence of sentiments and opinions, from a certain harmony of minds, which like so many musical instruments coincide and keep time with one another. But this most delightful harmony cannot be obtained unless there is a free communication of sentiments and opinions. We all desire, upon this account, to feel how each is affected, to penetrate into each other’s bosoms, and to observe the sentiments and affections which really subsist there (Smith, TMS, 398).

The one who shows us sympathy consequently exercises a kind of hospitality that pleases us than any other. The goal of corporate communication has a lot less to do with changing the character of persons and has a lot more to do with aligning their sentiments and opinions with that of the organization. This certain harmony of minds between the corporate organization and the stakeholders creates what Christensen, Morsing and Cheney call “polyphony” and what Smith calls “delightful harmony”. Sympathy creates an atmosphere of trust and support.

Smith reminds us that the passion to discover the real sentiments of others despite being so strong, does not give us permission to pry into the secrets of people which they have justifiable reasons to conceal. This kind of passion does not constrain anyone involved in the communication process to abuse their privacy or lie. Rather, it is meant to create an exciting exchange of values. Self-discipline is an important element in this process. Hence, our behavior is guided by prudence and propriety and our actions are approved by what Smith calls “the impartial spectator”.
The Impartial Spectator as Conscience

Smith’s doctrine of “the impartial spectator” supports the framework of sympathy examined in the foregoing section. It essentially serves as the inner guide for moral action. Seen as central to human behavior, Smith envisioned the impartial spectator to be that which informs us of how other people will interpret our behavior and guides us to make moral choices. With the help of the impartial spectator, we can imagine how our own actions might appear to observers even before we act. Smith grounds morality in the ability of an observer to sympathize with an agent and argues further that the impartial spectator essentially allows us to test the moral fiber of what we might do in a particular situation. We can live morally informed and just lives if we follow the guidance of the impartial spectator. We can also learn to judge ourselves and others morally from the judgements of the people who surround us. Social upbringing matters in this context.

According to Smith, “we endeavor to examine our own conduct as we imagine any other fair and impartial spectator would examine it. If upon placing ourselves in his situation, we thoroughly enter into all the passions and motives which influenced it, we approve of it, by sympathy with the approbation of this supposed equitable judge. If otherwise, we enter into his disapprobation, and condemn it” (Smith, *TMS*, 133). The impartial spectator in this sense is our equitable judge. This judge is not a person. Rather our socially formed conscience. Smith uses an example to explain this:

Were it possible that a human creature could grow up to manhood in some solitary place, without any communication with his own species, he could no more think of his own character, of the propriety or demerit of his own sentiments and conduct, of the beauty or deformity of his own mind, than of the beauty or deformity of his own face. All these are
objects which he cannot easily see, which naturally he does not look at, and with regard
to which he is provided with no mirror which can present them to his view. Bring him
into society, and he is immediately provided with the mirror which he wanted before
(Smith, *TMS*, 134).

In the example above, the moral guide for the man is the society in which he finds himself. It is
in society that he experiences his first views of the propriety and impropriety of his own
passions, that is, the beauty and deformity of his own mind.

Society builds the impartial spectator in us. As we grow and encounter others, we
internalize the values and expectations of our community. Overtime, we learn to see ourselves in
the light of their opinions. Smith states this thus:

In the same manner our first moral criticisms are exercised upon the characters and
conduct of other people; and we are all very forward to observe how each of these affects
us. But we soon learn that other people are equally frank with regard to our own. We
become anxious to know how far we deserve their censure or applause, and whether to
them we must necessarily appear those agreeable or disagreeable creatures which they
represent us. We begin, upon this account, to examine our own passions and conduct, and
to consider how these must appear to them, by considering how they would appear to us
if in their situation. We suppose ourselves the spectators of our own behavior, and
endeavor to imagine what effect it would, in this light, produce upon us (Smith, *TMS*,
135).

Therefore, if our estimations of others’ opinions about us are in accord with our conduct or
behavior, we feel empowered. However, if they are at odds, we tend to feel ashamed. With the
eyes of others, we examine the propriety of our own conduct.
According to Eric Schliesser, the impartial spectator “is the internalized judgment of a properly impartial, properly indifferent (but not unfeeling), properly distant, well-informed person that we imagine within us, and who then engages us in the sympathetic process” (Hanley 40). It allows us to act both as examiner and judge. For example:

When I endeavor to examine my own conduct, when I endeavor to pass sentence upon it, and either to approve or condemn it, it is evident that, in all such cases, I divide myself, as it were, into two persons; and that I, the examiner and judge, represent a different character from that other I, the person whose conduct is examined into and judged of. The first is the spectator, whose sentiments with regard to my own conduct I endeavor to enter into, by placing myself in his situation, and by considering how it would appear to me, when seen from that particular point of view. The second is the agent, the person whom I properly call myself, and of whose conduct, under the character of a spectator, I was endeavoring to form some opinion (Smith, TMS, 136).

In this case, the first is the judge and the second is the person being judged. To become the right kind of judge who does not fall victim to fashion and social corruption, one must cultivate a great character of virtue. Care must be taken, however, not to over value one’s character.

From the discussion so far, Smith’s concept of the impartial spectator functions in two main ways. First, it is formed through socialization and judges according to the norms of the society the individual belongs to or was socialized in. Second, it can judge outside or in defiance of social norms if the norms of society are corrupt. Therefore, the impartial spectator is flexible. Smith acknowledges that in certain cases social norms may be corrupt and for that matter a properly cultivated impartial spectator can stand against such norms. This situation requires critical reflection.
Commenting on this in his essay, Schliesser says that “as long as a society has notions of exactitude and perfection in it, some critical distance toward prevailing norms can be generated immanently” (Hanley 41). This is an important element in Smith’s moral theory because no society is perfect, and no individual is perfect either. The impartial spectator in Smith’s moral system is a form of self-awareness concerning moral action. It is not a faculty in the human mind that directs us. Rather, it is formed in society and through interactions with society. The impartial spectator serves as “moderating influence” as people “learn to view their own behavior in part through that of others, and form judgements as to its actual or possible effects” (Norman 169). For Smith, once this is internalized, it becomes a moral guide.

Virtue and Character Formation

The concept of virtue and character formation tells us what in the opinion of Smith consists of virtue and the different systems of virtue that have emerged over the years. In parts six and seven of *The Theory of Moral Sentiments*, Smith discusses the character of virtue and the different accounts of the nature of virtue respectively. Worth mentioning here is what Smith calls the “wise and virtuous” in his discussion. Such a person is held as the ideal of virtue by Smith. But how is this virtuous character formed?

The wise and virtuous person is distinguished by their ability to make epistemic judgments that rely on sophisticated reasoning. They are exact and well informed. A major character of virtue is prudence. According to Smith “wise and judicious conduct, when directed to greater and nobler purposes than the care of the health, the fortune, the rank and reputation of the individual, is frequently and very properly called prudence” (Smith, *TMS*, 254-255). When carried out to the highest degree of perfection, it joins reason with the passions.
Another unique moral virtue in Smith’s discussion is justice. According to Smith, this virtue alone can be enforced under punishment. Other virtues such as prudence are only lauded and merit moral approbation. For Smith, we owe justice to ourselves, to each other and to society at large. Smith argues, “the man who acts according to the rules of perfect prudence, of strict justice, and of proper benevolence, may be said to be perfectly virtuous” (Smith, TMS, 280). A violation of this virtue is injurious, and its infringement is far worse than any other virtue. It concerns the proper treatment of other people.

Smith argues that prudence combined with other virtues constitutes the noblest characters of society while imprudence combined with other vices, form the vilest of all characters. The character of every person can affect the happiness of other people. Whatever disposition we choose, we decide either to hurt or benefit other people. The wise and virtuous distinguish themselves by treating everyone equally. The person of virtue and character keeps in mind that the individual is as important as the multitude. In Smith’s theory, the virtuous person is of a modest character.

*An Inquiry into the Nature and Causes of the Wealth of Nations*

Published on March 9, 1776, Smith’s second book was an inquiry concerning the nature and causes of the wealth of nations. Smith saw human progress unfolding in four stages: From hunter gatherers, to pastoral, to agricultural, and finally to commerce. Began in Toulouse, it took Smith twelve years to complete this book. Smith set out to persuade his readers that his analysis of the principles behind the material progress of nations could serve as a guide for policy decision making. Although the book was set to have an impact in Great Britain, his larger goal was to contribute to human progress. The *Wealth of Nations* is a long piece of writing with over one thousand pages. For the purposes of this dissertation, I will only highlight a few significant
points and move my discussion to some of the major ideas and themes that are relevant to my project. The contents of the book itself is divided into five books, with each having its own chapters. Each book serves a unique purpose in Smith’s analysis.

The first book describes the foundation of his entire project. Smith explains his assumptions, defines his terms, and provides the basic framework for optimizing wealth. Here Smith covers important topics such as the division of labor, the origin and use of money, price theory, the role of markets and land use. At the end of Book I, Smith warns his readers about some of the things that can distort the optimal process of material progress. Smith observes “that every improvement in the circumstances of the society tends either directly or indirectly to raise the real rent of land, to increase the real wealth of the landlord, his power of purchasing the labor, or produce of the labor of other people” (WN 284). But “the contrary circumstances, the neglect of cultivation and improvement, the fall in the real price of any part of the rude produce of land, the rise in the real price of manufacturers from the decay of manufacturing art and industry, the declension of the real wealth of the society, all tend, on the other hand, to lower the real rent of land, to reduce the real wealth of the landlord, to diminish his power of purchasing either labor, or the produce of labor of other people” (WN 185). The division of labor is seen by some readers of Smith as the governing idea of the Wealth of Nations and not the idea of competition or capital.

The second book lays out Smith’s analysis of the changing aspects of growth and the reason of progress or the wealth of nations. Here, Smith explains the nature of stock, the effects of the accumulation of stock into capitals of different kinds, and the effects of the different employments of those capitals. Smith argues that while stock was of no value in the rude form of society because there is no division of labor and due to the lack of exchange, it is necessary in
commercial society to store up stock in order to carry on the business of society (WN 299). But Smith also demands that “the accumulation of stock must, in the nature of things, be previous to the division of labor, so labor can be more and more subdivided in proportion only as stock is previously more and more accumulated” (WN 300). As a result, wealth increases in proportion to the division of labor, supplemented by the invention of machines. For Smith accumulation leads to the improvement of the productive powers of labor.

The third book examines the evolution of European society after the fall of the Roman empire. Smith uses the exchange between towns and villages to illustrate the power of his analysis of the progress of humankind. Here, Smith argues thus: “the great commerce of every civilized society, is that carried on between the inhabitants of the town and those of the country. It consists in the exchange of rude for manufactured produce, either immediately, or by the intervention of money, or of some sort of paper which represents money” (WN 407). This, Smith further contends, benefits both parties involved. The order of things in this relationship is imposed by necessity and the natural inclination of man. Hence, Smith claims that “if human institutions had not thwarted those natural inclinations, the towns could no-where have increased beyond what the improvement and cultivation of the territory in which they were situated could support; till such a time, at least, as the whole of that territory was completely cultivated and improved” (WN 409). Ordinarily, the inhabitants of the town and those of the country mutually serve each other. While the town serves as a continual market for the produce of the country, the country serves as the supplier of those produce. Conversely, the towns supply the country the finished work of their craft. This natural course of things, Smith further argues, was only interrupted by human institutions. Such interruptions led to the discouragement of agriculture and the rise of towns.
The fourth book contrasts Smith’s analysis of human progress with the leading competing analysis of his time. Titled “Of the systems of political economy”, Smith defines political economy as a branch of the science of a statesman or legislator with two distinct objectives: first, to provide a plentiful revenue or subsistence for the people, or more properly to enable them to provide such a revenue or subsistence for themselves; and secondly, to supply the state or commonwealth with a revenue sufficient for the public services” (WN 455). Therefore, political economy proposes to enrich both the people and the sovereign. Smith states that wealth consists in money which functions both as the instrument of commerce as well as the measure of value. Smith then goes on to contrast his system of commerce with the mercantilist and agricultural systems. Smith argues that the principles of the commercial system led to better progress of opulence than those of the mercantilist system. The two great engines of the mercantilist system were the encouragement of exportation and the discouragement of importation. But Smith argues that this system of balance of trade, back by laws, which has been established to enrich Great Britain and manage the American and West Indian colonies, has instead sacrificed the interest of the home-consumer to that of the producer. The agricultural systems, Smith goes on to explain, “represents the produce of land as country has” (WN 718). This system prefers agriculture to all other forms of employment and for that matter imposes restraints on manufacturers and foreign trade. In the opinion of Smith, the agricultural system is even more inconsistent than the mercantile system by trying to create wealth through only agriculture.

The fifth and final book outlines some of the policies that follow from Smith’s analysis of the principles of material progress. Here Smith focuses on the policy principles of the sovereign or commonwealth. These include policies concerning defense expenditure, expense of justice, commercial institutions, the branches of commerce, youth education, religious instruction, and
supporting the dignity of the sovereign. Smith also explains the sources of the general or public revenue of the society, including taxes and rent. The final chapter of the book is dedicated to public debts. In Book V, Smith argues that the primary duty of the sovereign is to protect the society from the violence and invasion of other independent societies. This he claims, “can be performed only by means of military force” (WN 747). However, the expense of preparing this military force in time of peace, and of employing it in time of war, differs from nation to nation and from one period to another.

The second duty of the sovereign is that of protecting, as far as possible, every member of the state. This duty of establishing an exact administration of justice also requires different degrees of expense in different periods of society (WN 766). In terms of the erection and maintenance of the institutions of public works to facilitate the commerce of any country, again Smith says it must require very different degrees of expense in the different periods of society. When it comes to the education of the youth, however, Smith argues it is the responsibility of the institutions for education to furnish their own expense (WN 819). The institutions for the instruction of people of all ages are chiefly those for religious instruction, Smith claims. These may either depend on voluntary contributions of their hearers or they may derive support from some other fund permitted by law (WN 846 – 847). Smith concludes his analysis with the expense of supporting the sovereign. Beyond what is necessary to enable the sovereign to perform his duties, a certain expense is required to support his dignity. The sources of revenue for the general expenses pointed out above, consist in either in stock or land. Revenue from stock is known as profit or interest while revenue from land is rent. Taxes from these and other sources detailed in the Wealth of Nations constitute the revenue of the state or nation. The final chapter of Smith’s inquiry deals with public debts incurred to service expenses.
The *Wealth of Nations* as seen in this summary, is an analysis of economic processes and development. Using a vast array of examples and evidence, Smith demonstrates that the nature and causes of wealth can be studied. He also shows that it is possible to evaluate the policy choices of nations that either create or destroy wealth. In addition to helping us to understand how human beings act, the *Wealth of Nations* provides us with guidelines about how to shape human actions. The book covers various economies from subsistent to the most advanced; goes back in time to the ancient economy and looks forward to contemporary times; and is well structured to deal with Smith’s economic theory and how these theories can be applied.

