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Bernard Mandeville's *The Fable of the Bees* and the Financial Revolution: Politics of Moral Discourses and its Resonance in the Neoliberal Context

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Bernard Mandeville's *The Fable of the Bees: or Private Vices, Public Benefits* is a product of the Financial Revolution that witnessed the use of novel financial and credit instruments. This paper looks at the reinterpretation of ideas of vice, virtue, morality, ideals of societal well being, and luxury in conjunction with P.G.M Dickson's scholarship regarding workings of credit, trade and attendant profit accumulation from 1688 to 1756. *The Fable of the Bees: or Private Vices, Public Benefits'* attempt to re-conceptualise these seemingly immutable categories constitutes an instantiation of a discursive practice that functions by silencing the voices of the marginalised and also an attempt to gloss over processes of imperialism as well as its attendant violence as an integral structural component of capitalism. The contemporary neoliberal moment demonstrates similitude with this discursive practice. The paper refers to Niall Ferguson's historiography wherein virtue is recast so that oppression and subjugation of other nations and civilisations for the sake of material gains is perceived as progress.

Keywords: Virtues, Financial Revolution, Neoliberal, Mandeville

Introduction

Bernard Mandeville (1670-1733), according to Kaye (1924), took over "twenty-four years" to compose *The Fable of the Bees:*

or Private Vices, Public Benefits as it appears to have been initially published as "a six penny quarto of twenty six pages… anonymously on 2 April 1705" as *The Grumbling Hive: or, Knaves Turned Honest* (p. xxxiii). The work was subsequently published in 1714 as *The Fable of the Bees: or Private Vices, Public Benefits.* This publication too was an anonymous one but included the essays "An enquiry into the origin of moral virtue" and "Remarks" (Kaye, 1924). Additional commentaries were included in yet another edition that appeared in 1723. The composition and publication of Mandeville's *The Fable of the Bees: or Private Vices, Public Benefits* (henceforth referred to as *The Fable of the Bees* in this essay) is coeval to the age of Financial Revolution (Dickson 1967) that is said to extend from 1688 to 1756. Dickson and many other scholars have examined the cross currents of economic and financial formulations that framed the Financial Revolution. Seen as a distinct phase of capitalism, it constituted the economic base out of which specific forms of social consciousness appeared. The paper examines the circulation of ideologies and assumptions framed by this context in Mandeville's text. These formulations in Mandeville's text, according to Hundert (1995) register a shift in conceptions of traditional notions of virtue. The assumptions that defined the traditional notions of virtue were derived from religious discourses promulgated by the Church as well as a society structured around ownership of land. Huberman (1946) describes land as the source of "fortune" (p.13) and the power wielded by the Church that made usury a "sin" (p.31) during the feudal age. The Financial Revolution however fomented conditions that re-conceptualised these assumptions. These reformulations resonate in the neoliberal rationality that pervades the late twentieth and early twenty-first century. Scholars have registered similitude between Mandeville's argument regarding the ways in which vices of individuals accrue larger societal benefit and the neoliberal rationality in the twenty-first century (Blouin, 2016; Turner, 2008). This similitude comprises of Mandeville's argument that vices ultimately produce wealth and neoliberalism's impulse to "remake the subject," "realign the public and the private," and "reconfigure relations of governance" in a manner that has "direct" ramifications on the "production of wealth and poverty" (Gershon,

2011, p. 537). Just as the context of the Financial Revolution frames the discursive practice of Mandeville, similarly in the neoliberal context of the twenty-first century the reformulation of the idea of vice/virtue and the terms of definition of the idea of public benefit to achieve wealth creation can be discerned in the historiography of Ferguson (2011). Ferguson's account primarily lists the role of "competition," "science," and "property rights," "medicine," "the consumer society," and the "work ethic" as constituents of complexes in the establishment of "ascendency" of the West ("Preface"). These complexes, recalibrate the norms that frame the ideal of virtues to the extent that even "exemplary violence" is include as one for its capacity to significantly augmented wealth creation, help established control over trade routes, and increased standards of living (p.34).

