Dear Carlos,

The referee knows the material well, and has offered some good suggestions. I answer in red below for each comment, one at a time, and put it in square brackets just in case the red doesn’t come through when I send these along.

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The thesis of this paper is that “Hume issued a number of key propositions that belong to the labor theory of value such that he rightly belongs to the classical school of political economy.” It is a good paper, and it should be published with some revisions. Here are some general suggestions.

There is some discussion at the beginning of the paper about different labor theories of value. That discussion should be paired, at the beginning of the paper, with these comments on page 27:

*The labor theory of value does not deny the presence of demand in determining prices or the fact that utility or use-value is a criterion for a commodity to exist in the first place. There are many references in Hume and Smith, as well as in Ricardo, to the importance of demand as a market force.  However, in contrast to the neoclassical theory, the labor theory of value de-emphasizes the price of the moment that is mostly subject to the fleeting nature of demand (fashion and taste), in favor of long-term prices that reflect conditions in production, particularly the real costs of production in labor terms.*

[This paragraph has been moved to the bottom of page 4.]

The comments helpfully define the author’s understanding of ‘the labor theory of value’ as a kind of domain, a class of approaches broader than commonly assumed. This broadened understanding of ‘the labor theory of value’ as a domain needs to be emphasized, I think, to prevent readers from misinterpreting the scope of the claims being made about Hume.

[This is noted on page 3: The labor theory of value was in effect a suite of different propositions that, taken broadly, identified labor as the primary cost of production and ingredient in the formation of a given price.]

On page 18 the author treats Hume’s letter to Turgot as evidence that he saw the wage as the primary factor governing price. That is true, but it should also be noted that the passage indicates that Hume appreciated wages here to be influenced by product demand. The same point comes across later in the citation to E 347: the merchant can’t raise the price of his good, being limited by what he can sell it for in foreign markets; this means (he claims) that wages can’t rise. The price of labor contributes to product prices, but Hume seems to have appreciated also that product prices influence the price of labor.

[There is an additional sentence added on page 18 to clarify the analysis, which I think does not align with that of the referee but in my humble opinion is the more correct interpretation. I have also added a reference, endnote 35, to my book with Carl Wennerlind that covers this in more detail: “A lower profit rate meant that manufacturers were compelled to seek out other efficiencies and to foster improved techniques. Hume’s analysis of the global migration of capital entailed that aggregate foreign demand for British cloth would increase over time and prompt a secular increase in domestic wages. Over the long term, however, there was a fall in real prices for consumption goods.”]

The author claims at several times that Hume appreciated the quality and quantity of labor matter in determining price. How does that claim relate to the notion that “the labor theory of value tends to homogenize labor so as to form a measurement in terms of time?” (p. 27). Does Hume see labor as something homogenous even while recognizing variations in quality and productivity?

[I removed this passage and put emphasis on Hume’s appeal to a uniform wage. I leave the coverage on homogenous labor to the material on page 10.]

I wonder if “labour” in Hume is sometimes used more capaciously than the author assumes. The claim that “labour is the source of wealth” for Hume finds support in some of his statements; but I think that the point would be more accurately put this way: “human effort and ingenuity are the source of wealth for Hume.” That interpretation accords with the conjectural narrative in “Of Commerce” and “Of Refinement in the Arts.” There is an awakening, as it were, that sparks creativity and application, and these engender the development of the arts, sciences, and industries. Wealth and prosperity here do not simply appear as functions of increased labor hours and less leisure but come from great enhancement in productivity, which finds expression in both labor and capital. This again connects with the question above about the extent to which Hume saw labor as homogenous.

[On page 10, I disclaim Hume’s subscription to the idea of homogenous or quantifiable labor, and that is why he only prefigured the LTV rather than devised a full-blown account. “Hume never appealed to the labor embodied in goods as homogeneous or quantifiable by units of time, so in this respect he did not adopt a core component of the classical labor theory of prices. His emphasis was rather on the potential of labor to intensify or abate and, in that sense, he was more inclined to address the quality than the quantity of labor” (p. 10). To give support to this I added a reference to my Hume book, endnote 14.]

On the discussion about labor as a passion, reference might be made to the concluding section to Book 2 of the Treatise on the love of truth. Rotwein draws on this in discussing Hume’s economic psychology to make the point that we seek to be engaged in activities loosely connected with useful ends. It is not application per se that drives us. In that sense, I think the idea that we have a passion for labor as such is not quite right. Adam Ferguson somewhere describes “the active genius” of humankind. That phrase captures the Humean idea, too, I think.

[I will pass over this interesting remark in silence because my article is long enough as it is. It is not possible to write briefly about Hume on the search for truth or the passions writ large. Bringing Adam Ferguson is also tangential. Hume had much to say about genius, and we comment on that in our Hume book, but I don’t think it is relevant to this article]

A final small note: The author says that “Hume briefly gestured toward redistributive justice, noting that ‘every person, if possible, ought to enjoy the fruits of his labour, in a full possession of all the necessaries, and many of the conveniences of life.’” It is not clear that this statement is a gesture towards the need “redistributive justice,” and it is not clear how “redistributive justice” (as opposed to beneficence) would fit into Hume’s moral philosophy. I suggest modifying or further clarifying here.

{This is a good criticism and I have modified the passage. Here it is, plus an additional endnote to a book chapter I have just published on Hume and Economic Inequality that unpacks this more fully.] Indeed, Hume envisioned the possibility of a more egalitarian world, such that “every person, if possible, ought to enjoy the fruits of his labour, in a full possession of all the necessaries, and many of the conveniences of life” (E 265). His advocacy for high wages is a prominent theme that runs throughout his economic writings.[[1]](#endnote-1)

1. See Schabas 2024. [↑](#endnote-ref-1)