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marimuthu, sivakumar and p, santhi and d, gowri

Chikkaiah Naicker College, Erode-04. Tamil Nadu. India

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**HANEY'S IDEAS ON ECONOMIC VALUE**

**Dr.M.SIVAKUMAR,**  
**ASSISTANT PROFESSOR OF ECONOMICS,**  
**CHIKKAIAH NAICKER COLLEGE, ERODE-04**  
**TAMILNADU. INDIA**

**P.SANTHI, M.A,**  
**M.Phil REASERCH SCHOLAR,**  
**DEPARTMENT OF ECONOMICS,**  
**CHIKKAIAH NAICKER COLLEGE, ERODE-04**  
**TAMILNADU. INDIA**

**D.GOWRI, B.A,**  
**POST GRADUATE STUDENT IN ECONOMICS,**  
**CHIKKAIAH NAICKER COLLEGE, ERODE-04**  
**TAMILNADU. INDIA**

# **HANEY'S IDEAS ON ECONOMIC VALUE**

## **INTRODUCTION**

History of Economic Thought deals with the origin and development of economic ideas, concepts, laws and theories. It is the process of searching, understanding, analyzing and interpreting the economic ideas. It is imperative to study the economic history to gain knowledge about economic theories. If one wants to understand the present phenomena clearly he has to know what happened in the past. Studying history is nothing but revisiting the past.

If anyone wants to know about an economic theory, better to start from the basis. In this sense, learning about the basic concepts of economics is indispensable. The very basic concepts of economics are wants, desire, choice, value, utility, goods / commodity, labour, land, capital, price etc. In this perspective, an effort to study about one of the basic concepts of economics, that is, 'value' has been carried out in this analysis.

## **AIM OF THE STUDY**

This study deals with the ideas of Lewis Henry Haney (Here after, he is mentioned as 'Haney') about the very important basic economic concept i.e., "value". It can be understood that starting from the Greek Philosopher like Aristotle so many economists carry out the analysis and interpretation of the idea of 'value'. Among them Lewis Henry Haney, is one of the notably Economic Historian who indulged in analyzing the 'value' concept. That can be traced in his famous book titled 'Value and Distribution'.

Analyzing an economist's particular idea is carried out by many researchers, especially in the field of History of Economic Thought. This kind of approach gives a clear understanding about those particular economists about that particular concept. Not only that, it also gives an in-depth knowledge about

that concept for the researcher. Haney analyses many economic concepts, among those concepts this study involves in studying a particular concept, the 'value' concept only, in this aspect, this study is getting importance.

## **REVIEW OF LITERATURE**

In depth knowledge is essential to know about a concept completely. Review of literature is the best part in gaining knowledge which is necessary to master a subject. For that, few economists, but very important personalities in economics, ideas have been presented here. Ely and Wicker described that the subjective and exchange value as closely related but distinct ideas of value and define. Subjective value is the capacity to excite desire and objective value is the quantitative ratio in which goods and services are exchange. Nicholas Barbon said that the value of all wares arise from their use; Things of no use, have no value, as the English phrase is, "they are good for nothing". Wares, that have their values from supplying the wants of the mind, are all such things that can satisfy desire; desire implies want: It is the appetite of the soul, and is as natural to the soul, as Hunger to the Body. J.M. Clark interpreted that if the value relation is a ratio fact implies quantities of something homogeneous, and that homogeneous something becomes very important, so important as to demand an important name. To call it "value" is the obvious conclusion, leaving the term "price" free to express, if desired, the ratios of exchange, monetary and non monetary, from which the existence of the quantity, "value" was inferred. In the Aristotelian system economics is a subdivision of politics, which again is a part of ethics or practical philosophy. Economics is distinguished from other branches of political science (a distinction which was not drawn sharply before the physiocrats) not so much by its object of inquiry. Like politics, it is the study of social activity. The peculiar feature of economy is rather its method which is best brought out by its central concept. In the same way as the concept of 'rights' and its correlative 'duty' have always occupied a

central position in jurisprudence and theories of the state, the concept of 'value' has been of crucial importance in economics. The development of these two concepts shows interesting parallels.