Notions of Virtues/ Vices and Stages of Capitalism

The Fable of the Bees navigates and interprets conceptual categories such as vice, morality, and ideals of societal well being in a social milieu constitutive of diverse spectrum of economic activities such as one where men made "great gains" without much "pain" through "stocks," even as others performed "hard laborious trades," "lawyers," "physicians," or even "pimps," "pick-pockets," and "quacks," among many others (p.64). Mandeville's allusion to these professions and their entanglement with vices such as "luxury," "avarice," "prodigality" is ultimately examined in relation to concerns regarding "trade" and "industry" (p.68). These along with other references rather than be construed as a sign of universal malaise, allude to a complex interplay of features that England witnessed as it sought to effect innovative financial and legal apparatus to enhance its share in the global trade. England in *The Fable of the Bees,* is thus crafted through terms that evoke contemporary debates about the political, social, and economic consequences that characterised the Financial Revolution. P. G. M. Dickson (1967), a scholar of early Modern History details the conditions that fostered these conversations. As Dickson puts it:

the war clouds of middle decades of the seventeenth century rolled away from Europe, a new generation of statesmen and thinkers, weary of their predecessors' ideological battles, turned their attention

to the problem of administrative and economic reconstruction. For Louis XIV of France, Leopold I of Austria, Fredrick William of Prussia, Charles II of England and their advisers, the problems involved were basically those of efficient government and the increase of national wealth. (p.3)

In fact Dickson describes the period as one wherein trade flourished and the zeitgeist in London was one of "restless spirit of technical innovation among the merchants and traders" and their restlessness to "wrest economic superiority from the Dutch" (p. 4). England, Dickson elaborates, wanted to entice "the fair Mistress Trade" so as to ascend to the position of the world's most formidable commercial force (p.4). The new commercial ruling elite i.e. the "monied interest," such as the stockjobbers was in league with the administration (p. 4). This mutual dependence, argues Dickson, influenced the notion of virtue. Dickson examines contemporary concerns regarding augmentation of trade and the resultant financial apparatus that was devised to facilitate wealth creation and prosperity. He instantiates these by pointing out efforts exerted in the form of proposals put forth by various writers and statesmen between the temporal span of 1660-88 so as to dismantle legal impediments and thereby facilitate the monied commoners to advance further. Dickson notes that trade at both domestic and international levels gained tremendous impetus due to the improvements that followed the "momentum" in wealth creation in "agriculture and communication," "credit," and "network of banking and insurance services" with London as the hub (p.6). These developments were, Dickson asserted, simultaneously accompanied by a belief that people who strove to realise "their own good" were instrumental in the creation of "wealth and prosperity in a competitive world for the country as a whole"(p.6). Such a context helps explicate Mandeville's assessment of trade as a singular yardstick to establish ideas of vice and virtue.

Mandeville, according to Thomas A. Horne (1978), substitutes "mutual need and want" as the glue that bonds the community and not "religious virtue" (p.9). While, Horne argues, that Mandeville "alone" appears to express that "traditional moral and social thought is inconsistent with the goals of the mercantilist state," the context of

the Financial Revolution foments suitable conditions for the articulation (p.51). For instance, J.G.A. Pocock (2002) highlights that at this moment the "system of public credit" that was devised transformed the relationship between "government and citizens" (p. 110). This relationship, Pocock argues, became one of "relations between debtors and creditors" when all the owners "of capital, great or small" invested in the system of credit (p. 110). Pocock describes this age as one where the "hard-faced *homines economici* obedient only to the laws of market behaviour" is contrasted to the "paternal and Roman figure of the citizen patriot" (pp.113-114).

The Fable of the Bees resonates these attitudes as it engages with the idea of "material prosperity" as a "self-certified moral end" and also the privilege that it accords to the "relation of man to goods" over the "relation between men" (Madan, 2004, p.187). In this context Mandeville's choice of fable is an interesting one as it was a medium that was popular (Patterson, 1991) at the time. Patterson explicates the prevalence of this genre to the fact that that it, like other forms of writing, functioned as a "form of analysis" and appeared to be suited to engage with the pressures that framed the context of the text (p. 2). The period between 1575 to 1725 is seen as a momentous one by the critic as it is flagged by the Civil War and the Glorious Revolution. Due to this linkage, Mandeville's *The Fable of the Bees* rather than promulgate a typical moral lesson against the vices, in fact makes an argument that reframes morality and the very meaning of vice in the denouement. *The Fable of the Bees* deploys the literary genre of fable to promulgate ideas of "economic theory" and also "theory of society" termed "individualism" (Chalk 1).