The most engaging example Smith uses to highlight the importance of the division of labor and specialization is the case of the pin factory:

Therefore, from a very trifling manufacture; but one in which the division of labor has been very often taken notice of, the trade of the pin-maker; a workman not educated to this business (which the division of labor has rendered a distinct trade), nor acquainted with the use of the machinery employed in it (to the invention of which the same division of labor has probably given occasion), could scarce, perhaps, with his utmost industry, make one pin in a day, and certainly could not make twenty. But in the way in which this business is now carried on, not only the whole work is a peculiar trade, but it is divided into a number of branches, of which the greater part are likewise peculiar trades. One man draws out the wire, another straights it, a third cuts it, a fourth points it, a fifth grinds it at the top for receiving the head; to make the head requires two or three distinct operations; to put it on, is a peculiar business, to whiten the pins is another; it is even a trade by itself to put them into the paper; and the important business of making a pin is, in this manner, divided into about eighteen distinct operations, which, in some
manufactories, are all performed by distinct hands, though in others the same man will sometimes perform two or three of them. I have seen a small manufactory of this kind where ten men only were employed, and where some of them consequently performed two or three distinct operations. But though they were poor, and therefore but differently accommodated with the necessary machinery, they could, when they exerted themselves, make among them about twelve pounds of pins a day (Smith, *WN* 4–5)

Smith explains in this example that, with proper division of labor and combination of their different operations productivity increases exponentially. This creates surpluses that can be used to pay for better and new investment, therefore, boosting specialization more and more and for that matter productivity, as the cycle continues. The genius of this process is that, as human labor creates value, the division of labor multiplies that process. This is the main source of creating wealth, according to Smith. I will now review some of the major themes in the *Wealth of Nations* to highlight Smith’s key principles in this work.

*Division of Labor and Specialization*

The division of labor arises from a propensity in human nature to exchange, encouraged by self-interest. As seen in the pin factory example above, division of labor increases productivity. Smith understands division of labor to mean breaking up the various tasks of the production process, with each worker focusing on a single aspect and specializing in that chosen task. Productivity increases because the dexterity of the workers improves; the workers save time by focusing on their assigned task instead of moving from task to task; the workers are allowed to be creative in doing what they know best. Smith argues that the effect of the division of labor is similar in all trades and in the division of employments. Smith states: “in every other art and manufacture, the effects of the division of labor are similar … though, in many of them, the labor
can neither be so much subdivided, nor reduced to so great a simplicity of operation. The
division of labor, however, so far as it can be introduced, occasions, in every art, a
proportionable increase of the productive powers of labor” (Smith, WN 5). Such an increase in
productivity is beneficial if there is a market through which the surplus pins can be sold or
exchanged for money. This brings Smith to his next essential idea or theme, the market.

The Market Economy

As production advances and humanity progresses, beyond the primitive economy, our
capacity to extend markets by developing a trading infrastructure comes about. About this
process Smith writes: “it is the great multiplication of the productions of all the different arts, in
consequence of the division of labor, which occasions, in a well-governed society, that universal
opulence which extends itself to the lowest ranks of the people” (Smith, WN 12). This is crucial
for the development of the market economy that is paramount in Smith’s analysis. There is an
important symmetry between increased production and advancement in trade and even
transportation infrastructure. As Smith reminds us, “every workman has a great quantity of his
own work to dispose of beyond what he himself has occasion for; and every other workman
being exactly in the same situation, he is enabled to exchange a great quantity of his own goods
for a great quantity, or, what comes to the same thing, for the price of a great quantity of theirs”
(Smith, WN 12). As a result, the medium of exchange evolves to facilitate trade. This is what
Smith calls money.

Smith explains further in chapter three of book one that the division of labor is limited by
the extent of the power of exchanging. This is because it is the power of exchanging, in this case
money, that gives occasion to an improvement in the division of labor. Therefore, “when the
market is very small, no person can have any encouragement to dedicate himself entirely to one
employment, for want of the power to exchange all that surplus part of the produce of his own labor, which is over and above his own consumption, for such parts of the produce of the other men’s labor as he has occasion for” (Smith, *WN* 19). In the very small villages of Scotland, for example, Smith argues that every farmer must be butcher, baker and brewer for his own family. There are very few people with varied skills and an available market to serve in the small villages.

However, in a more extensive and open market, such as in the towns and cities, industry of every kind naturally tends to develop. Once the division of labor has been thoroughly established and there is the needed market to serve, then, everyone lives in such a society by exchanging. In this system, the earnings of labor, landlords, and owners of capital is determined by that society because as society progresses, so do wages, rents, and interests. Smith gives detailed explanations of how this works in his price theory and theory of value analysis. Smith states that the value of any commodity to the person who possesses it and wishes to exchange it is equal to the quantity of labor which it enables him to purchase or command. Labor, therefore, is the exchangeable value of all commodities. The laws and regulations that guide commerce in the market society must be paid great attention, because they too can move the market in one direction or another.

*Capital and Consumption*

The accumulation of capital and consumption serve as the fulcrum of the market economic system that Smith describes in the *Wealth of Nations*. As the division of labor and specialization leads to surplus and the development of the market, those who have invested in the market obtain profit or surplus in return. The part of their gain that is kept as revenue to be reinvested is called capital while that part of their gains that they keep for themselves is spent on
things that they desire to consume in the marketplace. According to Smith, “the rise and fall in
the profits of stock depend upon the same causes with the rise and fall in the wages of labor, the
increasing or declining state of the wealth of the society; but those cause affect the one and the
other very differently” (Smith, WN 100). The money that is reinvested goes back through the
system and affects different stakeholders differently, in terms of wages, rent and profit, from the
time resources are purchased to when the final product is sold again. Money, the liquified form
of capital, is the medium used to facilitate this process.

Productive labor depends on capital accumulation to survive, since capital is necessary to
sustain production. Capital ensures continued investment and growth in the market system. The
nature of capital is such that it is easy to move around to where it will yield the best possible rate
of return. Smith makes it clear in the Wealth of Nations that when capital is allowed to follow a
natural course in the marketplace in a well-governed society, it flows to where it will have the
best advantage. Consequently, the incentive for this natural flow of capital is not the laws and
regulations governing commerce, but what Smith calls self-interest.

The Natural Progress of Wealth

In describing the different systems of economics, Smith goes back in history to explain
that in theory, the natural progression of humanity is from hunting and gathering to pastorage to
agriculture and finally to commerce. This natural course works to perfection if other factors such
as laws and institutions evolved alongside the different systems at every stage. Smith cites events
after the fall of Rome in his analysis to explain how human actions can interrupt the natural
course of progress.

According to Smith, “though this natural order of things must have taken place in some
degree in every such society, it has, in all the modern states of Europe, been, in many respects,
entirely inverted” (Smith, *WN* 412). Government through various policies interrupted the natural course of progress. Smith argues extensively in book three of the *Wealth of Nations* that historical events such as forced changes in government and the evolving structure of a nation’s laws and institutions can greatly affect the course of a nation’s progress. The actual course of progress that Smith describes in the *Wealth of Nations* is filled with unnatural twists and turns because the kings and lords who assumed power across Europe after the fall of Rome wielded both political and economic power. The exception in Smith’s analysis was Britain. The laws and institutions in Britain protected the freedom and security of the individual. But even in Britain, the mercantilism system threatened to interrupt the natural progress toward a commercial society. Smith argued that the mercantilist system was designed to benefit only the rich and powerful in the society. He debunked this system as a threat to the natural progress of wealth and individual freedom.

The mercantilists believed that wealth derived from hoarding gold and that wealth is created winning at trade, that is, through a positive balance of trade. What made this system even worse, in the opinion of Smith was that policies were disguised to favor the rich and powerful and not the people. Smith argued that this system in fact reduced wealth instead of creating wealth. Restraints were placed on imports, which resulted in monopoly of the home market for those who produced goods and services locally. In contrast, Smith argues that the market system allows capital to naturally flow to where it has the best advantage and in turn supports productive labor, thus resulting in wealth for everyone involved.

Smith proposes a free-market system where capital flows according to the self-interest of the owners and goes where they have the best advantage. Everyone in this system is led by what Smith calls “an invisible hand” and not those with political power. In condemning the
mercantilist, Smith argues as follows: “By preferring the support of domestic to that of foreign industry, he intends only his own security; and by directing that industry in such a manner as its produce may be of the greatest value, he intends only his own gain, and he is in this, as in many other cases, led by an invisible hand to promote an end which was no part of his intention” (Smith, WN 484 – 485). Therefore, when merchants pursue their own interest, they frequently promote the interest of the society than when the really claim to promote the interest of society.

The Role of Government

Smith clearly points out the role of government in his economic system. The government’s role is not to control the economy but to provide first and foremost security for the people. He traces in detail the role of government in protecting citizens from external aggression. The capacity or ability of a nation to defend itself correlates with its material progress. More advanced countries are better positioned to protect their territorial integrity. Smith explains that productive labor force of the nation pays for the sustenance and maintenance of the army that protects them. Smith has this to say about defense in civilized countries: “The number of those who can go to war, in proportion to the whole number of the people, is necessarily much smaller in a civilized, than in a rude state of society. In a civilized society, as the soldiers are maintained altogether by the labor of those who are not soldiers, the number of the former can never exceed what the latter can maintain, over and above maintaining, in manner suitable to their respective stations, both themselves and the other officers of government, and law, whom they are obliged to maintain” (Smith, WN 412). A standing army does not lose its valor in time of peace. Where there is an ongoing war or not, the army is the only safeguard of a civilized nation.

The second function of the government according to Smith is justice. This concerns the protection of the rights of the citizens internally. This too requires the support of people to
Concerning the administration of justice in a civilized society, it is the responsibility of government to define laws that secure individual and property rights. Smith states: “Civil government supposes a certain subordination. But as the necessity of civil government gradually grows up with the acquisition of valuable property, so the principal causes which naturally introduce subordination gradually grow up with the growth of that valuable property” (Smith, *WN* 767). Where there is no property, civil government is not so necessary. Also, Smith argues that the judiciary should not only be separate but independent of the executive power.

The third important role of government in Smith’s analysis is the provision of public works and the necessary institutions to facilitate commerce in the society. The constructive alignment of what government needs to provide and what belongs to the people to provide is essential to Smith. It is the responsibility of government to erect and maintain those public works such as roads, and the institutions which are useful but not capable of bringing in a profit to individuals. Smith argues that the performance of this duty requires varying degrees of expense that society must pay for. These public facilities and institutions support the commerce of the society as well as the institutions of instruction of people of all ages. The institutions of instruction include educational institutions that train the labor force and religious institutions that provide religious and moral instruction for the benefit of the people. Smith argues that wherever possible, costs for education and religious instruction should be borne by those who benefit from them.

Smith’s faith in human progress was never in doubt. The impact of the *Wealth of Nations* in general and the importance of the themes highlighted above over the last two hundred and forty-five years is great. The market economy propounded by Smith and explicated in this book now dominates the globe. Smith’s ideas such as the division of labor and specialization,
economic self-interest, liberty or freedom, the invisible hand, and limited government have been cited by both academics and politicians to support their theories and policies. Smith’s market system rules the world today. I don’t intend to be an extremist for any single idea of Smith in this project. Although I have taken some time and space to highlight these relevant themes in Smith’s writings, I am reading Smith wholistically. Smith’s views are more nuanced than what some of his advocates and critics want us to believe. To understand Smith constructively, I am examining all his works, including the student notes that were published after his death to show how he embodies and enhances corporate communication.

The *Essays on Philosophical Subjects* was published five years after the death of Smith, a provision in his will made this possible. This work contains essays on various subjects such as astronomy, physics, ancient logic and metaphysics, the arts, and aesthetics. This work shows Smith interest in scientific and philosophical discourse. I will not examine this work in detail, except to point out that this is another proof of the intellectual ground that Smith covered. Many of the essays in this publication provide evidence of Smith’s concern with the principles of human nature and historical questions.

The other two works published after Smith’s death were *The Lectures on Jurisprudence* and *The Lectures on Rhetoric and Belles Lettres*. These offer an overview of Smith’s teaching on jurisprudence and rhetoric. The lectures on jurisprudence are concerned with law, politics, economics, defense, and international relations. Smith defines jurisprudence as follows: “Jurisprudence is that science which inquires into the general principles which out to be the foundation of the laws of all nations” (*LJ* 1). Smith’s basic goal in these lectures was to integrate the theory of rights with the theory of law and government and not one or the other. Since the
work on jurisprudence is closely linked to Smith’s moral theory, I would dedicate the rest of this review of his writings to his rhetoric and how that connects him to the field of communication.

3.5 Impact on Corporate Communication

Smith’s intellectual legacy and the Scottish Enlightenment played an important role in the birth of a new era known as the modern world. Smith grew up a brilliant student whose adult life was dedicated to teaching, writing and giving public lectures. On his tombstone are engraved the words: “Here are deposited the remains of Adam Smith, author of *The Theory of Moral Sentiments* and *Wealth of Nations*: He was born, 5th June 1723. And he died 17th July 1790” (Hanley, *Our Great Purpose*, 5). Smith formulated his system of thought and understanding of human society in these two major books. The world moved from a feudal to a commercial capitalist society during the Scottish Enlightenment. In his attempt to understand the world around him, Smith developed and refined his ideas in the form of writing, teaching, and public discourse.

The social, linguistic and economic systems that emerged from this era continue to impact the progress of the world today. Smith used his experiences gathered during his travels to learn about how human society functioned in other places. His noble intellectual development also helped him to grasp some of the major theories and methods of the time, including the Newtonian method, which he used in his analysis of the complex evolution of human civilizations.

Smith’s insight into human society and the importance of ethics, identity and responsibility in his writings allows us to rely on some of his major ideas for the understanding of corporate communication today.
Smith’s Influence on Eighteenth-Century Rhetoric

In a 1968 article published in *The Southern Speech Journal*, James Golden summarized Smith’s rhetorical views and examined their influence. Golden notes that Smith was the first Scottish rhetorician “to treat persuasion as an integral part of man’s nature, and to relate the concept of ‘sympathy’ to communication” (Golden 214). Furthermore, Golden calls Smith the “first public lecturer to unite rhetoric and *belles-lettres*” and the “first Scottish rhetorician to expand speech purposes to include exposition” (Golden 214). In effect, scholars believe that Smith contributed to the broadening of the scope of rhetoric from the traditional deliberative, forensic, and epideictic rhetoric to include critical, historical, and poetic writing (Spence 92). Smith’s moral sentimentalism had influence on several enlightenment period rhetoricians and enjoyed the following of Richard Whately, Hugh Blair, George Campbell, and Wilbur Samuel Howell. However, the first scholar to undertake a detailed examination of Smith’s rhetoric in relation to his first major work, *The Theory of Moral Sentiments*, is Patricia Spence.

Spence in her article, “Sympathy and Propriety in Adam Smith’s Rhetoric”, published in *Quarterly Journal of Speech*, argues that Smith’s rhetoric is best discerned from the vantage point offered by the *Theory of Moral Sentiments*. She observes that “not only do Smith’s ‘sentimental’ tenets provide the philosophical assumptions for his rhetoric, but this ethical theory, when applied to his rhetorical theory, transforms moral judgment into aesthetic judgment” (Spence 92). Evidence of the connection between Smith’s rhetoric and his major ethical work is found in the scholarship of Walter Jackson Bate, literary historian, biographer, and author of *From Classic to Romantic: Premises of Taste in Eighteenth-Century England* (1946). Bate pointed out that eighteenth-century theories of moral sentiment strongly influenced literary theory and criticism. Based on this, Spence returns to Smith’s work to clarify this
relationship and argues that his *Theory of Moral Sentiments* throws more light on his assumptions and views concerning rhetoric’s purpose and process.