Frank A. Fetter said that if we choose one thing rather than another it is plain that for use the first thing has the greater importance. For one cause or another (instinct, training, experience, imagination, judgment) it weighs more in the scale of our choice than the thing which is rejected. Now in our daily life we are constantly making comparisons of this sort between things. Few of us if any are able to secure all the things which we desire. We are under the necessity of choosing among the various possibilities. We are, therefore, one thing with another, and in so doing, we assess or estimate one thing in terms of the quantity of the other thing. Such an expression of the importance of one object of choice in terms of another we may call a valuation. Brick L.V ascribed that subjective value is a possible proportion of exchange between two goods employed by the individual to express a comparison between the utility of those two goods. Henry W. Stuart noted that subjective valuation is therefore valuation of goods as identified with one's own well-being, and not a calculation of the pleasures to be derived from them. This point should be somewhat more carefully noticed. It is evident that all desire for one's own well-being is subjective since it arises out of the connection of one's self with a certain end of action; but it is no less obvious that just because desire has always to do with some object as such and never with pleasure as such it is no less properly objective. Gunton G and Robbins H said that value and price are the two names for the same thing. Both mean, simply, the ratio in which commodities, including money, are exchanged for each other or for human service.

Vathake H inferred that value has sometimes been distinguished into exchangeable value or value in use. But as value in use is altogether

synonymous with utility, the employment of it may be dispensed with. When I speak value, I shall, accordingly, always mean exchangeable value. Putney A.H described that the distinction must be carefully noted between utility and value. Utility is enjoyed by consumption, value is power in exchange. The utility of an article may vary in the case of each individual, while the value of an article must be the same to everyone who has the access to the same market. Carey considered that to have value an article must have utility, or it must be capable ministering in some mode to the gratification of man, but those qualities, although necessary to value, are not causes of it, because nothing is more useful than air, which has none, except when labor has been expended in obtaining it. Such is the case with all commodities, or things, all of which derive their value from the labor been applied to their production at the time and place at which they are required. Labor is thus the sole cause of value. Davenport described that value, then, is more nearly the measure of the scarcity of useful things than of their usefulness. It is not the measure of utility, but the measure of sacrifice involved in obtaining utility. The value of any particular thing is the measure of its power of commanding sacrifice in other things.

Pierson N.G explained that in every exchange two points come under consideration, the value of the thing we get and the value of the thing we give. We know how the first of these values is regulated. When certain quantities of an article are offered to a group of persons in the way of exchange, all the members of the group are not equally anxious for the possession of the article. One needs it very urgently; another, less; a third, scarcely at all. But the value in exchange of the same article in the same market must be the same for all equal quantities of that article. In the case of a given supply in the market, therefore, the value in exchange will depend upon the smallest marginal utility which the article possess for any one amongst all those who are to be its purchasers in the event of its finding a sale. Malthus T.R. found that value in exchange is founded,

as the term seems to imply, on the will and power to exchange one commodity for another. It does not depend merely upon the inequality of their distribution : but upon the circumstance of their not being distributed according to the wills and powers of individuals, or in such quantities to each, as the wills and powers of individuals will enable them ultimately to effect by means of exchange. John Ruskin pointed that value is the life giving power of anything; cost, the quantity of labour which its possessor will take in exchange for. 'Value' signifies the strength, or 'availing' of anything towards the sustaining of life, and is always twofold; that is to say, primarily, intrinsic, and secondarily, effectual. Intrinsic value is the absolute power of anything to support life.

Karl Marx also considered that there are two kinds of values, one is 'use value' and another one is 'exchange value', but they called in one name as 'value'. But according to him exchange value is the 'value'. The term *value* refers to the fact that as products of labour commodities embody a certain amount of labour-time. Value expresses the fact that the commodity is the product of *social labour*, of a part of the labour-time of society as a whole, and not simply the private labour of a particular individual. Thus: the *substance* of value is 'human labour power in the abstract', 'homogeneous human labour', 'human labour-power expended without regard to the form of its expenditure'.

## **VALUE**

The word 'value' derived from Latin word 'valere', in old French it was 'valoir' which means 'be worth'. Value is used as noun and as well as verb in English. Oxford dictionary gives the meaning for the noun value is 'the regard that something is held to deserve; the importance, the worth, or usefulness of something and for the verb value 'estimate the money worth of'.

It can be learned that the meaning for the term 'value' evolved from the Greek period. Plato and Aristotle also gave some meaning for the term 'value'.

