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Liberal rationality in *The Fable of the Bees.* A comparison with Adam Smith and Wenceslao Fernández Flórez

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EN Abstract. Mandeville, Smith, and Fernández Flórez approached economic and social problems defending liberty and at the same time acknowledging the existence of conflicts and contradictions that demand ethics, politics, and law. Their liberal rationality is not Panglossianly optimistic, neither is it cynic, and their individualism not only does not exclude society but builds upon it. They admitted the complexity of human nature and society as they really are and recognized that we would not progress economically suppressing the market, just as we would not do so morally in a fantastic universe without sins. The three stressed that institutions and rules are indispensable in communities of free and responsible people. They rejected the excesses of power and warned of the dangers of promoting ideal worlds.

Keywords. Adam Smith; Bernard Mandeville; liberalism; Wenceslao Fernández Flórez.

JEL Code: A13; B11; B41.

ES Racionalidad liberal en La fábula de las abejas. Una comparación con Adam Smith y Wenceslao Fernández Flórez

ES Resumen. Mandeville, Smith y Fernández Flórez abordaron los problemas económicos y sociales defendiendo la libertad y, al mismo tiempo, reconociendo la existencia de conflictos y contradicciones que exigen ética, política y derecho. Su racionalidad liberal no es un optimismo panglosiano ni tampoco es cínica, y su individualismo no solo no excluye la sociedad, sino que se funda en ella. Admitieron la complejidad de la naturaleza humana y la sociedad tal como realmente son, y reconocieron que no progresaríamos económicamente suprimiendo el mercado, así como tampoco lo haríamos moralmente en un universo fantástico sin pecado alguno. Los tres enfatizaron que las instituciones y las normas son indispensables en comunidades de personas libres y responsables. Rechazaron los excesos del poder y advirtieron de los peligros de promover mundos ideales.

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Sumario: Mandeville; Smith; Fernández Flórez; Conclusions.

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That "man is a rational animal" is one of those interesting statements which do not have to be proved, since the subject admits it. In fact, he says so himself; and the objective value of the statement is to be appraised in the light of that fact.

Frank Hyneman Knight

Bernard Mandeville underlined the limits of human rationality, like Adam Smith, Accordingly, for Mandeville "the results of some actions do not correspond with the rationality of the actors involved" (Weinstein in Schneider 2019, p. 12). Yuram goes as far as to assert that "in Mandeville's economy, passions may indeed subvert rationality, but more importantly, they subvert individuality" (Yuram 2016, p. 578), and Kaye argues that Mandeville's "radical philosophical anarchism was largely a reaction to contemporary rationalistic thought" (Mandeville 1924, Vol. I, p. 57, henceforth quoted volume.page). The same editor of *The Fable of the Bees* numbers its author among the liberal troupe: "In the Fable Mandeville maintains, and maintains explicitly, the theory at present known as the laissez-faire theory" (i.cxxxix). Many commentators followed suit, but others, as will be shown presently, upheld that Mandeville was not a liberal.

The left, as Donald Winch points out, uses Mandeville to stress the "moral deficit" of capitalism, and some authors identify Mandeville with Smith, and both with liberalism, to conclude that the three of them are reproachful, to say the least. Mandeville's thought is thus ascribed to liberalism, accused of the world's misery, and translated into the urgent need of a Welfare State (Winch 2015, p. 420; Ríos Espinosa 2007, p. 38).

In the present paper we shall explore Mandeville's individual liberal rationality in *The Fable of the Bees*, comparing it with the views of Smith and of Wenceslao Fernández Flórez, the Spanish writer who was, like Mandeville, a noted satirist.

A nuanced picture of Mandeville's views emerges after perusing the Dutch doctor's succès de scandale.