Vincent M. Bevilacqua in his article “Adam Smith and Some Philosophical Origins of Eighteenth-Century Rhetorical Theory” discussed the contribution and acknowledged influence of Smith’s rhetorical thought on the development of mid-eighteenth-century rhetorical theory. In keeping with the Scottish academic tradition of considering rhetoric as a part of logic, Smith incorporated materials from the Edinburgh lectures in his logic class at Glasgow when he was elected professor of logic in 1751 and did same when he became the chair of moral philosophy the following year (Bevilacqua 559). Bevilacqua takes us through the “nature and origin of Smith’s rhetoric in terms of some philosophical presuppositions underlying it and subsequent English rhetorical theory” (560). Based on the lectures and the Lothian manuscripts, Bevilacqua explains that Smith’s rhetoric was not classical or Ciceronian in nature, that is, incorporating the five canons of rhetoric: invention, arrangement, style, memory, and delivery. Rather, Smith’s rhetoric was “stylistic and bellettristic, founded on the premise that style is the most important of the traditional five arts of rhetoric and the common basis of the belles lettres” (Bevilacqua 560). Although Smith acknowledged all five canons, the focus of his attention was on the third canon, that is, style.

Smith’s students at Glasgow corroborate this assertion by reporting that Smith only opened his classes with an explanation of the elements of ancient logic but dedicated the rest of the period to the delivery of a system of rhetoric and belles lettres. According to Bevilacqua, “the Lothian manuscript reveals that between November 19, 1762, and February 18, 1763, Smith delivered twenty-nine lectures on rhetoric and belles lettres concerning the elements of style, the origin and progress of language, the principles of sentence structure, the nature of figurative
language, and the forms of discourse founded in common on style: narrative, didactic, and rhetorical composition, as well as forensic, epideictic, and deliberative public address” (560). Smith examined the various forms of discourse or traditional rhetoric but did not consider them favorably. Smith did not find classical rhetoric to be instructive. Hence, his focus on style and not argument. And the propriety of expression became the key feature of his lectures.

Bevilacqua explains further that “Smith’s stylistic-belletristic view of rhetoric is representative of mid-eighteenth-century British rhetorical thought and parallels the earlier tradition of the Ciceronian stylists” (561). According to Bevilacqua, Smith is noted to have observed in the published version of the lectures that “perfection of style consists in expressing in the most concise, proper, and precise manner the thought of the author, and ... in the manner which best conveys the sentiment, passion, or affection with which it affects... him, and which he designs to communicate to his reader” (562). Smith sees a relationship between thought, character, and expression. In general, Smith’s concern with rhetoric was with the observable principles of human nature such as sympathy, association, and resemblance. For example, in both the Theory of Moral Sentiments and the Wealth of Nations Smith sought the origins of morals and aesthetics, politics and economics, in an introspective examination of the benevolent and selfish propensities of human nature.

Although Smith does not develop his view of the relationship between logic and rhetoric, Bevilacqua infers from his Glasgow lectures on rhetoric thus - “substantiating the assumption that style is the primary concern of rhetoric was the further presupposition that logic and rhetoric are connate functions of the mind pursuing similar but distinct ends: logic the discovery and investigation of truth; rhetoric, the communication of it” (564). It was the general view in mid-eighteenth-century Scotland that rhetoric was “the communicative step in the discovery,
evaluation, and communication of truth” (Bevilacqua 564). Bevilacqua believes that Smith held this view as well. “Smith and his contemporaries maintained that logic and rhetoric share a number of common mental origins: in the faculties of perception, judgement, memory, and reason; in common senses providing intuitive knowledge of logical and epistemological truths; in such natural ‘inclinations’ of the mind as the association of ideas, resemblance, and sympathy; and in a common concern for evidence and the fundamental principles of belief” (Bevilacqua 565). This means that Smith’s rhetoric is based on logic.

Smith’s rhetorical theory is tied to the propriety of expression. The style employed must be appropriate to the thought and character of the author since style is a manifestation of the powers of the mind. Also, Smith believes in the classical dictum that “perspicuity is the first virtue of style” (Bevilacqua 566). Yet, he goes beyond mere perspicuity or eloquence to placing emphasis on “expressing in the most precise and appropriate manner possible, the thought, sentiment, or passion affecting the author” (Bevilacqua 566). Smith’s emphasis on the propriety of expression is what distinguishes him from the classical rhetoricians.

According to Bevilacqua, “Smith derived his concept of rhetorical propriety… from contemporary moral and aesthetic theory founded on the sense-oriented, aesthetically inclined philosophy of Shaftesbury and Hutcheson in which ethical judgments are based on an internal sense of ‘moral beauty’ and spoken of in aesthetic terms” (566). Thus, “Smith employed the moral-aesthetic precept of propriety as the standard of judgment in both behavior (ethics) and verbal expression (rhetoric) alike” (Bevilacqua 567). Smith argues both in his Lectures on Rhetoric and Theory of moral sentiments that “a man is judged agreeable company when his behavior is appropriate to his situation” and “his style is agreeable when his thoughts are
expressed in a manner appropriate to his subject and to his natural character” (Bevilacqua 567). Hence, Smith endorsed character analysis as a method of stylistic analysis.

As Bevilacqua observes, Smith did not need to explain the philosophic origins of propriety, because it was widely believed to originate from the sympathetic imagination of human beings and already known in the writings of some of his contemporaries such as Hume (567). Thus, while Smith contributed to the development of eighteenth-century rhetorical theory, he also borrowed from his contemporaries. Based on Smith’s lectures and the published notes of his students, we could sum up his rhetorical thought as one that primarily holds that style is a verbal manifestation of the mind; believes that logic and rhetoric are innate intellectual functions originating from similar mental faculties; and finally, that propriety of expression is an important quality of style.

Smith did not publish any work specifically on rhetoric but as is demonstrated in the foregoing discussion, there is no doubt that he talked about the subject of rhetoric in his lectures. These lectures were essentially in response to a general search for a comprehensive and modern use of discourse during the enlightenment era. Later scholars such as James Golden, Patricia Spence, Vincent Bevilacqua in their writings demonstrate the importance of rhetoric to Smith’s thought and legacy.

From these scholars, we learn that Smith contributed to the development of rhetoric in eighteenth-century Scotland to include critical, historical and poetic writing. Smith’s rhetoric is best discerned from his theory of moral sentiments. Smith’s contribution to eighteenth-century intellectual tradition was not limited to rhetoric. In the area of moral action and judgment, Smith emerged as a major figure. He lays the groundwork for his moral theory in *The Theory of Moral Sentiments* by emphasizing the sympathetic nature of human beings.
Eighteenth-century moral theory was dominated by attempts to oppose Thomas Hobbes’ theory of the natural state of man. For Hobbes, man is motivated by his desire “for self-preservation, for security, for aggrandizement” (Spence 93). Smith’s *Theory of Moral Sentiments*, an essay towards an analysis of the principles by which men naturally judge concerning the conduct and character, first of their neighbors, and afterwards of themselves was one of the main responses to Hobbes. Smith asserts that imagination is the basis for shared human feeling and for moral judgement. Hence, to judge a person’s actions, a spectator places himself within the character and situation of the other. In his *Theory of Moral Sentiments*, Smith explores how sympathy, propriety, and spectators help human beings form moral judgments that promote social harmony.

The imagination dwells not only on the expressed feeling of another but on the situation in which the sympathizer finds him. The same principle applies to judging one’s own behavior. Therefore, Smith’s sympathetic theory is based on a concept of a “social self” (Spence 94). The importance of Smith’s ideas lies in his description of sympathetic communication and his definition of the social self. Smith’s *Theory of Moral Sentiments* puts him in the context of eighteenth-century thought - empiricism. That is, knowledge derives from senses and feelings, what Smith calls sympathy, and not reason.

Writing about the essential connection between Smith’s ethical system and the arts, Jonathan B. Wight contends that character forms the foundation for what Smith envisions as the social or economic good. Wight classifies Smith as a virtue ethicist whose understanding of the good life is based on developing a moral character. He writes, “right action cannot be determined merely through rational mind (as in Kant’s system) but requires active ‘imagination’ to expand
the experience of emotional sympathy” (Wight 158). Hence, morality is not innate. Rather, experience plays a significant role in forming one’s moral conscience. The arts, according to Wight, help deepend and extend the process of Smith’s ethical system. Having seen the principles undergirding Smith’s ethical system, let us return to the principles that underline his rhetorical theory.

**Smith’s Lectures on Rhetoric**

Turning to Smith’s *Lectures on Rhetoric and Belles Lettres*, Spence extensively describes the rhetorical principles of Smith. The first principle is perspicuity, which is “the distinguishing quality of discourses that achieve their ends” (Spence 95). Perspicuity involves (a) using simple words (b) the natural arrangement of words, and (c) the compatibility of the communicator’s style and character. Smith advocates for the use of simple words and the natural style tied to the communicator’s style and character because he believes that natural language accounts for communicative effectiveness. In summary, Smith’s understanding of discourse links the author’s style to their personality and circumstances.

The second principle is description, which is “the major strategy of rhetorical or persuasive discourse” (Spence 96). Smith believes that both ancient and contemporary rhetors are evaluated based on these techniques, that is, internal facts and external events. Internal facts are the thoughts and sentiments of men which pass in their minds while external events are objects or circumstances in the real world which produce effects on a mind so disposed (Spencer 96). Together, they make the message simple and agreeable to the audience. Smith asserts that the persuasive effectiveness of description is its ability to elicit the sympathy of audiences. He cites Gorgias, Isocrates and Pericles as rhetoricians who exemplify the descriptive strategy.
The third principle is the rhetorical critic and the social self. As rhetorical critic, Smith “imagines the situation of the communicator and identifies with his motivations for writing about a certain subject and in a particular style” (Spence 97). The communicator’s character, circumstances, and emotions are linked to his style. The “social self” imagines the emotions, character, and circumstances of the other. Together these principles must elicit the sympathy of the critic or the spectator. This examination of Smith’s Lectures in the light of his Moral Sentiments reveals the grounding of a belles-lettres rhetoric in eighteenth-century ethics.

Smith’s rhetoric is made even more evident by Wilbur Samuel Howell in his 1969 article “Adam Smith’s Lectures on Rhetoric: An Historical Assessment” published in Speech Monographs. Howell traces the connection between Smith’s project and the drastic changes that took place in rhetorical theory in eighteenth-century Britain by relying mainly upon three contemporaries of Smith who attended his lectures, that is, John Miller, James Wodrow, and Hugh Blair. According to Miller, Smith held the view that “the best method of explaining and illustrating the various powers of the human mind … arises from an examination of the several ways of communicating our thoughts by speech, and from an attention to the principles of those literary compositions, which contribute to persuasion or entertainment” (Howell 394). Wodrow describes Smith’s lectures on rhetoric as “a set of admirable lectures on language (not as a grammarian but as a rhetorician) on the different kinds or characteristics of style suited to different subjects …” (Howell 394). For Blair, Smith gave to the public “the general characteristics of style, particularly, the plain and the simple …” (Howell 394). Taken together, Howell describes these testimonials as a useful sketch of the content and value of Smith’s lectures on rhetoric. Howell argues that, because we do not have the original copies of Smith’s
project on rhetoric, these testimonies suggest that the lectures were important. He goes on to clarify the relation of Smith’s lectures to his own life and to the cultural life of Scotland.

Howell acknowledges that although the Lothian publication of the student notes of Smith’s lectures bring us much closer to his actual accomplishments as a rhetorician, we should not speak with finality about this part of his legacy. He provides four reasons for this assertion: First, it is possible the student could have made errors in hearing and recording what Smith said or even distorted what he meant. Second, it is possible that the student would have turned his notes over to an unknown copyist and Lothian published what the copyist found implied in the student’s notes. Third, it is possible that modern scholars seeking to make the notebook publishable may have misinterpreted what Smith meant. Lastly, since professors often upgrade their courses over time, it is possible that Smith may have improved the quality of his thought on rhetoric in his later years but which we do not have access to (Howell 398). That notwithstanding, it is an undeniable fact that Smith lectured on rhetoric and his contemporaries were impressed by his thought.

Through Smith’s contemporaries and the Lothian publication of the student notebook, we have substantial evidence of what he said about rhetorical theory which forms part of his contribution to the development of rhetoric. For instance, Howell concludes that as rhetoric flourished in the 1700s, Smith not only identified himself with it but also through his lectures and writings sought to bring it into partnership with the needs of his day. Smith’s rhetorical theory is remarkable in its originality, its validity, and its timeliness. He defined the function of his rhetoric broadly as communicative rather than narrowly persuasive. He taught the eloquence of plainness, distinctness, and perspicuity. For Howell, Smith may confidently be called the earliest and most independent of the new British rhetoricians of the eighteenth century. Smith did
not only influence scholarship in the eighteenth century. There is enormous evidence of his influence on contemporary scholars as well. The next section briefly highlights this point.

**Influence of Smith on Scholars Today**

Despite the available evidence of Smith’s contribution to rhetoric, he has been nearly deified by economists for his *Wealth of Nations* and the contribution of his earlier work *The Theory of Moral Sentiments* is acknowledged by philosophers. Smith is undisputed as one of the great intellectuals of the eighteenth century, yet his contributions to rhetoric are often ignored or at least underappreciated. This lack of attention does not only impoverish rhetorical scholarship but Smith’s thought as a whole. By revisiting Smith today, this project uses Smith’s contribution to rhetoric as a hermeneutic entrance into his entire thought and legacy. In his book *Adam Smith: The Rhetoric of Propriety*, Stephen J. McKenna makes the case for Smith’s importance to the Western rhetorical tradition through a close reading of Smith’s lectures placed in the context of both classical thought and the fertile intellectual climate of 18th-century Britain.

McKenna’s work, nevertheless, does more than simply shine a light on an overlooked contributor to the field. He focuses on Smith’s notion of rhetorical ‘‘propriety,’’ and puts forward the more ambitious thesis that Smith not only offers valuable insights into rhetoric, but that, when put in the context of his other works, the *Lectures on Rhetoric and Belles Letters* reveals a unique view of the connection between communication and ethics. The idea of “propriety” refers to “the stylistic virtue that wins audience sympathy by communicating correctly, clearly, and appropriately” (McKenna 1). McKenna believes “that Smith’s approach to the study of human society was fundamentally rhetorical in conception, that this was for him an approach more fruitful than others he might have taken, and that we may only judge the ideological content of his work once we have reckoned with this rhetorical undercurrent” (1-2).
This helps us to understand Smith’s thought as a whole and his contribution to the rhetorical tradition.

Other scholars such as Arnett further bring Smith home to the communication field. Arnett generally expresses his thoughts on various areas of the field including philosophy of communication, interpersonal communication, corporate communication, and communication ethics. In his article on Smith published in *An Encyclopedia of Communication Ethics: Goods in Contention* and titled “Adam Smith Sentiment and Commercial Life,” Arnett states that “Smith’s project included a commitment to the local, the nearby, the common, and simultaneously embraced a vision inclusive of cosmopolitan implications …” (Arnett, Holba, and Mancino 463). Drawing upon the central themes (sentiment, sympathy/impartial spectator, division of labor, and education) in Smith’s major works, Arnett demonstrates how Smith brings together the practical and the philosophical in his *Wealth of Nations* and *Moral Sentiments* at a time the Scottish Enlightenment, characterized by attentiveness to local soil, was flourishing. For Arnett, “Smith’s project offers sentiment and information that frames the ‘why’ and the ‘how’ that stirs energy and creativity capable of reshaping power and influence in Scotland” (Arnett, Holba and Mancino 464). Thus, Smith represents a communication ethic that is attentive to sentiment and ideas forged into action within a modern commercial world characterized by difference.

