1. Adam Smith
   1. Scottish moral philosopher and father of modern-day economics
   2. 1776 published the Wealth of Nations
      1. Nations wealth was dependent on a free market economy

a. Free market – market free from governmental control such as high tariffs that protected domestic industries

* + 1. Division of Labor – Smith theorized that by splitting up the jobs of producing a good into small parts done over and over by a number of workers would produce more items.
    2. Free trade – countries should trade when it is beneficial to both rather than one country having an advantage over the other
    3. Invisible hand – often misunderstood as no government intervention or regulation at all; Smith theorized that an employer would do what’s best for him which in turn makes life better for his employees by having a successful business. In essence, he is guided by an invisible hand.
    4. Capitalism - economic system in which trade, industry and the means of production are controlled by private owners with the goal of making profits in a market economy