

ECONOMICS 265, SPRING 2007

*The Wealth of Nations*, chapter VIII: Focus Questions

1. “It is not the actual greatness of national wealth, but its continual increase, which occasions a rise in the wages of labour.” What exactly does Smith mean by this, and how does he support this claim?
2. “In Great Britain the wages of labour seem . . . to be evidently more than what is precisely necessary to enable the labourer to bring up a family.” What evidence Does Smith adduce to substantiate this claim, and how persuasive is the evidence?

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