“According to Plato, value was an inherent quality of the commodity. Aristotle went still further and held that the value of a commodity depended upon its usefulness. Value in commodities can be compared through the intensity of wants. The greater the intensity of want for a commodity, the more will be paid for it. This is his (Aristotle) concept of value”. In the Medieval Ages, St.Thomas Aquinas gave a hint about that term while explaining his Just Price concept. “Value was considered an objective quality inherent in every commodity. Its measure was dependent upon a process of estimation of the cost of production which covered labour”. Among the mercantilists Grotius and Pufendorf pointed out about value. “Grotius drew inspiration from Aristotle and Pufendorf was influenced by Grotius and Hobbes. They regarded human needs and desires as an important element in ‘Value’ and drew a distinction between ‘Value’ in exchange and utility. Hobbes emphasized the importance of individual estimation. To him the price is determined by the buyers and not by the sellers”.

## **HANEY’S DOCTRINE ON ECONOMIC VALUE**

### **LIFE AND WORKS OF LEWIS HENRY HANEY**

Lewis Henry Haney was born on March 30, 1882 in Eureka, Illinois, and USA. His father was Conrad A Haney and mother was Sada Pavey. He married Anna Stephenson and had a child name Hope Haney. He was a conservative economic professor. He studied AB (Bachelor of Arts) in economics at Dartmouth College in 1903, Master of Arts in 1904, and Doctor of Philosophy in 1906 at University of Wisconsin. His doctoral advisers were the famous economists, Richard T. Ely and Balthasar H.Meyer.

He was working as an Instructor in Economics at University of Iowa from 1906 to 1908, Assistant Professor of Economics at the University of Michigan from 1908 to 1910, Associate Professor of Economics at the

University Texas from 1910 to 1912, and Professor from 1912 to 1916. In 1921 he was elected as a Fellow of the American Statistical Association. He retired from teaching in 1955. He died on July 1, 1969.

Since he was a columnist he wrote many economic articles in many journals. He was a syndicate and attacked many aspects of new deal.

He wrote many books among them the following four are very famous.

- A Congressional History of Railways, Volume 1 in 1908 and Volume 2 in 1910
- History of Economic Thought in 1911
- Business Organization and Combination in 1913 and
- Value and Distribution in 1939.

### **VALUE AND DISTRIBUTION: THE BOOK**

The full title of this book is “Value and Distribution: Some Leading Principles of Economic Science”. It has fourteen chapters. The first chapter is an introductory chapter, it is ‘Introduction: A Critique of Current Economic Theory’ which explains the fundamental weakness of current economic theory. The second chapter is ‘The Basic Assumptions of Economic Science’ which describes nature of economic laws. The third chapter is ‘The Genesis and General Nature of Value’ which mainly deals about the value concept in very detailed manner. The fourth chapter is ‘Economic Value: Nature, Cause and Final Definition which explains the definition of economic value. The fifth and sixth chapters are ‘The Determination of Economic Value’ in which the determinants of economic value are listed out. The seventh chapter is ‘Prices or Rates under Monopolistic Competition; The Theory of Railway Rates’ which describes about the partial monopoly in railway transport. The eighth chapter is ‘The Value of Money’, in which an explanation about nature and determinants

of money has given. The ninth chapter is dealt with the distributional aspects and its title is 'Distribution; General Nature and Functional Relationship to Economic Life'. The tenth chapter is 'Labour and Wages' which devotes for the analysis of labour and wage theories. The eleventh chapter is 'Capital and Interest' which mainly describes about the capital and interest. The twelfth chapter is 'Enterprise and Profit' in which an attempt is made to explain about profit theories. The thirteenth chapter is 'Land and Land Rent' in which nature and definition about the land and rent have given. The fourteenth chapter is the final chapter, its title is 'Value and Distribution: A Summary of Restatement' which gives the summary about the book.

### **HANEY'S DEFINITION OF VALUE**

Haney defines Economics with the help of subject, object, and choices. Here subject means a matured individual, object means commodity. In Haney's words, "**Economics deals with, and is based upon, choices made by the subject (a mature individual man) with references to external objects (goods)**". It is understandable that Haney mainly takes three factors to define economics, they are, individual man, goods and choices. The choices of the individual man is influenced by the character of the individual man and the external environment, these choices are motivated and conditioned by the physiological and psychological factors.

In Economics we say that "wants" or "desire" motivates choices and activities towards the object. Haney says that "desires" or "wants" are "ends" of economic activity and objects (goods) are the "means" of the economic activity. Haney describes that individual's choices are motivated by physiological and emotional factors and adjustments due to limitations. "These choices, we say, are made by the subject; but all we really know is that they are made (occur), and that they are motivated and conditioned by

the physiological and emotional tendencies (“tensions”) which characterize the particular organism, and the external stimuli of the environment. They reflect the nature of the subject i.e., man, the living organism- and the “adjustments” which he makes on account of external and internal limitations”. Haney views that to understand economic life and the values, it is essential to understand the relationship between the man and commodities and thus only we can establish a science of economics. “To understand economic life and the ‘values’ which characterize it, a primary essential is to understand the nature both of the subject and of the object, and especially the relation between the two. In other words, we must understand subjective values and objective values, and their relationships. Thus only can we avoid the unreal extremes of subjectivism and objectivism. Thus only can we get as near as possible to an explanation in casual terms of the phenomena of economic life, or in other words, establish a science of economics”.