Communication scholars such as Arnett acknowledge the relationship between theory and practice in Smith’s work as well as the connection between the particular (local) and the universal (cosmopolitan) as he offers a response to the questions that demanded attention in eighteenth century Scotland and beyond. Both the *Theory of Moral Sentiments* and the *Wealth of Nations* contain complex intellectual systems that Smith offers as a corrective to the dangers he points out in the existing system. Reviewing both these books in the *Annual Register*, Edmund
Burke (1729 – 1797), politician and philosopher, lauded Smith’s work for their remarkable degree of beauty and sublimity (Frazer 2). Smith’s discourse points to sympathy as the foundation of ethical life and natural liberty as that which maximizes the wealth of nations.

Smith’s *Theory of Moral Sentiments* outlines in detail where morality comes from, how people make moral decisions, and what constitutes virtue or morality. This book crystalizes Smith’s system of morality. In this work, Smith addresses three important questions: First, how do people come to be moral? Second, how does morality function both at the personal and societal level? Third, what are the factors that can corrupt the moral sense of people? Smith believes that virtue derives from a combination of propriety, benevolence, and prudence. For Smith, specific instances of moral or immoral action inform our general moral principles and eventually constitute a moral code. Some major themes from this work are sympathy, the impartial spectator, conscience, justice, harmony of systems and the corruption of moral sentiments.

In the *Wealth of Nations*, Smith examines what constitutes the wealth of a nation-state and what causes nations to be wealthy. This work contains some of the major economic principles that still govern the world today. Generally, Smith draws a contrast between the old economic system of mercantilism and the free market economic system emerging at the dawn of the industrial revolution. Some of the major themes discussed in this work are the gross domestic product as a measure of national wealth, division of labor and specialization, mutual benefits from trade, and market efficiency with minimal governmental control.

Other works published as the Glasgow edition of the works and correspondence of Adam Smith, i.e., *Lectures on Rhetoric and Belles Lettres*, *Lectures on Jurisprudence*, and *Essays on Philosophical Subjects* give us a perspective of Smith’s life and thinking that otherwise would
have been lost without these publications. In 1958, John M. Lothian discovered and purchased the manuscript containing notes of Smith’s lectures on rhetoric delivered in the university of Glasgow, believed to be compiled by a student named Nelson in 1762-1763. Later in the same year, Lothian found other volumes of manuscript notes of lectures on Jurisprudence. These notes are most likely from around the early days of Smith’s teaching upon his return from studies in England. The *Essays on Philosophical Subjects* were not prepared for the press by Smith himself. Rather, they are a compilation of fragments and diverse essays that sort to connect the history of the liberal sciences with the elegant arts such as rhetoric. These manuscripts and collection of essays were edited and published by the University of Glasgow. They contain themes such as the structure of the lectures, considerations concerning the first formation of languages, rhetoric and literary criticism, system and aesthetics, reports on Smith’s lectures on jurisprudence, philosophy as the foundation of scientific discourse, the principles of human nature, and Smith’s interest in historical questions.

**Conclusion**

I have attempted in this chapter a general overview of Smith’s intellectual life and the historical context within which these ideas emerged, that is, the Scottish Enlightenment. In the final section I brought together some of the important themes in Smith’s thought that draw him closer to the field of communication, especially his lectures on rhetoric. I do not claim to have exhausted his thought and legacy in relation to his contribution to the enlightenment period and impact on later generations, but I have covered enough ground to show the kind of scholar Smith was and the important contributions he made to society and various fields of study. In the next chapter, I will now turn my focus to the field of corporate communication to trace the history,
development and other important elements that reveal a relationship between the field and Adam Smith.
Chapter 4

Corporate Communication: History, Development, Approaches and Challenges

Introduction

Herman Cohen’s *The History of Speech Communication: The Emergence of a Discipline, 1914 – 1945*, contains an in-depth account of the origin and evolution of communication as an academic discipline. Communication as a discipline has historically assumed the importance of the audience, the Other, the Speaker, and the message. Cohen’s excursion through the early history of communication from the beginning of the first World War to the end of the second World War and his sustained effort to call his reader’s attention to the intellectual contribution of the discipline helps to provide a context for renewed and more meaningful examination of matters that influence inquiry.

Going back to the eighteenth century, the Elocutionary Movement placed emphasis on the reading of literature, and none on the preparation and presentation of original speeches (Cohen 12). During the latter part of the nineteenth century and the early part of the twentieth century, however, the rhetorical tradition was kept alive in departments of English (Cohen 27). The traditional precepts of rhetoric were nurtured and preserved by the departments of English. The Elocutionary Movement and the traditional precepts of rhetoric helped set the stage for and provided some of the material for the emergence of the field of speech communication. As a discipline, communication was born out of the English Departments of the early twentieth century.
In relation to corporate organizations, communication has always assumed critical importance in human interaction and the success of companies. Between the industrial revolution and the beginning of the second world war, the world witnessed mass production and consumption. With greater competition and robust markets emerging, organizations employed communication to sell their products and promote themselves. In recent times a growing number of top companies are reassessing their communication budgets and approaches.

Some companies are moving away from traditional functional approaches of public relations and advertising to pursuing internal and external corporate communication strategies. These strategies deal with issues arising from the increased awareness that an organization’s communications are part of the whole organization, and that the relationship an organization has with its external public requires careful management. The responsibility for communication is increasingly being seen as part of every employee’s role and not simply the function of the marketing and or public relations departments.

The aim of this section is to undertake a general review of the history and development of corporate communication. This review of the literature leads to an understanding of how corporate communication is rooted in the wider field of communication, how it emerged as a discipline, the different perspectives of corporate communication, and some of the challenges that both theorists and practitioners must contend with. The evolution of corporate communication in terms of definition, scope and organization through history tend to coincide with the development of the free market economic system. As a result, I will highlight the social and market dynamics that triggered the emergence and evolution of corporate communication as a discipline and practice. The purpose of this review is to prepare for the discussion in my final chapter about how Smith embodies and enhances corporate communication.
4.1 Emergence of Corporate Communication as a Discipline

General Overview of Communication

Corporate communication as a discipline emerged from the larger field of study known as communication. The first professional communication association to be founded was the Eastern Public Speaking Conference, now known as the Eastern Communication Association in the United States of America. James Winans of Cornell University and Paul Pearson of Swarthmore College invited the teachers of Public Speaking in the colleges in Pennsylvania, Maryland, New Jersey, Delaware, the District of Columbia, and Southern New York to attend the first conference of the organization at Swarthmore on April 15 and 16, 1910 (Cohen 29). The conference was attended by fifteen teachers. The next year, the association authorized the publication of the *Public Speaking Review* journal.

The Eastern Public Speaking Conference continued, but a national association was formed in 1914 known as the National Association of Teachers of Public Speaking, now the National Communication Association. Today, the association has thousands of members from every state and all around the globe. Members include educators, practitioners, and students of the communication arts and sciences.

In the very first issue of *The Quarterly Journal of Public Speaking*, James O’Neil of the University of Wisconsin and first president of the association stated that a new discipline was not being founded but rather, for the first time, the teachers of the discipline were being brought together in a national organization (Cohen 30). A research committee was set up to give direction and purpose to the group especially in relation to articles published in the *Quarterly Journal*. Although, the framework of the field had been outlined by 1918, the orientation of the discipline has always been a major focus throughout its history.
The association agreed earlier on that it would be a field which encompassed all the oral arts, in effect an umbrella discipline. The dependence on outside disciplines to provide research models for the field of communication was clearly visible in the first years of its development (Cohen 84). Early scholars within the field displayed ingenuity in formulating ways in which the perspectives of the social sciences could be brought to bear on the study of human communication. These scholars ensured that a scientific perspective would be present in the discipline.

Over the years, the discipline diversified to include articles dealing with psychology and personality improvement to articles emphasizing the relation between speech and ethics and democracy. Articles on rhetoric also appeared in two forms, rhetorical criticism which sought to develop standards of critical judgement and rhetorical theory which sought to describe and define the nature of rhetoric (Cohen 159). Although something like group discussion had been mentioned by the Research Committee as early as 1915, it was not seriously written about until the 1920s (Cohen 320). Debate was seen as an extension of discussion or the outcome of unresolved discussion. The character of the discipline underwent marked intellectual changes following the end of the Second World War. The effects of the social scientific revolution were obvious within the discipline and somewhat inevitable.

There emerged divisions within the field that were only remotely related to it, such as organizational communication, which deals with communication related to Business Administration, Industrial Psychology, Personnel Administration and Cultural Anthropology; and Interpersonal communication, which deals with the study of communication in interpersonal relations (Cohen 324). As a result, the discipline previously designed as group or public discussion, underwent a visible transformation.
The field became more sophisticated, and scholars became more concerned with the theoretical foundations which underlay their work. The overarching concept undergirding this transformation was known as communication theory. It brought into focus much of what was known about the theories of communication. Communication theory became a broad interdisciplinary field with contributions from fields as diverse as Sociology, Political Science, Mass Communications, Linguistics, Technology, Business, and Cultural Studies among others. An indication of the diversification of the profession may be seen in the publications now available. This brief history shows a movement from oratory, to speech, and finally to communication.

The journals published by different communication associations at the international, national, regional, and special interest groups level have contributed to the development of the discipline in its magnitude and diversity. To mark the centennial celebration of the National Communication Association in 2014, a disciplinary and organizational history of the association was published under the title *A Century of Communication Studies – The Unfinished Conversation* (2015) and edited by Pat J. Gehrke and William M. Keith.

The book contains eleven well researched articles by some of the leading scholars in the field. It also includes an introduction that states why it was necessary to have such a publication and an afterward that looks to the future with the question, what next? In their introduction, Gehrke and Keith stated the following:

The central fact of our history is the ambiguity of “we.” “We” can mean *e pluribus unum*, a unified entity that emerges from diversity, but it can also refer to a multiplicity of voices, sometimes in harmony, but not necessarily unified. A simple account of “what we study and how we have studied and taught it” and make a nice story, but it would be
difficult to reconcile with the textual and archival evidence: Our field and association have never had a stable identity. We don’t mean to imply an “identity crisis,” which entails this condition is problematic. Rather, we argue and believe the chapters in this volume demonstrate that the unique strengths and weaknesses of the field flow from a dynamic scholarly identity, always in flux, never at rest (p. 1)

This means that the communication discipline has never had a stable, definable identity that includes all relevant scholars and teachers, and excludes all non-relevant ones. The reality about communication is that it is interestingly diverse and sometimes messy. It is creative and generative. Hence, even though the authors and editors of this book respectfully state what a discipline means, their goal was to move toward a unity, which for principled reasons they could never accept. They contend that the history of communication is much more a dialectic between unity and diversity. Their claim is that change in the discipline is historically driven by this delicate balance between unity and diversity.

The theme of “unity in diversity” is developed throughout the book and seen in the terms, concepts, theories, and methodologies that the authors engaged with in each chapter. The first chapter, “Discovering Communication: Five Turns toward Discipline and Association” written by J. Michael Sproule traces the steps by which teachers of speech and writing thought they could intervene with students to improve the quality of their language, language use and effectiveness. Beginning with the eighteenth-century roots of pedagogy, Sproule shows how the study of communication flows naturally from elocution.

In chapter two, “Paying Lip Service to ‘Speech’ in Disciplinary Naming, 1914-1954, Gerry Philipsen provides a different perspective. Like Joshua Gunn and Frank Dance in chapter three, “The Silencing of Speech in the Late Twentieth Century,” Philipsen is concerned with
what was lost during the transition from “speech” to “communication” as well as what was gained. Both chapters contend that regardless of what was gained in that transition, the association and discipline missed out on some important theoretical and practical resources. Gun and Dance advanced the 1990s debates and discussions over the change of the national organization’s name, which resulted in the retirement of the word “speech” in favor of “communication”. They concede that there is little to no possibility of returning to speech as a titular object, however, communication scholars must not ignore this important heritage.

The next two chapters adopt an analytical approach and attempt to stabilize the big picture of change in the field. James Anderson and Michael Middleton in chapter four, “Epistemological Movements in Communication: An Analysis of Empirical and Rhetorical/Critical Scholarship”, quantitatively analyze over 9,000 articles in three time periods in their attempt to examine the discipline from the perspective of a knowledge-generating enterprise. In their analysis, they track these articles according to their epistemological location, theoretical lineage, and specific theories, and then draw conclusions about the history and direction of communication theory.

In chapter five, “The Scholarly Communication of Communication Scholars: Centennial Trends in a Surging Conversation”, Timothy Stephen uses an analysis of all the titles in an array of journals to create a complex account that shows the growth and shrinkage of standard areas over time, as well as the emergence of new ones and the interrelationships between different areas.

Chapters six and seven turn to diversity in the history of the association on several levels. In chapter six, “Sexing Communication: Hearing, Feeling, Remembering Sex/Gender and Sexuality in the NCA”, Charles Morris and Catherine Palczewski in general terms and specific
detail, trace the intellectual, institutional, and political ways in which the field became aware and engaged scholars, teachers, and members who are women and LGBTQ. In chapter seven, “Liberalism and Its Discontents: Black Rhetoric and the Cultural Transformation of Rhetorical Studies in the Twentieth Century”, Reynaldo Anderson, Marnel Niles Goins and Sheena Howard look at both the theoretical sources and obstacles to incorporating the Afrocentric idea into the study of communication, as well as the development of the Black Caucus and the emergence of intersectional areas of study. This study examined how the emergence of modern Black rhetoric engaged various ideological and socio-economic formations such as liberalism, the modern world system, and the digital turn early in the twenty-first century (Gehrke and Keith 166). Interest groups such as the Black Caucus and the Gender Based groups show the diversity of groups in the communication discipline.

Finally, the four chapters that conclude the book focus on the histories of specific subfields. In chapter eight, “A Critical History of the ‘Live’ Body in Performance within the National Communication Association”, Tracy Stephenson Shaffer, John Allison, and Ronald Pelias examine the history of performance studies as well as the role of the body in speech. In chapter nine, “Listening Research in the Communication Discipline”, David Beard and Graham Bodie probe the history of listening. In chapter ten, “Conceptualizing Meaning in Communication Studies”, Brian Ott and Mary Domenico outline the approaches communication and rhetoric scholars have taken to meaning. And in chapter eleven, “Communicative Meeting: From Pangloss to Tenacious Hope”, Ronald C. Arnett creates an account of the traditions in communication scholarship that focus on communication as a moment of deep interpersonal sharing and contact. He tells a story of a discipline that celebrates the unity of contraries.
Arnett states in the opening of his article, “existentially, authentic communication issues do not emerge within a vacuum or in the abstract, but rather arise from attentive meeting of questions and demands that shape a given historical moment, prompting a response” (Gehrke and Keith 261). Together, all these scholars look back at the history of communication but at the same time offer an understanding of the present and suggest implications for the future. With this background of the general field of communication, I now turn to the specific division of communication known as corporate communication to trace its emergence.