Mandeville

The starting line of Mandeville's liberalism is his realism, that compels him to stay apart from most thinkers that "are always teaching Men what they should be, and hardly ever trouble their Heads with telling them what they really are" (i.39). This stand-

point invites a consideration of vices and virtues as they effectually inhabit individual human souls:

It is in Morality as it is in Nature, there is nothing so perfectly Good in Creatures that it cannot be hurtful to any one of the Society, nor any thing so entirely Evil, but it may prove beneficial to some part or other of the Creation. (i.367)

Recognizing depravity does not mean applauding it, and it has a politically liberal advice:

I never thought that there were no virtuous or religious Men; what I differ in with the Flatterers of our Species, is about the Numbers, which they contend for; and I am persuaded that you your self, in reality, don't believe that there are so many virtuous Men as you imagine you do. (ii.336)

I am far from encouraging Vice, and think it would be an unspeakable Felicity to a State, if the Sin of Uncleanness could be utterly Banish'd from it; but I am afraid it is impossible: The Passions of some People are too violent to be curb'd by any Law or Precept; and it is Wisdom in all Governments to bear with lesser Inconveniences to prevent greater. (i.95)

The best of all then not being to be had, let us look out for the next best. (ii.335)

This next best is attained leaving every trade to itself, "never better kept than when no body meddles or interferes with it" (i.300; cf. also ii.353). Economic prosperity evolves gradually from "the innate desire of men to ameliorate their condition" (ii.180) through the social interaction with others:

The restless Industry of Man to supply his Wants, and his constant Endeavours to meliorate his Condition upon Earth, have produced and brought to Perfection many useful Arts and Sciences, of which the Beginnings are of uncertain Æra's, and to which we can assign no other Causes, than human Sagacity in general, and the joynt Labour of many Ages, in which Men have always employ'd themselves in studying and contriving Ways and Means to sooth their various Appetites, and make the best of their Infirmities. (ii.128; cf. also i.128, 284)

The reciprocal services which all Men pay to one another, are the Foundation of the Society. (i.221)

The consequence of the economic intercourse of imperfect beings is that "the very Poor/liv'd better that the Rich before" (i.26). A major force in this wealth-creation process, and particularly the advances in technology, is the division of labour:

The greater the Variety of Trades and Manufactures, the more operose they are, and the more they are divided in many Branches, the greater Numbers may be contained in a Society without being in one another's way, and the more easily they may be render'd a Rich, Potent and Flourishing People. (i. 367; cf. also ii. 145, 284)

All this is never reached in an institutional void but in one characterized by freedom, justice and personal and economic rights: "Let Property be inviolably secured, and Privileges equal to all Men; Suffer no body to act but what is lawful, and every body to think what he pleases" (i. 184). As property should always be as secured as justice impartially administered, men should be allowed to think and worship freely: the Dutch excel because they promote trade, navigation, and a complete liberty of conscience (i.249, ii.185).

The limits of power are explicit in the poem itself:

Kings, that could not wrong, because/Their Power was circumscrib'd by Laws. (i.17)

So vice is beneficial found, /When it's by justice lopt and bound" (i.37)

Best Governments are peaceful (i.32), with no useless bureaucracy (i.31), mild (i.183), and with "less Extravagant" taxes (i.188).

Progress by self-interested humans is achieved slowly and spontaneously as they get "used to live under the Restraint of Laws" (ii.139, 322):

It is the Work of Ages to find out the true Use of the Passions, and to raise a Politician, that can make every Frailty of the Members add Strength to the whole Body, and by dextrous Management turn private Vices into publick Benefits. (ii.319)

Although for Mandeville "the undoubted Basis of all Societies is Government," he adds immediately: "There is great Difference between being submissive and being governable" (ii.184). He identifies Government not with political power but with law, order, and ethics, which evolve gradually to reach what he named the third and last step of society –after the protection against animals and against other men-, the invention of letters:

No Multitudes can live peaceably without Government; no Government can subsist without Laws; and no Laws can be effectual long, unless they are wrote down: The Consideration of this is alone sufficient to give us a great Insight into the Nature of Man. (ii. 269; cf. also ii. 198-199)