## **SUBJECT**

According to Haney, economics is concerned with the matured human being’s motivation only, which has many ‘learned behaviours’ towards economic goods. “Thus the subject or individual is characterized not only by certain innate organic ‘drives’ or tendencies, but also by numerous learned behaviour tendencies such as habits and sentiments, and he is capable of ‘purpose’ with reference to economic goods”.

## **RELATION BETWEEN SUBJECT AND OBJECT**

Value arises when there is a relationship between subject and object. An object make has an instinct quality but that is not value. When an individual uses that instinct quality of the commodity to satisfy his wants “value” arises. The subject must also consciously recognized the commodity, it’s instinct quality of wants satisfying power and tendency to obtain the

commodity, then only the commodity gets value. Haney puts this as “All values involve some consciousness on the part of the subject they may be merely vague reactions and non purposive tendencies or “wants”: they may be specific reactions, or “desires”, in which negative desires and dissatisfactions connected with efforts or sacrifices, are involved. Even in this primary case, however, the object must be recognized as a reality, and its fitness be perceived by the mature organism (thus enabling economists to speak of its “want satisfying power”.

Haney describes that value depends upon the degree of desire, for a commodity, of an object, objective value arises where two or more subjects tend to get two or more commodities. Her choices, actions, judgments, reasoning arise. These are the reason for giving “value” for a subject for an object. In Haney words “Judgment or reason function in making comparison in such cases, and this leads to a choice and action. Certainly, wherever choices exist, values arise. Such values may be called secondary as distinguished from primary or simple desire –intensity values (“worths “or “utilities”), and they represent the significance attached to anything as an essential in a process of choosing. They are relative importance values”.

## **VALUE**

Haney observes that value is neither inherent in goods and nor independent of goods. It involves a relationship between human and goods. “One point to be observed here is the fact that no matter what the kind or class of ‘value’, it involves a relation between a subject and an object- between an individual man and his environment. In other words, value is neither inherent in things nor independent of them”. Haney describes tendencies as the humans interest on goods and those tendencies arises because of organic wants, instinct, impulses, desires, desire disposition and judgment and social environment. Haney means

that 'object' is anything which has utility and fit to be a 'means' toward the 'ends' which are determined by the desire tendencies. He views that 'value' is not inherited in goods on the other hand 'utility' is inherited in goods. "It is this aspect of valuation which economics has tended to emphasize in its treatment of 'utility'. The tendency has been to regard utility as 'want satisfying power' inherent in objects according to their elementary composition, form, time or place, and varying in degree according to their abundance".

## **PRIMARY VALUES, SECONDARY VALUES, AND TERTIARY VALUES.**

### **A).PRIMARY VALUES: VALUE AS DESIRE INTENSITY;**

It has appeared that there are certain relatively simple reactions by the individual, which may be called "Primary Values". These include utility (wants), marginal utility (desires), and subjective worths (desires limited by costs).

They are simple tendencies to react to the stimulus of a given object, and exist in two degree wants and desires.

### **1). SIMPLE REACTION TENDENCIES OR WANTS**

Haney says that simple reaction tendencies of a subject towards an object are wants. "The first faint trace of the phenomenon of value is found in the reaction of some individual subject towards an object in his environment, for example, a person's response to the stimulus is simple reaction tendencies or wants".

"Here we find a "Want tendency" which points toward an object in a way which occasions a "Primary" Valuation". This type of "wants" is determining more by the nature of subject than by the object. This valuation is more or less purposeless reaction, more or less vague feeling,

highly subjective, an unreflective tendency, choice is not needed, inactive until a stimulus is felt and nature of the subject. This is a mere want tendency, non-purposive, and involving no reflective choice. It is wantedness, regardless of quantity, and thus has no measurable degree of intensity.

## **2). LACK-FEELINGS, OR DESIRES, AND SUBJECTIVE WORTH:**

Haney defines “A desire is a tendency in which the difference between subject and object is consciously recognized by the subject , whose reaction to the object is affected by a consciousness of dependence upon it which is not present in a mere want”.