Corporate Communication as a discipline

As a result of the size and diversity of the literature on corporate communication, a comprehensive review of the historical development of the discipline is always a challenge. Even in writings where the theoretical foundation is more elaborate, corporate communication is often defined in terms of other communication practices, including marketing communications, organizational communications, and management communications. Corporate communication, in these writings, is simply used as an umbrella term for a field of practice that draws on multiple communication and management activities (Shelby 241). Increasingly, however, corporate communication is regarded as a discipline, that is, as a discipline with a distinct rationale and ambition.

The emergence of corporate communication can be traced back to the second half of the nineteenth century when major corporations felt a growing need to justify their practices to the public. With the progression of society from hunter gatherers to commercial society, complex organizations emerged due to trade and industrialization. The need for communication to facilitate the functioning and survival of these organizations became more and more evident. Significantly, “the traditional potency of the family, the church, and the local community
suddenly seemed dwarfed by the sway of the giant corporations” (Marchand 2). This was an important point in human history, especially in the West. As a result, corporations turned to corporate communication for life and purpose. The evolution of corporate communication as a field of study took place throughout the twentieth century in schools of communication and journalism, but under public relations and public affairs (Argenti 73). The development of corporate communication as a discipline and a practice happened concurrently. Today, some large corporations even have their own departments of corporate communication.

Christensen et al. argue that definitions of corporate communication are often unclear, vague, or even missing in the conventional literature. Many scholars, thus, take the notion of corporate communication for granted and define it only indirectly by listing the different types of activities it encompasses, for example, crisis communications, media relations, community relations, investor relations, employee relations, public affairs, and other communication activities traditionally associated with the broad field of public relations. Without clearly articulating the differences, these writings seem to imply that corporate communication is a more contemporary and sophisticated version of public relations.

Although corporate communication used to be a rather vague term referring loosely to messages from major corporations, today it designates a specific way of thinking that may be applied to many, if not all sorts of organizations. Most of the basic concerns of the discipline and practice have remained the same over the years. Corporations began to present themselves as vital and benevolent parts of society. In the academy, different departments began to argue about who should control corporate communication in the academy. According to Argenti, the quarrel is among business schools, schools of communication and journalism schools (73 – 74). Each school claims that corporate communication logically belongs to it.
As noted earlier, history favors journalism schools, because it was, they, who saw the need to create the field of study that is now known as corporate communication. In fact, many of the earlier practitioners of corporate communication were also journalists. Earlier on, corporations hired journalists to run their corporate communication departments because most of their work involved the media. However, schools of communication also began to train public relations practitioners outside of journalism and with a much broader outlook to deal with mass communication (Argenti 74). By expanding the scope of the study, communication schools began to claim that corporate communication properly belongs to it. Then, business schools entered the debate by focusing on corporate communication as a subset of management communication. Wherever the home of corporate communication may be in the academy, its purpose remains the same.

The historical development of communication in organizations, the emergence and significance of corporate communication as a discipline, and the ways in which communication is organized in contemporary corporate organizations are all different elements of the same discipline. This section gives context for understanding why corporate communication emerged and how it is useful for contemporary organizations. The factors that triggered the emergence of corporate communication are the same factors that facilitated the development of the market economy. Corporate communication is strategic in nature and seeks to integrate communication for the benefit of the entire organization.

The aim of corporate communication as a field of theory and practice from the beginning has been social legitimacy (Christensen et al 14). The goal is to manage all communications that involve an organization as a corporate entity. These include promoting, publicizing, or generally informing relevant individuals and groups in the society about the organization’s affairs. Rather
than pursuing different identities in relation to different audiences or letting different departments handle their communications autonomously, the vision of contemporary corporate communication, in other words, is to manage all communications under one banner.

_Toward a Definition_

Corporate communication is ultimately about organizations and how they respond and adapt to the world around them by means of communication. The idea of corporate communication from the beginning may be likened to a body in search of a soul. Thus, the distinct nature of corporate communication has less to do with the growing number of communication functions and disciplines it claims to subsume than with the vision it provides for contemporary management. The corporate communication process ensures that the interests of the organization are served but in a manner that guarantees a healthy relationship with all stakeholders. It is about strategy; corporate image and reputation; nurturing the vision of the organization; maintaining the mission of the organization; connecting with stakeholders; and about persuasion and meaning making.

Corporate communication differs from other types of communication management not simply because it claims to include a broader range of communication activities or to address more audiences across formal organizational boundaries but because its raison d’être is to organize the corporation’s communication activities as one coherent entity (Jackson 5). In contrast to other types of organizational communication—for example, advertising, employee communication, or technical communication—that typically address very specific audiences with discrete messages, corporate messages speak to many audiences at once in the hope of establishing and maintaining favorable and coherent corporate reputations across different stakeholder groups.
The broad and somewhat diverse field of corporate communication, thus, is characterized by a common mind-set, a certain way of thinking about and approaching an organization’s communication, shaped by images and ideals of unity, wholeness, and totality. In many ways, this mind-set corresponds with the etymological roots of the adjective “corporate.” Derived from the Latin “corpus,” corporate suggests a collective entity united into one body. Thus, to label communication as “corporate” means to invoke a bodily metaphor of unity and totality.

When we conceive of communication as a specifically corporate endeavor, we therefore refer to the efforts of organizations to communicate as whole, total, or “bodily” entities (Christensen et al. 6). In practice, the vision of wholeness unfolds into a goal of projecting a consistent and unambiguous image of what the organization “is” and stands for. Although formulations differ, writers in corporate communication argue fervently that organizations should aim for a unified, consistent voice across different markets and different audiences.

The key task of corporate communication, therefore, is to flesh out the profile of the “company behind the brand,” to minimize discrepancies between different markers of corporate identity, to define and assign communication responsibilities across the organization, and to mobilize support (internally and externally) behind corporate initiatives. Corporate communication, accordingly, defines a whole range of new managerial activities focused on the integration, coordination, and orchestration of an organization’s communications.

By aligning symbols, messages, procedures, and behaviors, organizations hope to appear consistent and coherent across different audiences and different media. With corporate communication, corporations present themselves as social institutions with responsibilities and aspirations beyond commercial activities. This is what Christensen et al. describe as the quest for social legitimacy.
A central characteristic of corporate communication as a field of research and practice, thus, is that it conceives of the organization as a single unit in communication with its stakeholders. It is not individual managers, buildings, advertising campaigns, or interactions with employees that communicate in and of themselves. Rather, these are all seen as parts or fragments of the same communicating organization as the unit of analysis. The main arguments and analyses related to corporate communication, in other words, presuppose a metonymy. Organizations tend to conceive of virtually everything they say and do as potential communication.

Most, if not all, of the contemporary constructs and theories in corporate communication research, including stakeholder theory, corporate image and reputation, corporate social responsibility, integration, corporate identity, and corporate citizenship, are elaborated on the back of the notion of metonymy. However, metonymy and metaphor, as we know from linguistics, are closely related figures of speech and forms of understanding. “Metaphor and metonymy are always interconnected. You cannot have one without the other” (Morgan 231). Although “a metaphorical image relies on metonymical reduction, otherwise it remains thin air” (Morgan 231), Morgan equally suggested that “metonymy is entirely dependent on metaphor, for without a prefiguring image we have nothing to see” (231). The basic point is that seeing organizations as single actors or as constituted in communication requires both metaphors—for example, of an organization as a person or of communication as a physical act of building—and metonymic compressions in which various parts can be seen to intimate the whole (person or building).

The implication of the metonymy, as in this example, is that it privileges the whole over specific parts and suggests a “totalitarian” picture of control that communication professionals in
practice hope to manage. However, the corporate communication effort must prevent the totalitarian implication from manifesting by concurrently appreciating and nurturing the fluid interplay between the whole and its parts.

In a 2012 article entitled “Corporate Communication Positioned within Communication Studies”, Wim J. L. Elving offers the theoretical foundations of corporate communication along with the history, scope and development of the journal Corporate Communications, an International Journal. Elving observes that organizations are well suited as laboratories for studying human communication and behavior. Progress within society have amplified interest in the study of communication phenomena in organizations.

The introduction of information and communication technologies, and the globalization of business in a networked society have created a need for monitoring and responding to the demands of consumers, employees, and other groups of stakeholders (Elving 68). Organization consists of communication. Activities such as coordination, knowledge creation, decision-making, shareholder value, responsible citizenship, and other organizational functions are possible through communication.

The term corporate might imply an excessive focus on profit, shareholders, and business but it also refers to other organizations such as municipalities, governments, nonprofit organizations, hospitals, and universities. Corporate communication is an emerging field. For that matter, scholars working within the field cannot ignore trends and developments that are taking place in professional practice and the environment around them.

In some cases, such trends are prompted by scientific research, although they are more likely to be based on the needs of society or on trends among stakeholders (Elving 71). For example, annual reports now include sections dedicated to organizational responsibilities, in
which organizations describe the ways in which they are addressing environmental issues, making profits, and approaching such matters as child labor. Organizations are now presenting themselves as responsible corporate citizens. Even industrialized societies are presenting themselves as models of civilization. For such societies to achieve their egalitarian ambitions, they must allow for multiple voices and honor their various parts.

The following are some definitions of corporate communication that throw more light on our understanding:

- Van Riel defines corporate communication as “an instrument of management by means of which all consciously used forms of internal and external communication are harmonized as effectively and efficiently as possible,” with the overall objective of creating “a favorable basis for relationships with groups upon which the company is dependent” (141).

- Cornelissen defines corporate communication as a management function that offers a framework and vocabulary for the effective coordination of all means of communications with the overall purpose of establishing and maintaining favorable reputations with stakeholder groups upon which the organization is dependent (5).

In these definitions, we see a gradual shift in the understanding of corporate communication as an instrument to its interpretation as a function, as well as the shift in focus from “groups upon which the company is dependent” to stakeholder groups. The definitions developed by Van Riel and Cornelissen also reflect a shift in thinking about corporations, the introduction of stakeholders, and the introduction of reputation.
Christensen et al. present us with a metaphor of corporate communication that at once recognizes the discipline’s concern with wholeness and unity but at the same time retains our ability to challenge its basic assumptions. From their perspective, corporate communication is the “body” of communication: a body that represents the voice of the corporation by including and integrating its many different dimensions into a unifying expression (Christensen et al 6-7). In this project, corporate communication accepts multiplicity in interpretive response to the thought and legacy of Smith.

4.2 Corporate Communication as Theory and Practice

Corporate communication theory and practice is much more sophisticated today than it was at its inception. Some of the factors responsible for the complexity are external while others are internal. The external changes include advances in technology and the multiplication of stakeholders due to human progress. Internal changes are more strategic in nature and derive from the approaches practitioners want to adopt. According to Goodman, corporate communication as theory and practice is the total effort of a corporation to communicate effectively and profitably. In practice, it is “a strategic tool for the contemporary corporation to gain a competitive advantage over its competitors” (Goodman 1). Corporate communication serves other practical purposes, such as, leading, motivating, persuading, and informing the public.

The understanding of corporate communication as theory and practice is important because the two are interwoven. According to Christensen et al, “the field of corporate communication is shaped by disciplinary pluralism and competition” (20). As a theory, it is both an art and a science built on concepts about communication that are developed and tested over time. As a practice it follows new trends and best practices in the field. Corporate
communication scholars rely on issues and developments that are taking place in the marketplace to generate new ideas in their research that in turn drives practice. Also, corporate communication theory and practice is driven by a variety of subjects. Therefore, corporate communication gets more complex as the global business environment continues to develop.

In this section, I will offer an overview of theoretical foundations, growing theories, professional practices, and the body of knowledge that is known as corporate communication. My aim is to draw attention to the nature of the discipline and provide a sense of how corporate communication functions. Corporate communication is an ideal, a field, and an organizing principle. To qualify as corporate, all communications, that is, symbols, messages, strategies, and behaviors, must be conceived, coordinated, and handled as one organizational entity. As the name suggests, it is a body of communication with many sub-parts.

Goodman in his overview of the field asserts that the intellectual foundations and body of knowledge of corporate communication share the same roots with rhetoric – meaning they began with the Greeks and Romans (1). By this, Goodman suggests that corporate communication is more an art than a science. Thus, corporate communication employs rhetorical principles and tools in its theory and practice. The development of rhetoric as Goodman alludes to, began in ancient times with the Greeks.

During the period 500 BC to about 400 AD rhetoric or the emphasis of communication among people was on the rhetorical canons. According to Cicero, these were invention, arrangement, style, memory, and delivery. Aristotle defined rhetoric in Book II of his Rhetoric as the faculty of observing in any given case, the available means of persuasion. Rhetoric in the classical period was mainly persuasion. In the medieval period, from 400 AD to 1600 AD, scholars placed less emphasis on theory and more emphasis on practice. The Romans were
dominant in this period and the Church played an important role in the development of rhetoric through homiletics. From 1600 AD to 1900 AD, known as the modern period, the human intellect or reason became the focus among scholars. Areas of inquiry in modernity included epistemology, psychology, belletristics, elocution, and technology. An example is Adam Smith’s belletristic rhetoric which I examined in chapter three. The post-modern period, 1960 to the present, blends different elements of the previous times in rhetorical theory and practice. This period is characterized by multiplicity and difference. Even based on my overly simplified version of the history and development of rhetoric, it is possible to find traces of corporate communication theory and practice in it. The use of language and style, especially, to communicate with an audience to inform, educate, or persuade them are also part of the corporate communication endeavor.

Besides rhetoric, corporate communication derives ideas and theories from other disciplines such as philosophy, anthropology, sociology, economics, linguistics, sociology, psychology, management, and marketing. These different fields of study give corporate communication its multidisciplinary character. The theoretical foundation of corporate communication is, thus, multidisciplinary because it uses different methods, findings, and principles from other disciplines. In a similar vein, corporate communication borrows from the activities of professionals to improve the corporate communication strategy. Elving sums this better when he claims that “organizations are well suited as laboratories for studying human communications and behavior” (68). Hence, corporate communication employs different ideas and methods within organizations as they attempt to innovate in response to the changing times.

The body of knowledge for corporate communication derives from history, scholarly writings and practice. Scholarly journals such as Corporate Communications, an International
Journal, *Journal of Applied Communication Research*, and *Management Communication Quarterly* provide insights for corporate communication practice while giving a platform for scholars to engage with one another theoretically. *Corporate Communications, an International Journal* addresses issues arising from the increased awareness that an organization’s communications are part of the whole organization, and that the relationship an organization has with its external public requires careful management. The journal also aims to illustrate why communications are important and how best to implement a strategic communications plan. It publishes a combination of articles, research, and news that reflect both the theory and practice of corporate communication. The *Journal of Applied Communication Research* was founded in 1973 as an outlet for scholars who test communication theory in the crucible of applied communication settings. It is published quarterly by *Taylor & Francis* on behalf of the National Communication Association. This journal publishes communication research that has broader applications in practical contexts. Founded in August 1987, *Management Communication Quarterly*, peer-reviewed and published quarterly, is an essential resource for scholars of organizational and managerial practice and offers valuable and timely insights for professionals, consultants, and trainers.

As at the year 2012, Elving noted that *Corporate Communications, an International Journal* which was established in 1995, had already showed its global character and importance in the field. He observed that articles from the journal were downloaded 165,000 times in 2010, representing an increase of 5% over 2009 (Elving 73 -74). The downloads were from different countries across the globe. The top ten of download request, according to Elving were the United Kingdom, Australia, Malaysia, the United States of America, South Africa, the Netherlands, Sweden, Switzerland, Ireland, Denmark, and Lithuania. As of March 2022, this same journal has
published 22,054 articles, 3,065 book parts, 1,796 case studies not counting other publications. Journals are a valuable resource for scholars and practitioners of corporate communication.

