

**SUNDRY NOTES ON MANDEVILLE'S
TREATMENT OF VALUE THEORIES**

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One of the hotly-debated topics which the history of the nineteenth century economic thought witnessed was the storm over settling down the theory of value now seems to have faded away owing to the «Fully Employment versus Price Stability» issue which has come to an insurmountable focus of probing in economic analysis. (1) However, the history of the controversy has not yet been fully grasped unless the contributions of some unduly neglected economists are to be glossed. Hence, it is the purpose of this short, paper to shed some lights on or to bring into fore Mandeville's account of value theories in the pre-Adamite history of the subject-matter.

It is true to contend that a value theory was not deeply and deftly elaborated in «**The Fable of the Bees**» by Mandeville for his main argument had been willy nilly stretched too far on

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(1) I must confess that I have deliberately omitted the challenge and the impact of the silly sixties on modern economic thinking owing to the fact that the claimed «watershed» or «revolutionary» theories are based on grotesquely oversimplified postulates with respect to the neoclassical theorising.

flatly narrowly contrasted fields of interests. This attitude of Mandeville is a typical reflection of the eighteenth century foible accompanied with his lack of precision on what a value theory is meant for political economists. Nevertheless, it is our responsibility not to be misled, value theories are apparent in all Mandeville's work. As a matter of course, Mandeville's writings set properly for the prerequisites of the standards of his own era's scholarship. Furthermore, if it is meticulously followed up Mandeville had remarkable influences on some economists of his posterity.

Let us start first to take up Mandeville's proclivity to subjectivism. Mandeville apparently eulogised luxury by unifying excessive consumption with the concept of demand and consumers' choice of which relevancy to subjective utility theory can not be denied.

Though the examples are numerous in **The Fable of the Bees**, let us quote two of them: «How necessary our appetites and passions for the welfare of trades and handicrafts»; «How whimsical is the florist in his choice»⁽²⁾ Moreover, Mandeville had the idea of what Veblen, far too lately had most emphatically to call, «the invidious pecuniary value of things»⁽³⁾ and slightly later after Veblen, Pigou coined «repute value of commodities»⁽⁴⁾ namely, some goods and services of which consumption beyond physical satisfaction provide spiritual satisfaction through which interconsumer comparisons are made possible, is widely sufficiently elaborated by Mandevil-

(2) B. Mandeville, «**The Fable of the Bees**», (ed. P. Hart), (Harmondsworth, 1970,) pp. 346-347; 332. The reader should also consult these page numbers in «**The Fable of the Bees**» for Mandeville's close approximation to subjective value theory: pp. 113; 187; 195; 331.

(3) T. Veblen, «**The Theory of the Leisure Class**», (ed. C. W. Mills, (New York, 1959), p. 108.

(4) A. C. Pigou, 'Some Notes on Utility; **The Economic Journal**, vol. 13, (1903), p. 65.

le⁽⁵⁾. This endeavour of Mandeville needs to be culminated with his clear imprint on utility approach by which he could have been ranked as a distinguished figure along with Davanzati in the pre-Galiani subjectivism.

The other side of the coin, that is 'labour theory of value' as pointed out by the late Professor R. L. Meek, «the connection between the division of labour in society and the phenomenon of value is to be found in Mandeville». ⁽⁶⁾ And elsewhere Meek notes that Mandeville was among those who «popularized certain concepts which helped substantially to form the climate of opinion in which the mature labour theory of value was later to flourish» ⁽⁷⁾.

In this context, it is legitimate to argue that Mandeville's inclination to subjectivism overshadows his conceptual contribution to the crystallation of the objective value theory. Hence, Meek's statement would be far more meaningful when it is applied to the utility theory and consumers' preferences in the writings of Mandeville.

On the other hand, as regards Mandeville's successors, Keynes who completely underestimated and discredited the significance of a value theory in economics had no points to be shared in this conjunction with Mandeville, nor did Keynes imply that **The General Theory** was contextually anticipated by him, though the reverse was the inevitable case for «**The Fable of the Bees**», in which Mandeville had sailed his argument unrestrainedly far on academically diversified camps.

As a digression, let us note that Mandeville's exaltation of luxury or excessive consumption is recommended by implication by Keynes, but not Veblen. However, the ostentatious

(5) cf, B. Mandeville, «*op. cit.*» pp. 115; 132; 133; 149-154; 184-185; 237; 331; 344-345; 346; 359.

(6) R. L. Meek, «*Studies in the Labour Theory of Value*», (London, 1973), p. 39.

(7) R. L. Meek, «*Economics and Ideology*», (London, 1967), p. 202.

display, as noted above, is, if not unwittingly, entegrated to the theory of value by Mandeville who anticipates Veblen and Pigou. However, the matter is not grappled by Keynes.