This institutional framework is the key to economic, social, and political progress:

When once Men come to be govern'd by written Laws, all the rest comes on a-pace. Now Property, and Safety of Life and Limb, may be secured. (ii.284; cf. also i.116)

There is a significant role assigned to religion. When Horatio asks why humans are originally sent into the world desiring Government but with no capacity for it, Cleomenes, who is Mandeville's *alter ego*,

replies: "What seems strange to you, is an undeniable Instance of Divine Wisdom" (ii.205), and clarifies later: "I never said nor thought any thing irreverent to the Deity" (ii.252; cf. also Force 2003, p. 233). He had this to say about deism:

Our Modern Deism is no greater Security than Atheism: For a Man's acknowledging the Being of a God, even an intelligent first Cause, is of no use, either to himself or others, if he denies a Providence and a Future State. (ii.314)

Additionally, Mandeville linked religion to a negative political and juridical position, that is, that the institutional framework should try to prevent the bad rather than to impose the good:

The principal Laws of all Countries are Remedies against human Frailties; I mean, that they are design'd as Antidotes, to prevent the ill Consequences of some Properties, inseparable from our Nature; which yet in themselves, without Management or Restraint, are obstructive and pernicious to Society: I am persuaded likewise, that these Frailties are palpably pointed at in the Decalogue; that it was wrote with great Wisdom, and that there is not one Commandment in it, that has not a regard to the temporal Good of Society, as well as Matters of higher moment. (ii.283; cf. also Rodríguez Braun 2020)

These ideas can be linked to the liberal tradition of natural jurisprudence, and the Spanish School of Salamanca, the influence of which in Holland and later in Scotland has been traced by Gómez Rivas; Bernard Mandeville, born in Rotterdam, studied in Grotius's alma mater, the University of Leiden, in a country upholding the ideas of freedom of trade and seafare; Kaye, however, noted that "there was no or slight anticipation of Mandeville" in Mariana or Suárez, but Hayek located the Fable's basic idea in Aquinas; Alberich Sotomayor remarks that the idea that the world is governed by temptations is the Bible's doctrine of the original sin, that coexists with the notion of the Garden of Eden or of Don Quixote's golden age, and would therefore be connected with the tradition of ecclesiastical patristics and medieval and modern scholasticism (i.cxiii: Havek 2007. pp. 310, 315; Gómez Rivas 2020; Gómez Rivas and Matarán López 2022, p. 109; Goldsmith 1988, p. 594; Cook 1999, pp. 112-113, Alberich Sotomayor 2005,

It seems, then, that the commentators who "picture Mandeville as a precursor of *laissez-faire*, focusing attention on the unintended but beneficial social consequences of individual attempts to further their interests", and stress that he "recommends political quietism based on skepticism of both the motivations of political actors and the depths of our own moral and empirical insights", are right in their interpretation of Mandeville's liberal individual rationality (Verburg 2015, p. 668; Turner 2016, p. 46). Libertarian thinkers, and economists in particular, were driven towards *The Fable of the Bees* largely by Hayek, "who praised Mandeville as an anti-rationalist and a pioneer in spontaneous order theory" (Smith 2017, p. 81; Hayek 2007, p. 309).

But apparently there is more in the liberal Mandeville than meets the eye. We have mentioned above the "dexterous management" of the politician, and Mandeville insists: "Private Vices by the dexterous Management of a skilful Politician may be turned into Publick Benefits" (i.369; cf. also ii.318). Jacob Viner thinks that this rids Mandeville's formula "of any implication of laissez-faire"; liberalism points at natural rights, natural harmony, and limited political power because governments are "inefficient, improvident, and unintelligent, there is nothing of such doctrine in Mandeville"; the Dutch writer has been "almost universally misinterpreted [...] as a pioneer expounder of laissez-faire individualism" (Mandeville 1953, pp. 11, 13-14). Viner acknowledges the liberal elements in The Fable of the Bees but adds that they were present in 17th and 18th century mercantilists, as William Grampp and others have shown (Grampp 1952).

