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Is Barack Obama right that entrepreneurs 'didn't build it' when they look at their own achievements? No, says Stephen MacLean - he should re-read his Adam Smith.

Friday the thirteenth wasn't kind to Barack Obama. In a speech in Roanoke, Virginia earlier this month, it was the American president's bad luck to proclaim a howler heard round the world: 'If you've got a business you didn't build that. Somebody else made that happen.' An affront to sound economics and Adam Smith, for whom Malthus's 'dismal science' was instead a path to personal freedom and prosperity for all.

Obama privileges 'corporate' co-operation at the expense of individual achievement. It's not that he emphasises the benefits of civil society where we come together voluntarily for mutual benefit, which is a good thing. No, when he says 'we succeed because of our individual initiative, but also because we do things together', the subtle message is that we are a means to a communal end greater than ourselves, for 'if you were successful, somebody along the line gave you some help.'

Government is at the apex of this 'you're not on your own, we're in this together' pyramid, as evidenced by the President's redistributive tax policy. By no means was Adam Smith a private property anarchist, for in *The Wealth of Nations* he acknowledged 'the duty of erecting and maintaining certain publick works and certain publick institutions, which it can never be for the interest of any individual, or small number of individuals, to erect and maintain (IV.ix.51)'. Such is the theme of Book V of this great work, 'Of the Revenue of the Sovereign or Commonwealth' (which occasions opprobrium from contemporary libertarians). Rather, it was the State's coercive tax policies in aid of social justice to which Smith objected.

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