The Fable of the Bees utilises the bee hive as a metaphor to propose a paradigm of social configuration that according to critics such as Philip Harth (1989), refers to the England of Mandeville's time in "every respect" (p. 15). Mandeville sets the bee hive as "a great nursery of sciences and industry and good governance" (p. 63). In the "Preface," Mandeville projects it in terms of a nation that valued "glory, wealth, power and industry" and was "large, rich, and warlike" ruled by "limited monarchy" (p. 54).The fable proceeds to skillfully establish a causative interconnection between vices as "inseparable

from national prosperity" (Harth, 1989, p.19). Mandeville, according to Harth, establishes this linkage between vices such as "avarice, prodigality, pride" etc. with ideas such as "demand of consumer goods", "employment," and "national wealth" (pp.20- 21). Various "professions and callings" provide an impetus to the economic activity and ultimately, as Mandeville summarizes creates a mood of "happiness of the whole" and a state of overall well being (p.55). *The Fable of the Bees* represents vices as not merely useful but even desirable as they engendered needs. The needs, in turn, provide impetus to trade as merchants, tradesmen, manufacturers among others strive to satiate them. Mandeville enumerates vices such as "comfort," "ease," "envy," "vanity," "luxury," etc. as veritable "wheel, that turn'd the trade" (p.68). He states

> Envy it self, and vanity
> Were ministers of industry. (p. 68)

In its strident pursuit of profit, the argument delinks economic activity from moral compunctions and ethics. Luxury is transformed from a sign of moral decay into virtue as it is ostensibly viewed as an expression of refinement that in turn offers a purpose to numerous occupations such as merchants, tradesmen, seamen and many other. The economic value accorded to luxury, such as in Mandeville's text, was a subject of contemporary critique. Contemporary writings identified the role of these vices in fuelling crises such as the "South Sea boom and its collapse" (Dickson, 1967, p.156). Dickson cites the *London Journal* (1720) and the *Weekly Journal* (1721) that identified the role of "luxury" and other "vices" that had "reign'd for so many years" in precipitating this crises (p. 156). Dickson thus derives linkages between luxury that rather than be contemplated as a neutral value is seen in relation to the "appetite for gain" that in turn entailed unscrupulous methods (p.156). The argument for luxury's value in Mandeville's text is despite the text's perceptiveness of various social groups who lacked means to access it. Mandeville's hive includes "knaves" such as "pick pockets, coiners, pimps, players," as well as people employed in "hard laborious trades" who had to "wear out strength and limbs to eat" (p.l9). Even as the text expresses keen consciousness of indigence, it not only glosses over the mutually

reinforcing relationship of indigence with crime, but instead asserts the value of "luxury" in that it "employed a million of the poor" (p.68). Similarly, even crime is reassessed as possessing economic value as it is perceived as a source of employment to "smiths" who make locks, "goalers," "turnkeys," "lawyers,"hangman, "sergeants", "bailiffs," etc., "and all those officers that squeeze a living out of the tears"(p.71). Various other professional groups that derive benefits from the hive, such as for instance, lawyers, physicians, priests etc. are also mentioned. Mandeville reconciles this variation and discrepancy in income distribution within this economic paradigm by pointing out that the "pleasure, comfort and ease" generated by the economy had simultaneously diffused down in a manner that

... the very Poor
Liv'd better than the rich before. (p.69)

This argument regarding the condition of living and quality of life, made on behalf of the poor, ultimately serves to qualify the conclusion that the generation of wealth within the kingdom justifies social inequities as well as moral and ethical incongruities. The articulations are made on behalf of the lowest echelons and doubly silences them. It appears that in *The Fable of the Bees* vice is conceptualised as virtue whilst in pursuit of wealth creation. However the "Moral" at the end of the fable deems vice as "beneficial" when "lopt and bound" by "justice" appears to also imply that the traditional ideas of vice and virtue continue to function as moral yardsticks for regulation of the masses (p. 76). An entirely contrapuntal contemporary picture to that presented in Fable is presented in John Gay's (1728) *Beggar's Opera* where individuals from the margins appear to be desensitised by vice and are chastised for the morally untenable means for personal gain.