This second degree of “primary value” is the specific and measurably intense degree of utility, which might be called desire – intensity, and which economics usually call “marginal utility”

## **B).SECONDARY VALUE; VALUE AS JUDGMENT**

“Secondary values” are also called as “subjective values”. Subjective values arise when reflection compares, analyzes, and organizes the direct and simple tendencies which arise as wants or desires, thus bringing out a fuller meaning of the object for the subject”.

Secondary values involve in choosing a commodity from two or more objects. So it is understandable in secondary values “choice”, which becomes an important aspect. A choice is always conscious, and always involves a motivated activity. Which is under the influence of habits, sentiments, and purposes, is directed toward some particular means of satisfying the motive the desire.

It is this secondary order of valuation which is most significant for economic science. This secondary order of valuation is the basis of the

motivation of economic value and price. Haney viewed that from this point that economics usually begins.

### **C).TERTIARY VALUE: OBJECTIVE VALUE**

“In a society in which individual are effectively motivated by their subjective value, arises the phenomenon of “objective values” which may be measured in “prices”.

Haney observes that economics gives importance to objective value if economic science confines with primary value and subjective value then economics would have been only a branch of psychology. When economics extends its analysis to objective values, it is developed as an independent major subject area. Haney finds that a commodity gets its objective value when it is exchanged for another commodity. When a person makes a choice, that is when he chooses that commodity from two or more commodities available, it is the starting point of the objective value revelation. The measuring unit of objective values is mostly denoted by “price”.

Any commodity that has “objective value” must possess overtly or covertly “use value” or subjective value. Without having use values a commodity can't get its objective value.

### **ECONOMIC VALUE**

According to Haney “when the economist says that a thing has value, he means that the object in question is valued by some subject, who is in a position to acquire it, that this subject is sufficiently conscious of the importance of the object-motivated by its stimulus – to make a choice, and that he is willing to go to such trouble as may be required to make the desired contact with it”. So, mere a subject's wants will

not give value for an object. The subject should have desire, ability to buy that commodity, which means purchasing power, motivated by that desire and go to acquire that commodity. This act of the subject gives value for the commodity. An object, in economic sense, should have use value / utility, which mean wants satisfying power / gratifying desire and exchange value normally, “exchange value” is denoted by the “price”, which is considered measuring unit of exchange value.

After carrying out these analyses, Haney defines “**economic value as that function of the relation between a subject and an object, which is derived from the direct motivation of an individual by the means to the fulfillment of a desire tendency**”.

### **DETERMINANTS OF VALUE**

Haney points out that the following factors are the determination of subjective value. They are: a).Marginal utility, b).Subjective worth , c).Demand prices and d).Supply prices.

### **MARGINAL UTILITY**

Haney defines marginal utility with the help of primary value. Simple tendency or reaction of an individual to the stimulus of a given object is “primary value”. If the “primary value” is specific and measurable intense degree of utility, then that may be called as marginal utility. Haney indicated that “any kind of a want is the basis of utility, and therefore of marginal utility. The want may be reflective or impulsive. It may be right or wrong”.

### **SUBJECTIVE WORTH**

Haney divides desires as “positive desires” and “negative desires”. Positive desires induces do to some activity to fulfill his wants. Whereas negative desires hinder a person “not to do something, “this negative desires

may be aversion, dissatisfaction or disutility”. Subjective worth “is equilibrium between marginal utility and disutility”.

### **SUBJECTIVE VALUE**

Haney indicates that “primary values” reveal the importance of one commodity to one individual, on the other hand, “subjective values” concern the relative importance of two or more commodities to one individual. This “subjective value” can be known objectively when an individual choose a commodity from two or more commodities to gratify his wants or desires. That choice reveals an individual’s act of preference that act may be regarding consumption, production, exchange etc. This can be understood from Haney’s following words. “subjective value is meant the relative importance of objects to mature individuals as judged by choices made these choices may be entirely within the individual’s own mind, as when one “says to oneself ” that one prefers this or that they may however , be made known objective’s part which individual his preferences. This act may be one of consumption, or of effort to secure some object for consumption; it may be one of trade or exchange; it may consist merely in an open bid or offer that individual makes”.

### **DEMAND PRICE**

Demand price is the price at which the buyer willing to buy certain quantity of commodity.

### **SUPPLY PRICE**

Supply price is the price at which the seller willing to sell certain quantity of commodity.