Based on an analysis of articles published in the Corporate Communications, an International Journal from 2000 to 2010, Elving observed that nearly 25% of the papers published, dealt with internal or change communication. Another 20% addressed external communication, including branding and public relations. (Elving 74). Other issues addressed within this period were corporate social responsibility, corporate identity, corporate image, corporate reputation, financial communication and investor relations. The rest were the various professions within the field of corporate communication, language and cultural issues, information technologies, and crisis and or risk communication. The wide range of topics reflect current events in the corporate world as well as the need for corporate communication in this age.

Apart from journals, the body of knowledge that serves the theory and practice of corporate communication are scholarly books. There is a wide range of scholars who contribute to this body of knowledge in the field. In my project, however, I will review one of these to support this point. The book Corporate Communications: Convention, Complexity, and Critique was published by Lars Thøger Christensen, Mette Morsing, and George Cheney in 2008. The authors of this book are some of the premier scholars in the field of corporate communication. Christensen is a professor at the Department of Management, Society, and Communication at Copenhagen Business School. Mette Morsing is the head of Principles Responsible for Management Education at Global Business School Network. And George Cheney is professor emeritus of the department of electrical and computer engineering at Francis College of
Engineering. These authors, apart from their gender balance, bring to the field a wealth of experience from both theory and practice.

*Corporate Communications: Convention, Complexity, and Critique* is an overview of the field of corporate communication as well as a critique of the conventional idea that it is possible and desirable for an organization to communicate as one unified whole. First the authors acknowledge the omnipresence of corporate communication in contemporary society. They also clearly explain corporate communication using the human body as a metaphor. The book balances theory with practical examples, including drawings to illustrate their ideas. It is a perfect example of the intersection of theory and practice. The central theme of the book is “that corporations and sometimes organizations are treated as persons in western legal systems and that the metaphor of the corpus, from which the word corporation originates, is still widely used.” This theme is recurrent throughout the book.

After describing the conventions of contemporary corporate communication, Christensen et al. challenge the field of corporate communication to be flexible. Christensen et al. “argue that communication in and around contemporary organizations has become corporeal” (vii) This, they argue, is especially for large, incorporated organizations, “although a growing number of organizations across sectors conceive of themselves as bodily totalities that need to be expressed and managed in terms of communication” (Christensen et al. viii). Therefore, they suggest that corporate communication moves toward a more elaborate, complex and refined understanding of the corporate body. Their analysis is a critique and a suggestion to improve corporate communication theory and practice.

As with the metaphor of the human body, made up of the physical body and a soul, it is important to note that corporate communication is made up of both theory and practice. The
academics are concerned with building the theory while communication professionals contribute to building the practice. Viewing corporate communication from this perspective helps us to have a comprehensive understanding of the corporate communication environment.

4.3 An Analysis of the Corporate Communication Environment

An analysis of the corporate communication environment shows the importance of corporate communication and what it seeks to accomplish. As already discussed in this chapter, corporate communication has evolved over time and is concerned with both theory and practice. It involves both scholars and practitioners who operate within a certain environment, whether that environment is a community, a country, an organization or a field of study. Additionally, analyzing the corporate communication environment gives structure and meaning to what it seeks to accomplish. It helps decision makers to know the “why” of their actions.

For example, Joel Bakan’s book *The Corporation: The Pathological Pursuit of Profit and Power* examines the history and character of the modern business corporation as a benevolent part of society. Bakan contends that corporations pursue their own economic self-interest without regard for the interests of individuals and society. Bakan, therefore, suggests that government should regulate and control the actions of corporations for the good of society. Such demands, whether they come from scholars or interested stakeholders, demand a response from the corporations that operate in this environment.

According to Goodman, corporate communication exerts substantial influence in all transactions from dealing with simple customer questions to the pressure of negotiating multinational mergers or restructuring a large corporation (2). These tasks require the theoretical knowledge and practical acumen of the people involved to be successful. While people are
essential for corporate communication, however, there are other elements involved in the communication process that are equally important.

In contemporary times, there are issues such as diversity, sexual harassment, racism, terrorism, politics and environmental concerns that corporate communication cannot ignore. Organizations are sometimes compelled by stakeholder expectations to take a stand on such issues. Other times, the organizations themselves are proactive and respond to these issues through various strategic messages like mission statements, press releases, or by sponsoring events and programs that promote or resolve these concerns.

The organizational culture is another element that is important for corporate communication. Goodman argues that a strong corporate culture creates “a recognizable and positive perception of the company among its suppliers, vendors, and customers” (4). Stakeholders do not only expect to hear companies or organizations speak to issues. They also want to witness actions. Hence, companies must match their rhetoric with actions that support what they claim to represent.

In their chapter “Justifying Corporate Communications,” Christensen et al. addressed the question – how do contemporary organizations justify their engagement with corporate communications? In other words, what is the rationality behind the “bodily” pursuit in today’s communication? Justifying corporate communications requires an understanding of the corporate communication environment. So, to unpack the question further, is it even necessary to have corporate communication? Or what are the factors that make it necessary to have corporate communication in the contemporary era? The answers to these questions help frame the corporate communication environment.
I will summarize the response of Christensen et al to help clarify why conventional contemporary corporate communication continues to pursue corporate communication as an integrated and controlled body. The authors believe that “communication is consequential, and the reading of a situation has implications for the solutions we are able to envision” (Christensen et al. 113). Hence, a clear understanding of the corporate communication environment means the ability to describe of its reality through the best frame possible.

Christensen et al. define framing as “the way we think about, approach, and talk about an issue, acknowledging that these are not neutral undertakings because they help shape perception of the issue” (113). Analyzing the corporate communication environment allows us to openly discuss and challenge or support its ideals. There is so much invested in the corporate communication environment. The corporate communication process and its actions are related to economics, society, and humanity at large. Knowing its importance helps with understanding its concepts and purpose.

Christensen et al. cited the following three theses as reasons why contemporary theorists and practitioners justify corporate communication in its current “bodily” form:

- A communication effects thesis – states that communication clutter, along with media and audience fragmentation, have made it increasingly difficult to influence target audiences (116)
- A differentiation thesis – asserts that while traditional product differences are eroded, new points of differentiation must be established through integrated communications (117)
- A transparency thesis – holds that contemporary organizations have become increasingly transparent to the critical gaze of inquisitive stakeholders (117)
These reasons reflect an ever more complex world in which organizations feel justified to align and integrate their communications in response to a mix of indifference, fragmentation, critique and competition.

Corporate communication thus becomes the solution to the limitations of the corporate communication environment. In their assessment, Christensen et al., challenged each one of these theses and found them to be flawed, limited and ambiguous. However, based on their analysis, this is the reality of the current corporate communication environment. In today’s complex and ever-changing world, this diagnosis is used to justify a lot of corporate communication decisions. Organizations are faced with real issues such as globalization, uncertainty, and turbulence as things are constantly changing around them. The next section discusses the current bodily approach to corporate communication.

4.4 Current Approach to Corporate Communication

The current approach to corporate communication claims to incorporate all communications within one coherent perspective. By conceptualizing corporate communications as the ‘body’ of communications, contemporary corporate communications demonstrate why in their pursuit of identity and legitimacy, they are increasingly preoccupied with the management of total images of organizations (Christensen et al 107). Hence, it is not surprising that a lot of resources and ambition is spent in trying to integrate symbols, images and behaviors within organizations. The quest for integration tends to shape the organizations outlook and culture.

The integrated body of communication is an expansive approach to corporate communication. It includes branding and identity as well as reputation and stakeholder communication. Based on their analysis of the corporate environment, Christensen et al. challenged this perspective of corporate communication. Their point is that “ totality prevents
organizations from developing healthy practices to operate in complex environments” (Christensen et al. 107). Hence, there is an obvious and persistent demand on current corporate communication theory and practice to be flexible.

Organizations themselves are complex bodies with many parts. They consist of variety, buffers and loose couplings. Referencing W. Ross Ashby, a system theorist, Christensen et al., explain that living systems need to develop and maintain sufficient systemic diversity in order to accurately sense diversity in their surroundings (176). Therefore, although the project of corporate communications pursues standardization it simultaneously must cultivate its internal differences to be able to see the observable differences in its external environment.

Also, the notion of integration is challenged by findings that organizations contain buffers and loose couplings just like a complex living organism. A healthy combination of tight and loose couplings enables the organization to develop close relations with its environment and at the same time be able to protect itself against external uncertainty. The next section explains this critique to conclude this chapter.

4.5 Constructive Critique

Christensen et al., conclude their book with a constructive critique of the current approach to corporate communication. They argue that, because of the limitations and flaws in the current corporate environmental analysis, organizations are compelled to adopt the current approach to corporate communication despite its totalitarian tendencies. They contend that corporate communication in its current form has the tendency to clash with diversity, flexibility and responsiveness. Hence, organizations, must respond to the present complex world not with the current mindset of total control but by being sensitive to both internal and external environments.
Contemporary corporate communication tends to adopt a sender-oriented form of communication and seems to ignore many of the complexities of human communication (Christensen et al. 135). One possible weakness in this approach is that corporate communication may be contributing to the exact same problems that it claims to be solving. For example, by sending out more messages because the environment is cluttered, such messages may end up contributing to the clutter. The organizational ideal of integration must not turn corporate communication to a separate type of communication. Rather, as Christensen et al suggest, the approach must be flexible and attentive to the needs of the corporate environment.

According to Christensen et al., “the transition from traditional society to modernity found perhaps its most dramatic expression with the beheading of Louis XVI during the French revolution” (219). This symbolized the separation of the head from the social body. Although this happened three years after the death of Smith, it was only the culmination of a social change that he witnessed in Scotland as well. For Christensen et al., “the process of modernity involves a continuous ‘de-corporation’ of society”. Hence the modern individual now finds identity in the pursuit of self-interest and is in a constant struggle to unite with the collective. Postmodernity intensified these conditions. Therefore, efforts to articulate collective visions such as the “bodily” pursuit of corporate communication often lack persuasive power.

Conclusion

Contemporary corporate communication must address the question of whether the activities of organizations correspond to what they claim to profess in their various forms of communication. This means that:

No matter how dedicatedly an organization works on its communications, there will always be fractures: between front stage and backstage, between the values of rank-and-
file members and the values professed by the administrative core, between different
departments and professions, and between what has previously been said and what one
would like to say in the future. It is often in such fractures that development and
innovation arise, not to mention profound practical and ethical reflection. Thus, there is a
need for corporate communication to appreciate a more fluid corporate body capable of
flowing and easily changing shape (Christensen et al 221)

In corporate communication, stakeholders are not dormant recipients of corporate messages but
active participants in a process that builds both commercial and social relationships.

Contemporary society may not be the same as the newly industrialized world within
which Smith lived and wrote, however, it is also made up of groups with common belief
systems, collective identities, and shared set of values that they protect and promote. Smith’s
background in social philosophy makes him important for this understanding of corporate
communication. The contemporary society is whole and not whole because of the constant
struggle between part and whole, community and individual. The reality of the contemporary
society may be summed up as follows: “While the collective is essential for the parts in their
pursuit of individuality and innovation, the whole in turn depends on the parts to develop and
maintain itself as an endurable entity” (Christensen et al 221). This paradox is also the reality of
corporate communication.

Organizations rely on corporate communication to reach their multiple stakeholders and
to align their interests with those of the stakeholders. Corporate communication is a valuable tool
for enhancing a company’s reputation and for fostering relationships with stakeholders.
Therefore, organizations must understand and be able to work with these different groups of
people, however varied and complex they may be. To ensure their survival and maintain their
vitality, contemporary corporate organizations must appreciate and nurture both the collective and the individual parts.
Chapter 5

Toward a Smithian Understanding of Corporate Communication

Introduction

I began this study in search of a connection between Adam Smith and corporate communication. My goal was to explore how Smith embodies and enhances corporate communication. In this final chapter, I analyze my findings and based on the evidence, suggest that it is possible to utilize the work of Adam Smith to envisage an understanding of corporate communication that extends beyond the ambition of integrating all parts of the organization into a controlled unified whole. The dissertation found that this ambition of integration clashes with other organizational concerns like diversity, flexibility and responsiveness. Therefore, I propose a Smithian vision that is dynamic, pragmatic and attentive to the organizational and social context within which corporate communication exists and unfolds. The perspective of corporate communication that I propose builds on the existing theory and practice of the field and grounds the new perspective in the thought and legacy of Smith.

What I call a Smithian understanding of corporate communication is a synthesis of important ideas from Smith and relevant current corporate communication perspectives that creates a vision of corporate communication, which is rooted in history and capable of responding to organizational and social change. In chapter one, I provided a general overview of the dissertation. I hinted in that chapter that my focus will be on the development of corporate communication as a “body” of communication. I revisited this idea in chapter four when I outlined the contemporary understanding of corporate communication suggested by Christensen, Morsing and Cheney.
Based on their work, I found a gap in the field that needed attention. Christensen et al. critiqued the conventional principles in the field and suggested an expansion of the current approach to include a polyphony of ideas and people. I now argue that Smith gives us the possibility to approach corporate communication as a managerial practice that is focused on polyphony rather than unity. I dedicated a large part of my exploration to Smith. Based on my research, I traced the intellectual legacy and contribution of Smith to knowledge; discussed the significance of Smith’s thought and legacy for my project; and provided a synopsis of Smith’s work found within the rhetoric and communication fields based on the available literature to justify his connection to communication.

The Smithian approach is not just based on Smith’s thought and legacy but is rooted in the rhetorical and philosophical tradition. Evidence of this can be found in chapters two and three where I traced the rhetorical and philosophical foundations of Smith’s work. The Smithian approach is open to different opinions, is attentive to social values and responsive to the expectations of relevant stakeholders. The vision of corporate communication proposed in this dissertation suggests a classical liberal perspective of communication. That is, a body of communication that is grounded in the purpose and values of the organization yet gives room for different ideas and is responsive to the expectations of society.

5.1 Implications of Smith’s Thought and Legacy for Corporate Communication

My dissertation found that the field of communication is characterized by scholars who understand communication as encompassing both the labor of information transfer and interpretative response. The task of communication scholars and professionals is to illustrate why communication is important for organizations and how best to implement strategic communication plans for these organizations. As stated in chapter one, the writings of Smith
announced the interplay of ideas, people, and historical situations that shaped the dwelling of human meaning. Smith communicated a human story to his readers through the labor of teaching, writing and his interactions with people, thus, prompting an interpretative response from other scholars in an ongoing meaning making process. Though Smith did not set out to define a communication theory, his work announces a story-centered information transfer that is meaningful and textured in a manner that arouses interpretative response.

Smith’s intellectual biography and writings help us to understand his thought and legacy within the communication field. Smith is an important figure for corporate communication because he represents much of the Scottish Enlightenment and the modern world of the eighteenth century in ways akin to corporate communication representing an organization to stakeholders. Smith was focused on human life as corporate communication is expected to focus on the life of an organization within society. Smith makes a connection between individual success and concern for the other both in his Wealth of Nations and The Theory of Moral Sentiments. He understands that human beings are social beings yet the individual matters. Smith demonstrates that we express our sociality in language and discourse with others, whether this is everyday conversation, public speaking, learned writings, literature, theater, or other forms of communication.

