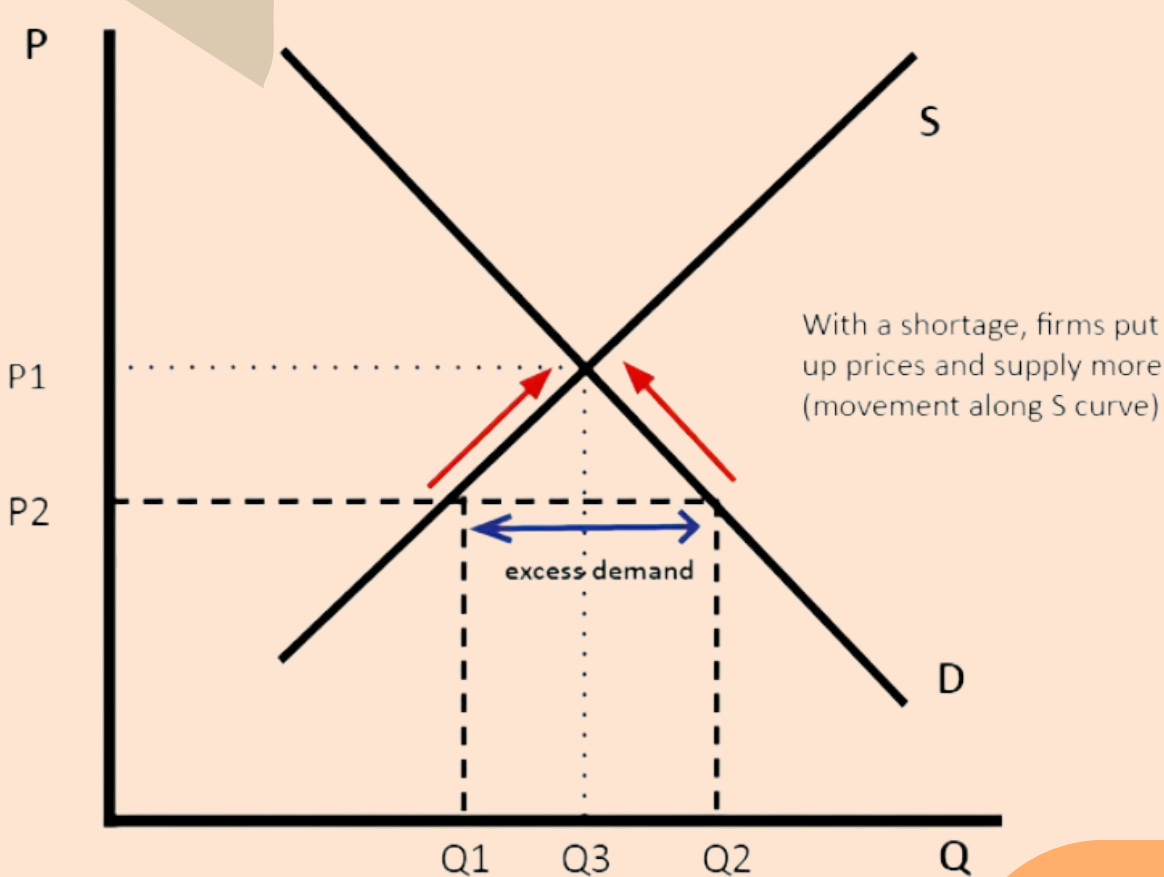


Adam Smith is not only a remarkable economist but also a distinguished philosopher. While constructing his free market theory, he accomplished The Theory of Moral Sentiments which build an ethical system based on sympathy. He gave a unified general account of different aspect of human science, including morality, society, art, politics, and commerce within 40 years of time.

His main idea was **free markets**, driven by the self-interest of individuals, can lead to greater economic growth and prosperity for all.

Influences

Smith's work also helped to inspire the development of classical economics and the ideas of other prominent economists, including David Ricardo, Thomas Malthus, and John Stuart Mill. Today, Smith's ideas continue to influence economic thought and inform discussions about the role of markets, government, and individual liberty in shaping economic outcomes.



Adam Smith

Father of Economics

INVISIBLE HAND

A metaphor for the unseen forces that move the free market economy.

Through individual self-interest and freedom of production and consumption, the best interest of society, as a whole, are fulfilled. The constant interplay of individual pressures on market supply and demand causes the natural movement of prices and the flow of trade.

DIVISION OF LABOR

Smith believed that the division of labor was a key driver of economic growth. By breaking down tasks into smaller, more specialized tasks, individuals could become more efficient and productive.