Rashid pushes this argument forward and concludes that Mandeville "did not advance free-market economics on any issue", because he upheld certain regulations or monopolies, while Rashid at the same time admits Mandeville's role in the promotion of the idea that social institutions arise gradually from individual interactions, though "he uses his insight to defend libertinism", not laissez-faire (Rashid 1985, pp. 320, 330; cf. also Nieli 1989, pp. 594, 604). Other authors, apart from mentioning Mandeville's "Keynesian" ideas on frugality and expenditure, to be discussed later, said that the Dutch was also a precursor of Bentham due to the former's "consistent focus on the role of politicians and legislators"; in Mandeville both liberal and interventionist ideas coexisted, and he could be as paternalistic as to suggest the establishment of one hundred public brothels in London for health and even social protection reasons: "These proposals from above expressly demonstrate what Hayek critically labels as the 'constructivist' social reforms"; Elmslie argues that they should put Mandeville's name on the list of forerunners of public economics and market failure analysis (Susato 2020, pp.339-340; Elmslie 2016).

Rosenberg thinks that Mandeville's evolutionary perspective places him, contra Viner, out of the field of statism, because applauding "dexterous management [...] is not to be taken as the advocacy of a policy of continuous government intervention but a way of stating that the welfare of society has been most advanced by the introduction and diffusion of laws and institutions which best utilize man's basic passions and which channel his energies into socially-useful activities". The point is not laissez-faire vs. interventionism: "Mandeville is emphatically not advocating interventionism as a long-run practice of government." He was instead a "unique sort of interventionist" because he endorsed interventions that would promote a "society running itself." In fact, Rosenberg's thesis is that Mandeville's theory aims at a slight intervention of the authorities, once wise laws are enacted. After that, intervention would be minimized and "even the need for intelligence in office-holders will be minimal". This does not mean the absence of all regulation: in Rosenberg's view, Mandeville would not back the Diocletian Edict, but he would back the Sherman Anti-trust Act (Rosenberg 1963, pp. 188-195). Hayek supports this view and criticizes Viner's position, situating Mandeville in the line of Josiah Tucker and Adam Smith, in the sense that private interests may promote the common welfare not through activist policies but through stable and propitious institutional frameworks (Hayek 2007, p. 318). Knott sums up this viewpoint thus: "The mechanism of manipulating politicians was eschewed in favor of a depersonalised and evolutionary account of the politics of mankind" (Knott 2014, p. 24).

Mandeville can, then, be classified in the transition towards *laissez-faire*, because he stresses the importance of general rules (Tolonen 2020), while rejecting rationalism: "In the *Fable* he repeatedly minimizes the role played by *a priori* reasoning in the improvement of society" (Chalk 1966, pp. 2-3, 16; cf. also Schneider 2019, p. 136).

Mandeville could say: "nothing in human Affairs requires greater Knowledge, than the Art of Governing" (ii. 318), but also "unhappy is the People, and their Constitution will be ever precarious, whose Welfare must depend upon the Virtues and Consciences of Ministers and Politicians" (i. 190), who should not be perfect ideal models: "it is the Interest of every Nation to have their Home Government, and every Branch of the Civil Administration, so wisely contriv'd, that every Man of middling Capacity and Reputation may be fit for any of the highest Posts" (ii. 323; cf. also ii.335-336). He is imagining a political world so different from ours that he says about authorities and public officials: "their Luxury, as long as they spend no Body's Money but their own, will never be prejudicial to a Nation" (i.123).