### **OBJECTIVE VALUE**

Objective value determination involves two subjects and two objects and acts of exchange of those two objects by those subjects. This can be explained by an example let us assume that there are two persons 'A' and 'B'. 'A' has the commodity 'X' and wants the commodity 'Y', and he has some subjective values about both 'X' and 'Y' commodities like that 'B' has the commodity 'Y' and he has some subjective values about both 'Y' and 'X' commodities, if they wish to exchange those commodities one stage has to be attained, that is, equilibrium between the subjective values of those two commodities. Haney described this situation as “under certain condition, two individuals will tend to exchange until their subjective value are equalized, and the resulting objective value will be equilibrium between their subjective values”.

### **EXCHANGE VALUE AND PRICE**

Haney finds that objective value arises when subjective values of two commodities tend to equal and exchange takes place, “the subjective values of one person for two given goods are brought into relation with the subjective value of another person for the same two goods in such a way that there is an exchange between the two person, and an objective value result”. He says that the objective values can be measured in “prices”. It can be understood that even though Haney wasn't give the direct meaning for “exchange value”, it was the “exchange value”. It is also noted that “price” is the measurement of “exchange value”.

Measurement the value of commodity is the process of representing quality term. Exchange of commodity is the act of giving quantity value for the subjective value of commodity. Price is the quantity measurement of cause and effective relation of objective value, which is revealed in the exchange activity. But the important aspects of objective value is, it is

arises on the basis of primary and subjective value. Hence it is obvious that Haney views that price is the quantity measurement of exchange value.

### **HANEY'S IDEA ON MONEY**

Haney says that marginal utility of money is indirect one and not direct the real value of money depends on the subjective worth of the possessor. The subjective worth of money really depends upon the price of the commodity that is general exchangeability of the money. That means the buying capacity money.

#### **The subjective worth of money has the following aspects**

- a).buyers money income
- b).the nature of his income
- c).the quantity of money possessed.
- d).the desire
- e).the scarcity of the currency
- f).credit rating of the buyer
- g).future value of the money
- h).movements in prices and
- i).inflation or deflation

Haney says that “If money can be thought of as having marginal utility at all, the quality must be an indirect or instrumental one; accordingly it seems expedient to refer to the individual’s reaction toward money as a subjective worth a sort of intermediate subjective exchange value”. These factors will have a different infer impact on the purchasing power of

the buyer, when a buyer has the incentive desire the money affects the tendency toward the commodity. Money is an effective force when it accompanies with the desire. If the subjective worth of the commodity is higher than the money's role is very effective in the exchangeability.

Haney describes that as follows "A given quantity of money, for example, will have a different significance as purchasing power, depending upon the person in whose hands the money is. It is sometimes said that" money talks", but that can be true only as money affects the potential buyer's tendency toward some good. In reality, the money becomes effective as a force which can function along with desire only as we are able to consider it as having a subjective worth to a possessor".

### **CRITICISMS**

Haney mainly deals with the psychological aspect of the value rather than economic aspect. He devotes his efforts towards the contribution of psychological disposition of human being for giving economic value for a commodity. Haney does not give clear definition about exchange value. He actually defines exchange value implicitly with help of objective value.

Haney almost omits the most important part of value, i.e., 'use value'. In this book we can't trace anything about use value. Even economists like Karl Marx gives importance for the exchange value, has discussed about use value. Adam Smith also devotes some part for use value while analyzing the value concept. But Haney doesn't take any effort to give the meaning for use value. Without analyzing use value aspect of a commodity, any study will not give a complete sense about economic value of a commodity. In this aspect, Haney's study may be considered as partial analysis about the value concept and not a complete and a comprehensive one. Even though many economists consider only

exchange value as a value in the economic sense, a commodity should have use value; unless it won't have exchange value. Use value may be hidden one, but it is the basic pillar of exchange value.

Since his study is mostly dealt with the subjective and objective aspects of economic value, it doesn't put concentration on the use and exchange value of a commodity.

## **CONCLUSION**

The term 'value' attracts many economists to carry out the analysis. All most all the great economists involved in determining the meaning for that word and took efforts to define it. Every one approaches from different angle and gives different meaning. Some studies try to give meaning from the subjective point of view, some from the objects point of view. Some economists give importance for the use value and some give importance for the exchange value. Some present define the value concept based on utility and some define on the basis of demand and supply.

This analysis has involved in demystifying the term value on the basis of Haney's doctrine on that concept. While studying his view, it is understood that he defines the term 'economics' on the basis of subject, object and choices. It is also observed that he defines 'economic value' on the basis of the relationship between subject and object.

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