

R. Torrens's Refutation of the Labour Theory of Value

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Ricardo redesigned the labour theory of value in his *Principles*, which was published in 1817. Robert Torrens produced numerous works (1818, 1821, 1822a, 1822b, 1822c, 1829) and “Fragments on Torrens Concerning Value” (1818, in the *Works of David Ricardo*, IV), but as early as 1818 he was already attempting to refute Ricardo's theory by proposing his own “capital theory of value.” This paper focuses on Torrens's refutation of the Ricardian labour theory of value and considers the several numerical examples he employed in his refutation.

There is general consensus on two points in particular regarding Torrens's theory of value: first, his capital theory of value was just another representation of the labour theory of value, and second, his refutation of the Ricardian labour theory of value is valid to a certain extent. This paper scrutinizes the process through which many commentators

on Torrens's theory of value have reached their conclusions, although it does not find any objections to those conclusions.

Torrens based each of his works on different definitions of “labour,” which lets us understand the various ways in which the embodied concept of “labour” can be reckoned. With each successive work, noted above, Torrens corrected mistakes in previous works. This paper begins by building models based on his last numerical example, given in *Corn Trade* (1826–29), and then shows the process of his corrections. In this way we can reestablish the limits of his refutation of the labour theory of value and of his own value theory, making possible the argument that he would play the role of *Auflösung der Ricardoschen Schule*.

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