We can summarize Mandeville's liberal individualism remembering that the vices he speaks about are *private*. He did not think that social structures are evil. Men are. Voltaire praised him for being "the first who sought to prove that envy is a very good thing, a very useful passion", but Mandeville thought that artifice and imposture were "the moral price of commercial prosperity", which does not mean saluting ethically those vices, but the institutional framework that plays them one against the other (i. 145; Schneider 2019, p. 33; Hundert 1994, pp.175, 180). He is far from stating that public politics rationality can stimulate both public and private vices, as in the modern State (Rodríguez Braun 2008).

Smith

The previous heading explains why Mandeville has been generally considered Adam Smith's forerunner, and is sufficiently illustrated by the Dutch's thinker emphasis in several notions that were key to the Scottish professor's intellectual scheme: realism, scepticism on the power of man's reason, free trade, man's wishes to meliorate his condition, the gradual progress of wealth through the intercourse of self-interested humans and the division of labour, the recommendation that taxes should be moderate and property secured in an institutional framework marked by the general norms of the rule of law, and other ideas to be analysed shortly.

Adam Smith had two main things to say about the author of *The Fable of the Bees*: that he was wrong and that he was close to being right.

In the chapter of *The Theory of Moral Sentiments* titled "On licentious Systems" Smith writes:

There is, however, another system which seems to take away altogether the distinction between vice and virtue, and of which the tendency is, upon that account, wholly pernicious: I mean the system of Dr. Mandeville. Though the notions of this author are in almost in every respect erroneous, there are, however, some appearances in human nature, which, when viewed in a certain manner, seem at first sight to favour them. These, described and exaggerated by the lively and humorous, though coarse and rustic eloquence of Dr. Mandeville, have thrown upon his doctrines an air of truth and probability which is very apt to impose upon the unskilful. (Smith 1982a, p. 308).

And yet, after elaborating on the Dutch doctor's ideas, Smith concludes:

But how destructive soever this system may appear, it could never have imposed upon so great a number of persons, nor have occasioned so general an alarm among those who are the friends of better principles, had it not in some respects bordered upon the truth. (Smith 1982a, p. 313)

This apparent contradiction, and the mentioned coincidence of themes have made scholars remark that Smith accepts Mandeville's ideas while seemingly rejecting them (Schneider 2019, p. 55; Goldsmith 1988, p. 604; Kerkhof 1995, p. 223).

The solution to the contradiction is to be found in the phrase upon that account. Smith makes clear immediately that his main objection to Mandeville is that "all preference of public to private interest, is, according to him, a mere cheat and imposition upon mankind; and that human virtue which is so much boasted of, and which is the occasion of so much emulation among men, is the mere offspring of flattery begot upon pride" (Smith 1982a, p. 309; he uses Mandeville's own words in the Fable, i.51; cf. Winch 2015, p. 507). Smith explains that the desire of doing what is honourable is not vanity, that "there is an affinity between vanity and the love of true glory, as both these passions aim at acquiring esteem and approbation", and can be confused "by the humorous and diverting eloquence of this lively author [...] it is the great fallacy of Dr. Mandeville's book to represent every passion as wholly vicious [...] and it is by this sophistry, that he establishes his favourite conclusion, that private vices are publick benefits", indulging in the old popular mistake "which placed virtue in the entire extirpation and annihilation of all our passions" (Smith 1982a, pp. 310, 312-313; cf. Schwartz and Martín Martín 1991; Morrow 1927, p. 323; Clark 1971, p. 438).

It should be noted that Smith chose to criticize Mandeville particularly as a moralist, though he also attacked him for believing "that there is in man no powerful instinct which necessarily determines him to seek society for its own sake" (Smith 1982b, p. 250). Some commentators have argued that the opening sentence of *The Theory of Moral Sentiments* was an answer to this belief (Kerkhof 1995, p. 233; Heath 2014, p. 102; Branchi 2014, p. 84).