In his Wealth of Nations, Smith described the relationship between the market economy and the public interest, reflected on the role of the state, and examined the sources of economic growth. These, according to Smith formed the basis for human interaction and discourse in the marketplace. My review of the literature showed that Smith is one of the reasons why we have the market system today. Corporate communication on the other hand, as seen in chapter four, is based upon acknowledging diverse eras, texts, and interpretations to aid theory and practice.
Therefore, the writings of Smith examined in chapter three provide a contextual background that lends insight into the corporate communication possibilities contained within Smith’s work. For example, Smith’s contribution to rhetoric and his idea of the connection between sympathy and communication open the possibility of relating the concept of sympathy with corporate communication.

Furthermore, Smith’s critical, historical, and poetic approach to rhetoric opens the door to an enormous body of work that the corporate communication discipline can learn from. Smith’s *Theory of Moral Sentiments*, as expounded by Spence provides the philosophical assumptions for his rhetoric as well as his ethical theory. Smith’s contribution to eighteenth century ethical theory and rhetoric opens new lines of thinking about how human beings communicate and relate in society. Such theoretical knowledge has practical implications that may be helpful for corporate communication. In chapter four, we saw that corporate communication is open to confronting, critiquing, and questioning previously taken-for-granted assumptions. Therefore, the thought and legacy of Smith offers us alternative ways of thinking about the corporate communication discipline.

Smith’s view of rhetoric as communicative instead of persuasive, urges his reader from the beginning to think beyond conventional perspectives, which ties in well with the corporate communication project presented by Christensen, Morsing and Cheney. I present the work of Smith as an example of how theories about complex human systems can be communicated in a manner that unearths audience response and attain their purpose. Smith’s thought and legacy is consistent with the available body of knowledge within corporate communication scholarship. His theoretical ideas and their practical application as well as the impact his legacy has had on later scholars mirrors the history and development of corporate communication.
Smith’s ideas have implications for corporate communication that lend insight to the broader view of human communication that we saw in the first section of chapter four. The scholarly ideas Smith addressed, and their underlying assumptions have effects on organizations and society. Therefore, the Smithian approach seeks to provide philosophical resources and conceptual themes that articulate the issues that corporate communication scholars must respond to and how Smith’s thought and legacy helps to appropriately respond to these issues in today’s complex business environment.

My review of the literature shows that Smith was an important figure in the development of the enlightenment rhetoric. He expanded the purpose of discourse to include exposition, acknowledged the essential nature of things, and highlighted the importance of passions and sympathy in rhetorical theory. In both his lectures and writings, Smith left behind a legacy of a rhetorical system that focuses on the analysis of style, oratory, and criticism. Smith’s rhetorical theory prioritized style, that is, discourse epitomized by well-reasoned arguments and moving emotional appeals. Therefore, the Smithian approach will incorporate his rhetorical theory as one of the ways through which corporate communication can demonstrate flexibility and responsiveness toward different ideas and groups of people.

The vision of corporate communication proposed in this dissertation must be grounded in the purpose and values of the organization yet allow room for different ideas and in response to the expectations of society. The intellectual roots of corporate communication as we saw in chapter four, can be traced back to the rhetorical tradition of the Greeks and Romans. The same applies to the thought and legacy of Smith. Both share the same roots. The Smithian approach seeks to create a humane work environment that empowers people as individuals yet promotes teamwork or cooperation. The approach is also concerned about the future survival of these
organizations. I have no doubt that corporate communication scholars will continue to turn to theory to inform communicative actions in the field. Therefore, I submit the thought and legacy of Smith as my contribution to this continued search for ways to legitimize and maintain positive corporate identities.

5.2 Toward a Smithian Perspective of Corporate Communication

In this section, I claim that Adam Smith embodies and enhances corporate communication. I argue that the thought and legacy of Smith serves as a perspective of communication that offers “an intellectual shaping of habits of the heart, tempering information by moving existential meaning into embodied and contextual understanding” (Arnett and Holba 3). I also contend that Smith is an exemplar for shifting the mindset of the current approach to corporate communication from total unity to a unity of contraries. Furthermore, I assert that harmony comes not from uniformity but difference. Some bodily unity is essential for the recognition of individuality, but difference is necessary to acknowledge diversity and different voices. Staying with the human body metaphor that Christensen et al used in their book Corporate Communications: Convention, Complexity, and Critique, I offer Smith as a metaphor for the Smithian perspective of corporate communication.

Additionally, I claim that just as the corporate world is made up of many moving parts, the market economy Smith described in the Wealth of Nations consists of numerous moving parts. I offer Smith as that craftsman who by virtue of his love for the craft itself, understands that there is a meaning-centered story behind the practices that announce the importance of the given craft. Smith tells the story of why and how nations become wealthy in the Wealth of Nations. In his first book, Theory of Moral Sentiments, Smith tells the story of why and how human beings act morally towards one another. Smith helps us to understand the complex world
in which we live. The move toward a Smithian perspective of corporate communication points us to the overarching view of the impact Smith’s thought and legacy can have on corporate communication decision making.

I offer the Smithian perspective of corporate communication in the context of the contemporary world. The contemporary era is defined by “diversity, difference, fragmentation, and the importance of learning from alterity, otherness” (Arnett and Holba 4). I revisit Smith’s thought and legacy because he represents that kind of communication that is attentive to story-centered meaning and is textured with multiple influences, from persons to context, to interpretive perspectives, to the historical moment, and to the dialectical interplay of part and whole (Arnett and Holba 239). The fact that the market system has survived to this date and scholars continue to explore the writings of Smith to justify their decisions is evidence of his relevance to this historical moment.

Similarly, Christensen et al. wrote their book - Corporate Communications: Convention, Complexity, and Critique - to advance the understanding of corporate communication as an organizational ideal and practice. Their work brings to light assumptions that were not often highlighted. They pushed the envelope of the field to include alternative ways of understanding the corporate communication project. Based on their work, I claim that Smith’s thought and legacy offers further alternative ways of understanding corporate communication. In the following analysis, I will show the connections between some of the ideas of Smith and corporate communication to demonstrate that he embodies and enhances corporate communication. My analysis aligns Smith’s ideas with the alternative ways of approaching corporate communication suggested by Christensen, Morsing and Cheney. By this, I demonstrate how the Smithian perspective values diversity and the wisdom of different voices.
The Individual as Dynamic Center of Change

The first element of the Smithian perspective to consider is the concept of change beginning with the individual as its center piece. According to Mary Ann Hazen, “if we conceive of organization as many dialogues occurring simultaneously and sequentially, as polyphony, we begin to hear differences and possibilities. We discover that each voice, each person, is his or her center of any organization. And it is from each of the dynamic centers that change occurs” (16). The idea of change is evident in Smith’s thought. Smith views the individual as the agent of change and action.

Smith opens his discourse on sympathy with the following words: “How selfish soever man may be supposed, there are evidently some principles in his nature, which interest him in the fortune of others, and render their happiness necessary to him, though he derives nothing from it except the pleasure of seeing it” (TMS 13). The idea of Sympathy is understood in the action of an individual in relation to others. As a result, moral change in society occurs through individual moral action. Other elements of Smith’s thought such as virtue, justice, and moral character are all connected to the individual person.

Again, when Smith opens the Wealth of Nations, he emphasizes the importance of productive labor playing a special role to change the fortunes of an entire nation in an organized system which recognizes the skills and dexterity of the individual. He writes: “The greatest improvement in the productive powers of labor, and the greater part of the skill, dexterity, and judgement with which it is anywhere directed, or applied, seem to have been the effects of the division of labor.” In his pin factory example, he describes how the individual functions in such a system. Smith describes in detail the operation of the pin factory based on division of labor and specialization as follows:
“… “But in the way in which this business is now carried on, not only the whole work is a peculiar trade, but it is divided into a number of branches, of which the greater part are likewise peculiar trades. One man draws out the wire, other straightens it, a third cuts it, a fourth points it, a fifth grinds it at the top for receiving the head; to make the head requires two or three distinct operations; to put it on, is a peculiar business, to whiten the pins is another; it is even a trade by itself to put them into the paper; and the important business of making a pin is, in this manner, divided into about eighteen distinct operations, which in some manufactories, are all performed by distinct hands, though in others the same man will sometimes perform two or three of them” (WN 4-5).

The example of the pin factory sums up Smith’s concept of how each worker is important to the system. In addition to the division of labor, Smith talks about Self-interest, individual rights, and private ownership of property as factors that contribute to the market economy.

In chapter three, we saw that the modern period witnessed significant changes such as the emergence of the Scottish Enlightenment, the industrial revolution, the French revolution, and the market economy. These changes led to a society in which the individual became more and more important. The market system Smith described, for example, was a system of liberty which granted individual freedoms and completely changed the hitherto mercantilist system that was based on control.

In chapter four we saw that the emergence of corporate communication was characterized by change. Society had changed and major corporations saw the need to justify their practices to the public. As the practice developed educational institutions saw the need to train experts who will lead the corporate communication efforts of organizations.
The point in these references is that Smith believed in diversity and the importance of the individual. Therefore, if we conceive of organization as many dialogues as Hazen claims, then, we will discover that each voice and each person is a valuable part of the organization and capable of contributing to the collective course of the organization when given the voice to do so. This element of the Smithian perspective acknowledges the individual and empowers him or her to contribute their best to the corporate communication plan of the organization. In terms of theory, corporate communication scholars must recognize the signs of the time. The contemporary times have seen significant changes since the time of Smith. The importance of the individual has continued to grow into the postmodern period and diversity is one area that corporate communication theory and practice must recognize in their programs.

*Market Economy as Polyphony*

The second element of the Smithian perspective I will explain is Smith’s idea of the market economy functioning as polyphony. “Postmodern existence calls us to listen to one another in all our multiplicity and uniqueness as we accomplish our human work” (Hazen 15). Therefore, ideals such as totality, uniformity, and sameness do not support such a call. Acknowledging the value of diversity and the wisdom of many different voices is an alternative. In the contemporary corporate environment in which identity and legitimacy are central, the current approach to corporate communication strives to integrate all the communications of the organization such that everything the organization says or does falls within a unified corporate expression. This goes against the current of postmodernity which calls us to listen to one another in all our multiplicity and uniqueness.

The concept of polyphony is taken from music in which two or more independent melodic parts or voices are combined into a coherent musical entity. The notion was expanded
by literary critic Mikhail Bakhtin in his work about the world of Dostoyevsky’s novels and suggested by Christensen et al. as an alternative to the current perspective of corporate communication. The notion of polyphony is used as a metaphor for understanding patterns of organizing among people who hold beliefs and values from a variety of backgrounds. As a management function, Christensen et al argue that corporate communication may be approached as a case of polyphony (195). In this context, corporate communication assumes a highly sophisticated managerial practice that challenges conventional prescriptions for corporate communication practice. The idea of Smith that aligns with this suggestion is the market economy. We saw this concept in chapter three.

As production advanced and humanity progressed, the economy became more complex and new trading infrastructure were developed. About this process Smith writes: “it is the great multiplication of the productions of all the different arts, in consequence of the division of labor, which occasions, in a well-governed society, that universal opulence which extends itself to the lowest ranks of the people” (Smith, WN 12). This important development in the market economy demanded a symmetrical relationship between increased production and advancement in trade and even transportation infrastructure. I consider this a movement toward polyphony.

Concerning this, Smith explains that “every workman has a great quantity of his own work to dispose of beyond what he himself has occasion for; and every other workman being exactly in the same situation, he is enabled to exchange a great quantity of his own goods for a great quantity, or, what comes to the same thing, for the price of a great quantity of theirs” (Smith, WN 12). Due to this, the medium of exchange, money, evolves to facilitate trade. The symmetrical relationship and the medium of exchange that facilitates the smooth operation of the market economy is polyphonic in nature.
Smith explains further that the division of labor is only limited by the extent of the power of exchanging. Therefore, “when the market is very small, no person can have any encouragement to dedicate himself entirely to one employment, for want of the power to exchange all that surplus part of the produce of his own labor, which is over and above his own consumption, for such parts of the produce of the other men’s labor as he has occasion for” (Smith, WN 19). The nature of the small market in this case could be likened to an organization that tries to control every aspect of the corporate communication process, thereby limiting the free contribution of ideas by employees and other stakeholders. This approach belabors everyone by forcing them to do everything all at once in a particular way. In such an environment, there is little motivation to voice out what they think. Productivity goes down and there is no polyphony in their working relationship.

However, in a more extensive and open market, industry of every kind naturally develops. Once the division of labor has been thoroughly established and there is the needed market to serve, then, everyone lives in such a society by exchanging. In this system, the earnings of labor, landlords, and owners of capital is determined by that society because as society progresses, so do wages, rents, and interests. The laws and regulations that guide commerce in the market society are meant to encourage free participation or polyphony, in this case.

Therefore, when there is flexibility, as in the case of the towns, everyone is encouraged to dedicate themselves to what they do best which in turn aligns with what others do best synergistically. When it comes to welcoming different insights and voices in the corporate communication process, polyphony or in the case of Smith, the freedoms granted by the market
economy are an alternative compared to the current approach which tends to control and unify the communication process.

*The Impartial Spectator as Flexibility*

The third element of the Smithian perspective is the idea of the impartial spectator as a key to flexibility in the corporate communication process. I suggest that the impartial spectator serves as a tacit guide behind everyone involved in the corporate communication process. Smith’s doctrine of “the impartial spectator” and his framework of sympathy are related. Essentially, the impartial spectator serves as the inner guide for moral action. Smith envisioned the impartial spectator to be that which informs us of how other people will interpret our behavior and guides us to make moral choices.

When it comes to the current corporate communication approach, organizations tend to explicitly control and direct their employees to think in a certain way. Such firm demands for integration may go against their values, attitudes and backgrounds, but they may just go ahead and do what they are told to do. Christensen et al argue that this does not mean that they support them. Since such a demand is not a linguistic imperative and people are different, this may impede approval and agreement (Christensen et al 196). There is lack of flexibility in this process. But by adopting a tacit approach and trusting the impartial spectator to guide corporate communication decision making, organizations will be demonstrating flexibility.

The impartial spectator functioning as a part of the Smithian perspective, will give organizations the flexibility to show sympathy towards stakeholders in their unique situations. The impartial spectator essentially allows us to test the moral fiber of what we might do in a particular situation. We can live morally informed and just lives if we follow the guidance of the impartial spectator. In like manner we can communicate sincerely and coherently if we follow
the guidance of the impartial spectator in the context of corporate communication. We can also learn to judge ourselves and others morally from the judgements of the people who surround us. Social upbringing matters in this context. As a result, the organization that adopts the Smithian perspective along with this element will come across as sincere and understanding of their corporate communication environment.

Smith describes the functioning of the impartial spectator thus: “we endeavor to examine our own conduct as we imagine any other fair and impartial spectator would examine it. If upon placing ourselves in his situation, we thoroughly enter into all the passions and motives which influenced it, we approve of it, by sympathy with the approbation of this supposed equitable judge. If otherwise, we enter into his disapprobation, and condemn it” (Smith, *TMS*, 133). The impartial spectator in this sense is our equitable judge. When corporate communication assumes a firm position and attempts to clearly spell out everything they stand for in a coordinated manner without any form of flexibility, they appear robotic and insincere.