Mandeville celebrates and simultaneously explicates in the 'Preface' the idea of England as a "flourishing society" on account of its "glory, wealth, power, and industry" (pp. 53-54). This account is situated in the temporal moment that has also been studied as a distinct phase in the "evolution of capitalism" (Shovlin, 2021, p.115). An aspect of capitalism i.e. imperialism and its attendant violent dispossession of the natives is also alluded to in the ransack of "*Indies*" in *The Fable*

of the Bees (Mandeville, 1714, p. 74). Imperialism is structurally integral to the idea of flourishing of England Mandeville refers to in the fable. In the twenty-first century, Ferguson's account celebrates similar ideals and interprets the thriving of the 'West' through the hegemony exerted by it at a global scale. While Ferguson does not react to Mandeville's work, his writing also relies on the redefinition of vices and virtues to serve the processes of profit and wealth creation. In both instances, i.e. Mandeville as well as Ferguson's, the project of trade and profit is entangled with imperialism and papers over the attendant deleterious effects seen in the form of degradation of ecology and also of vast populations within and beyond the metropole. Contrapuntal accounts of Walter Mignolo (1995), Edward Said (1998), and other scholars have registered the pernicious implications of the discursive practice that promulgates notions of civilization's advancement, and thriving rooted in the singular goal of profit making.

Further ramifications can be gleaned from psychoanalytic perspective in Erich Fromm's (1976) scholarship. Fromm notes that the transition from an order based on feudalism to Industrial Revolution marked "the Great Promise of Unlimited Progress" envisioned through "domination of nature," "material abundance," "unimpeded personal freedom," etc. (p.1). Fromm's analysis provides a psychoanalytic perspective of the discursive practise that resonates in Mandeville's idea of human flourishing.According to Fromm, there exist "two different kinds of orientations towards self and the world" (Fromm, 1976, p. 20). One "mode of existence" entails "possessing and owning…everybody.. everything" as "property" (p. 21). The other, i.e. being means "aliveness and authentic relatedness to the world" (p. 21). Mandeville's argument can be examined as manifesting the former orientation and is as per Fromm's perspective limited. This focalisation of material and financial well being is significant as it is coincident to the construct of "*homines economici"* discussed by Pocock above. (This historically contingent nature of "*homines economici"* endures in Wendy Brown's (2015) later reference to the "*homo oeconomicus*" crafted by the neoliberal rationality). Such a subject diverges in the terms of relating to the world, forms of

consciousness and structures of feelings from that of the individual preceding period.

This significant shift in terms of moral categories and the glossing over of the attendant aforementioned repercussions in *The Fable of the Bees* function through what E. J. Hundert (2005) describes as the ability of the text to obfuscate the "language as a mechanism of rational argument" with "speech as a method of seduction" (p.93). This confusion serves to make a case in the context where social relations are encrusted through value derived primarily from profit earned through trade, debts, and other financial instruments. This new modality of social relations reconceptualises value and is singled in the subtitle of *The Fable of the Bees* "Private Vices, Public Benefits." Thus, Hundert critiques the terms that are constitutive of virtues according to Mandeville. He argues that according to Mandeville's paradigm all civilised nations owed their very foundations not to morally empowered acts of virtuous legislators of the sort populating European national myths, but to the ability of strong, cunning minorities to tame and discipline the factitious passions of savage multitudes. (p.19)

Conclusion

To summarise, Mandeville's *The Fable of the Bees* engages with the tense relationship between two antithetical paradigms. These comprise, on the one hand, the traditional framework of moral and ethical discourse and, conversely, one that fosters the creed of virulent avarice in individuals seeking to extract gains from the Financial Revolution. The latter paradigm rationalises the pursuit of vice, luxury, and profit motive while glossing over the attendant deleterious effects. As the value of this paradigm is promulgated by neoliberal rationality, Mandeville continues to resonate in contemporary times. The paper highlights similitude of the rationale in the reference to the neoliberal paradigm illustrated through the historiography of Niall Ferguson in the twenty-first century. Ferguson for instance masks imperial motives as markers of civilizational superiority. Contrapunctal readings of imperialism circulate in the works of Water Mignolo, Edward Said, and other scholars. The terms of virtue and imperatives of ethics appear to be determined by the factors that facilitate wealth creation

and increased standards of living. Mandeville's *The Fable of the Bees* continues to be relevant due to its engagement with the deception and duplicitousness of assertions that seek to conceal extreme concentration of wealth that characterised not only the eighteenth century but also contemporary times.

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