Smith does not tell us in what respects Mandeville's system bordered the truth. Dumont has argued that the whole Wealth of Nations amounts to an answer, but in this book Mandeville's name is not mentioned, and there are many instances where it could have been, either for concurrences or differences (Dumont 1975, p. 38; Hundert 1994, p. 221). An example of the latter is Mandeville's idea that it is wise to relieve the wants of the workers, but "Folly to cure" them, because it would promote laziness (i.194; ii.351). From Marx onwards, this popular mercantilist utility-of-poverty argument, or the theory of a backward-sloping labour supply curve, has been rejected by economists (Marx 1975, pp. 62-763; Schneider 2019, p. 44; Chalk 1966, pp. 11, 16; Goldsmith 1988, p. 194; Winch 2015, p. 519; Landreth and Colander 2002, p. 53). Adam Smith, on the contrary, upheld the "liberal reward of labour", and denied that a society can flourish if most of its members are poor and miserable (Smith 1981, Vol. I, pp. 91, 96). Moreover, Hundert points out that Mandeville's idea of the usefulness of keeping the poor in poverty runs against his praise of the force of "emulation and continual striving to out-do one another" (i.130; Hundert 1994, p. 196).

Smith's realistic approach can be also mentioned both as regards economics and ethics. He could at the same time approve the beneficial role of businessmen and reproach their cabals to restrict competition and increase prices –the well-known reference in the *Wealth of Nations* about the "people of the same trade" (Smith 1981, Vol. I, p. 145). Ethically, for Smith the disposition to admire the rich and powerful cuts both ways because, being necessary "to establish and to maintain the distinction of ranks and the order of society, is, at the same time, the great and most universal cause of the corruption or our moral sentiments" (Smith 1982a, p. 61).

Two other mercantilist notions may also be mentioned here. As regards the balance of trade, Mandeville followed the prevailing doctrine, stating that if "Imports are never allow'd to be superior to the Exports, no Nation can ever be impoverish'd by Foreign Luxury" (i.116; cf. also i.249, 304; Schneider 2019, pp. 120, 136; Stephen 1873, p. 249; Smith 2017, p. 84). But he also asks for a freer trade, and did not favour a reduction of imports, but preferred more imports and exports: "We know that we could not continue long to purchase the Goods of other Nations, if they would not take our Manufactures in Payment for them and why should we judge otherwise of other Nations?" (i.111; and cf. Kaye's notes on i.109-116).

Adam Smith applauds parsimony as the source of capital accumulation; Keynes, who salutes Mandeville for his praises of expenditure, says that Smith does so with reference to *The Fable of the Bees*, but no evidence supports this (Smith 1981, Vol. I, p. 337; Keynes 1977, p. 361n.).

Mandeville does hail à la Keynes all kind of consumption and expenditure – "the sensual courtier that sets no limits to his luxury [...] is the greatest friend to the society" (i.355-6)– and even fires (i.359) or shipwrecks that increase the demand for labourers:

A Hundred Bales of Cloth that are burnt or sunk in the Mediterranean, are as Beneficial to the Poor in England, as if they had safely arriv'd at Smyrna or Aleppo, and every Yard of them had been Retail'd in the Grand Signior's Dominions [...] The Merchant may break, and by him the Clothier, the Dyer, the Packer, and other Tradesmen, the middling People, may suffer; but the Poor that were set to work about them can never lose. (i. 364)

But these are not mere simple examples of Bastiat's "broken window fallacy" (Stephen 1873, p. 249; Smith 2017, pp. 98-99), because Mandeville qualifies them:

Should any of my Readers draw Conclusions in infinitum from my Assertions that Goods sunk or burnt are as beneficial to the Poor as if they had been well sold and put to their proper Uses, I would count him a Caviller and not worth answering. (i.364; cf. Schneider 2019, pp. 117, 210; and Kaye's comments, i.lxvii)

And on frugality:

Whoever can subsist and lives above his Income is a Fool. (i. 249)

So we can argue against the simplifying argument according to which Mandeville and Smith upheld a market order that is at the same time perfect and cruel as a paradigm of liberal rationality (Ríos Espinosa 2007, pp. 13, 17, 23, 36; cf. also Pena López 2021, pp. 59-60). Adam Smith's shades regarding liberalism and interventionism can be acknowledged while rejecting Keynes's position because he "improbably pictured Mandeville" in the army of anti-laissez-faire heretics (Hundert 1994, p. 247; Rodríguez Braun 2021).