According to Smith, society builds the impartial spectator in us. Therefore, when corporate communication is guided by the impartial spectator, they appear authentic, sincere and flexible to their audience. As we grow and encounter others, we internalize the values and expectations of our community. This is how we form the impartial spectator. Overtime, we learn to see ourselves in the light of our society. An organization that seeks to present itself as a responsible member of society must understand the values of the society and be able to let them guide its corporate communications.

By incorporating the impartial spectator into the corporate communication process, practitioners will be able to estimate the opinions of the stakeholders about the organization and be able to tell whether they are in accord with the conduct of the organization. Practitioners will
feel empowered if the two are in accord. However, if they are at odds, they will be ashamed. With the eyes of others, they can examine the propriety of their own conduct.

Smith’s concept of the impartial spectator functions in two main ways. First, it is formed through socialization and judges according to the norms of the society the individual belongs to or was socialized in. Second, it can judge outside or in defiance of social norms if the norms of society are corrupt. Therefore, the impartial spectator is flexible. In certain cases, social norms may be corrupt and for that matter a properly cultivated impartial spectator can stand against such norms.

*Moral Action as Strategic Ambiguity*

The fourth element of the Smithian perspective is moral action as strategic ambiguity. Christensen et al., suggest that clarity is not always a good approach to corporate communication. Instead, they propose strategic ambiguity, a phrase used by Eric Eisenburg to account for the practice of managers to generate support for their ideas by employing an ambiguous and imprecise rhetoric (Christensen et al 198). The goal of strategic ambiguity is to promote what Eisenburg calls unified diversity, since it allows for multiple interpretations and creates space for different identities and audiences to co-exist.

Smith suggests two ways of determining moral action. Firstly, human beings are inherently sociable and willing to reach out to others. Secondly, circumstances surrounding a particular situation is an important element in determining the way in which we arrive at canons of virtue and criteria of vice. Smith does not clarify exactly how each person must act but provides enough guidelines to help with moral action. This is a form of strategic ambiguity. Moral action, therefore, depends on the appropriateness of the behavior of the person being
observed to the situation. Here, context matters. A corporate communication process that adopts this perspective cannot slide into manipulation or total control of the process.

Smith explains that, sometimes it is difficult or impossible to match our emotions with the exact emotions of the other person. In this case, we use our imagination to determine how we feel about the situation. This situation compels us to assume a socially approved mode of behavior. Having a stabilizing principle for human conduct, like Smith’s process of moral action, is much better than giving employees a list of instructions to work with. Employees will be lost if they are confronted with a situation that is outside the scope of what they have been taught or told. Smith’s approach to moral action helps us to determine the appropriate level of self-interest, the proper show of benevolence, and the desirable measure of justice needed in every situation to make moral judgments.

A similar process applies in the corporate communication process when organizations adopt moral action as strategic ambiguity. Smith basically argues that morality is inherent to humanity. And although we act morally in various situations, we do not go around announcing our moral beliefs to people. Therefore, we cannot force people to act contrary to their moral beliefs. Even if they are compelled to do it, the process will break down at some point.

We can relate to this theory and explain some of our own experiences in the manner understood by Smith. For example, we tend to trust people who are willing to trust us in return. We are willing to abandon ourselves to follow their guidance and direction. Moral action functioning through the Smithian perspective of corporate communication seeks to build trust between the organization and stakeholders. Corporate communication aims to align the opinions of stakeholders with that of the organization. This harmony of minds between the corporate organization and the stakeholders is what the Smithian perspective seeks to achieve.
Labor and Capital as challenge to Corporate Consistency

The fifth element of the Smithian perspective that I propose is Labor and Capital as challenge to corporate consistency. Corporate consistency in the current approach is the attempt by organizations to orchestrate and direct at all levels of the corporate communication process. This tends to involve a show of power and often does not win the support of other people involved in the process. In contrast to this approach, I suggest that the Smithian approach allows for articulation in line with the role of labor and capital in the market economy.

We saw in chapter three that labor and capital play essential roles in the market economic system. As the division of labor and specialization leads to surplus and the development of the market, those who have invested in the market obtain profit or surplus in return. (See chapter 3) According to Smith, “the rise and fall in the profits of stock depend upon the same causes with the rise and fall in the wages of labor, the increasing or declining state of the wealth of the society; but those cause affect the one and the other very differently.” (Smith, WN 100). Government does not control this process. It is left to market forces and individuals to decide what to do with their productive labor and capital respectively. Money, the liquified form of capital, is the medium used to facilitate this process. Although both labor and capital serve the market system, there are not prescribed laws and regulations guiding how much they should invest. This challenges the corporate consistency approach to corporate communication not to force control in the communication process.

Smith explains that productive labor depends on capital accumulation to survive, since capital is necessary to sustain production. Capital ensures continued investment and growth in the market system. Consequently, the incentive for this natural flow of capital is not the laws and regulations governing commerce, but what Smith calls self-interest.
My attempt to tie together Smith’s ideas into one corporate communication perspective was a challenging one. I had to deal with the risk of leaving out some essential elements of Smith’s thought and legacy in the process. I also risked repeating some already stated ideas in the process. However, I brought together what I believe are some of the key elements in Smith’s thought that align with the suggestions of Christensen, Morsing and Cheney. From a corporate communication standpoint, these theoretical suggestions would need to find expression in practice to prove their relevance and worth. The Smithian perspective I propose would need to be embraced by an organization willing to take the risk of going against the conventional approach to corporate communication. As is the case with every novel idea, I won’t claim to have found the perfect solution to the limitations of the current approach to corporate communication. However, as my first step into the waters of corporate communication theory, this is my initial contribution.

I have argued in this section that Smith embodies and enhances corporate communication theory and practice through his thought and legacy. I then cited his concepts about the individual, the market economy, the impartial spectator, moral action, labor and capital as some elements that constitute the Smithian perspective. These elements as I explained above could be aligned with some of the suggestions of Christensen, Morsing and Cheney, such as change, flexibility, polyphony, and strategic ambiguity. The Smithian perspective of corporate communication does not call for a total rejection of the body metaphor. Rather, it supports and demands flexibility or polyphony by offering various suggestions derived from smith that will enrich and enhance the theory and practice of corporate communication in the contemporary world. As one of the best defenders of the market economy and commercial society in the eighteenth century, there is every reason to believe that Smith would welcome my proposal.
5.3 Summary and Conclusions

In this dissertation, I explored Smith’s complex understanding of economics, moral philosophy, rhetoric, jurisprudence, and philosophical subjects. I acknowledged that despite Smith’s glorious legacy, he is attacked by other scholars who hold contrary views to the ideas he propounded. Then, I suggested that it is possible to find a connection between Smith and corporate communication. My exploration took me through a wide-ranging review of the history and development of economic thought or rhetoric of the marketplace. I also reviewed Smith’s life and work in the context of the Scottish enlightenment. Then, I reviewed the history and development of corporate communication. Based on my exploration, I proposed a Smithian perspective of corporate communication to justify my claim that Smith embodies and enhances corporate communication.

The dissertation covered the intellectual biography of Smith and the literature of corporate communication as much as possible to show why they matter. Smith’s connection to corporate communication demonstrates how insights from his work enhance our current understanding of corporate communication. My project accomplished three objectives. The first is that I acknowledged the controversy of Smith and took a position based on an examination of his body of work, the opinions of other scholars, and related historical issues and events. The second is that I traced the roots of Smith’s thought and legacy back to the Scottish Enlightenment and address his relevance for the present day. Finally, I made a persuasive argument for the importance of Smith for corporate communication and the enduring relevance of his ideas for various fields of study.

Since social and commercial life are expressed in language and discourse with others, the Smithian perspective contextualizes an approach to corporate communication that is responsive
to both the needs of the organization and the needs of society. This project demonstrates that Smith’s liberal ideas enhance strategic corporate communication by making corporate communication theory and practice flexible and responsible. Utilizing the ideas of Smith to envisage an understanding of corporate communication extends beyond the ambition of integrating all parts of the organization into a controlled unified whole. The Smithian perspective engages with multiple ideas at different levels of the organization and with various groups of people in society.

The Smithian perspective holds that people within organizations matter. Also, the concerns of society matter. As a result, contemporary corporate communication’s interest in issues such as identity, legitimacy, meaning, and responsibility can be related to Smith’s concern with issues such as self-interest, division of labor and specialization, freedom and sympathy. Smith’s thought and legacy – particularly his interest in economics and moral sentiments – reflects the modern era and shows how social and organizational changes can affect how we interact with others. Smith helps us to create a work environment that empowers employees and promotes cooperation. A corporate environment founded on freedom also allows for continuous improvement in all parts of the organization. The Smithian perspective of corporate communication allows for both integration and innovative ideas to co-exist.

My project reveals that Smith is not some historical figure whose ideas died with him. Rather, he continues to live through his ideas. The Smithian perspective of corporate communication builds on the existing theory and practice of the field and grounds the new perspective in Smith’s attempt to explain human behavior. The Smithian perspective is dynamic, pragmatic and attentive to the organizational and social context within which corporate
communication exists and unfolds. Although Smith divides opinions, his writings provide lessons that are valuable for strategic corporate communication in the contemporary world.

Smith found it useful to link his economic and moral thought to liberalism because he wanted to live in an environment with the least trappings that will also allow him to feel the sentiments of those around him. Both freedom and character were important to Smith. At the heart of man’s economic evolution is the quest for survival. From primitive societies to advanced communities, people have struggled to find a balance between self-centeredness and cooperation. Even in today’s highly industrialized world, people are still searching for answers to the need for survival and imminent unpredictability. Societies, groups and organizations continue to organize themselves into different economic systems based on various ideologies.

I believe an economic system that relies on both sympathy and self-interest as its foundation is what fully embraces the thought and legacy of Smith. When these two aspects of the human life work together in a complementary way, then, we are following the path of Smith. This study does not assume that the Smithian perspective is a better or lesser kind of corporate communication. Rather, it is just a different way of viewing corporate communication that enables corporate bodies to be flexible and responsible in their interactions with stakeholders.

By framing my project within rhetoric, I was able to trace the rhetorical underpinnings of Smith’s economic thought that are connected to corporate communication to demonstrate how language is useful for maintaining a coherent corporate body and plays an important role in linking organizations with their stakeholders. Ultimately, corporations aim to persuade their audiences with the messages they communicate. Hence, rhetoric fits well with the fundamental importance of language use in corporate communication.
The interplay of ideas from Smith and the field of corporate communication results in shared meaning. The value of this relationship is expressed through rhetoric. The combination of rhetoric and philosophy of communication in this exploratory study suggests a praxis orientation. Corporate communication has become central to many businesses as they negotiate their way through an increasingly global and highly competitive marketplace. Therefore, the Smithian perspective connects the issues and problems of corporate communication with the ideas of Smith.

The Smithian perspective challenges corporate communication theorists and practitioners to move towards a body that allows for diversity of opinion and is responsive to the organizational and social context. This dissertation takes the concept of “polyphony” further by combining the ideas of Smith with the current understanding of corporate communication to create a coherent bodily communication.

Owing to the complex and conflicting nature of stakeholders in the contemporary society, organizations are faced with issues such as social activism, globalization, scandal, conflict, crisis and legislation. For corporate organizations to build trust between them and their stakeholders in the contemporary environment, they must take into consideration the different insights and voices in and around them. Organizations must be flexible and pay attention to insights from employees, important social issues, current legislation, social media and the news media. The knowledge gathered from these different sources can then be illuminated by ideas from Smith.

The Smithian perspective adds to the development of corporate communication as a discipline. This project acknowledges that we live in a diverse world; that the fundamental concepts identified in Smith’s thought and legacy are important for society; and that corporate organizations can learn from Smith. The intersection between Smith’s project and corporate
communication suggests an alternative approach to corporate communication in response to the current lack of flexibility observed in the bodily pursuit of corporate communication. Smith’s ideas offer opportunities for modern scholars to use them to respond to present-day issues.

Smith’s work offers meaningful insight for social, political, moral, and commercial life in today’s age, a period characterized by diversity. The implications drawn from Smith’s thought and legacy in this dissertation offer a vision of corporate communication that is flexible and adaptable to change based on the existing corporate environment. The Smithian perspective serves as a roadmap for engaging in strategic corporate communication theory and practice based on the thought and legacy of Smith. It also shows how Smith embodies and enhances corporate communication.

Corporate communication fundamentally involves and concerns the betterment of the relationship between corporate organizations and their stakeholders. Corporate communication functions within the framework of ethics, identity, legitimate interests, and responsibility. Essentially, corporate organizations seek to present themselves as responsible members of their community. The perspective of Smith, therefore, illuminates our understanding of the purpose of corporate communication.

The Smithian perspective draws from Smith’s intellectual history to formulate an approach of corporate communication that is rooted in rhetorical and philosophical tradition, is accepting of different opinions, and is attentive to the social values and expectations of the contemporary world. Smith does corporate communication by looking at different elements of liberation connected to governmental control, individual responsibility and the redistribution of wealth. In this sense, I believe Smith embodies and enhances a unique perspective of corporate
communication, since current corporate communication tends to focus on how best to control all forms of communication within an organization.

The Smithian perspective is driven by the content of Smith’s work and the available literature in the corporate communication field. The conclusions drawn in this study serve as my contribution to the history and development of corporate communication. I hope to spark debates about the relevance of Smith for corporate communication among scholars, especially when it comes to how they converge; the critical issues concerning this relationship; and the implications of the Smithian perspective of corporate communication for future studies.

My preliminary study revealed a general lack of interest in this topic within the corporate communication literature despite so much interest in the ideas of Smith in other disciplines. I must acknowledge that this study was quite a challenge. Firstly, due to the lack of prior studies dealing with the connection between Smith and corporate communication, it was difficult on my part to find direction. Secondly, due to the large number of controversies surrounding the work of Smith, I had to respond to some of them and take a position to clarify why I thought he was significant for this study. Thirdly, I had to explain why a scholar from the eighteenth century was important for understanding corporate communication in the contemporary era. Finally, I developed a plan to explore Smith’s primary work and everything else that forms part of his thought and legacy.

My study went back in history to trace the rhetorical foundations of economic thought and the development of the idea of the market. This effort grounds Smith in history, philosophy, and the field of economic thought. My decision to undertake this review was to ensure that my readers understood the intellectual background of Smith. The lesson I learnt from this attempt was that Smith built on the ideas of other scholars before him. The main influence on Smith’s
economic thought was probably Aristotle. The review touched the views of others such as Karl Max, David Ricardo, John Stuart Mill, and Alfred Marshal. Smith’s influence on scholars after him was also acknowledged.

My project reviewed the period known as the Scottish Enlightenment. Smith was born around this time, had his education and academic career within it. Hence, it was important for me to find out how the people and events of this time impacted Smith’s work. I went on to review Smith’s writings and outline his intellectual biography. This review framed Smith as not only an important scholar for the eighteenth century but also for the contemporary era. His economic ideas and moral concepts highlighted in this project proved to still be relevant not just to the contemporary period but also to corporate communication. I made a turn toward corporate communication using his rhetorical teachings as a hermeneutic entrance. Equally, I focused fully on the corporate communication field to review its history, development and major concepts. Finally, I drew implications from my findings for corporate communication and suggested the Smithian perspective of corporate communication to demonstrate how Smith embodies and enhances corporate communication.
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