Smith's liberalism, moreover, was more coherent, for he assigned saving a much more important role than Mandeville did, and accordingly, applauding prudence, he "collapsed one of Mandeville's double truths into a single one: by so doing, he also eliminated much of the space Mandeville had created for the operations of the 'skilful politician'" (Winch 2015, p. 616).

But this politician's role was not only and not mainly that of a regulator at a short notice. Mandeville's explanation of economics and society appear to be a question "less of the acts of specific legislators than of the slow, piecemeal evolutionary emergence of social norms and institutions", a clear anticipation of Adam Smith (Heath 2014, pp. 95-6).

Fernández Flórez

Wenceslao Fernández Flórez (1885-1964) was a Spanish writer and journalist, celebrated for his fantasy and for his humorous and satirical style. Although Kaye had said of Mandeville in 1924: "His literary influence was slight. The *Fable* had no direct imitators" (i. cxviii), Fernández Flórez published two years later in 1926 a novel, *Las siete columnas* (*The seven columns*), the plot of which is essentially the same as *The Fable of the Bees*: evil es eradicated from the world, and ruin subsequently ensues.

Susan Pozo and Warren Samuels were the first to point out in 1992 the similarity of both works, but they present the novel as reflecting a dispute between the traditional morality –associated with aristocratic, military and ecclesiastical influences– and the ethics of modern times, linked to industry, trade and the market. Pena López and Ríos Espinosa so-

mehow share this view, that we believe is not fully right, and consider Mandeville's thesis as a battle between virtue and vice, or between a generously idyllic or hypothetical world versus the real one, where capitalism is victoriously founded on rational selfishness (Pozo and Samuels, 1992; Pena López 2021; Ríos Espinosa 2007).

Our thesis, on the contrary, is that Fernández Flórez –like Mandeville, but especially like Adam Smithshows that in social relationships virtue and vice coexist due to the inevitable imperfection of human nature. This imperfection extends to the economic field as well, and in spite of the neoclassical distortion of rational liberalism as something only valid in a context of perfect competition, Adam Smith's own words may be remembered: "If a nation could not prosper without the enjoyment of perfect liberty and perfect justice, there is not in the world a nation which could ever have prospered" (Smith 1981, Vol. II, p. 674; Rodríguez Braun 2021, p. 469).

The key for such a coexistence in our three authors lies in the moderation of extreme positions or intransigent interpretations: if virtues or vices are excessive, their results can be undesirable. What is needed for civilisation and progress is a realistic mixture of good and evil, within a restrictive framework of ethics and both formal and informal institutions, from laws to mores. This notion appears in *The seven columns* and other works by Fernández Flórez.

The Spanish author was an open-minded conservative liberal, who "defended liberty and the right of both women and men to choose a way of life independent of canons and social impositions" (Román Portas and Longueira Moris, 2013, p. 1114; cf. also López Criado 2002). His distrust of preachers and saviours of humanity is clear in the ridicule portrait he draws of the petulant anchorite Acracio -he was conscious of the symbolism of this name, alluding to anarchy and disgrace derived from uncertainty and the lack of expectations, and amounting to a critique of illuminati and despots of all kind (Fernández Flórez 1979, p. 11). He tried to depict "life itself", and said: "When I wrote The seven columns, Bluebeard's secret [1923] or The wicked Carabel [1931], my purpose was not to make people laugh but to fight against what I thought were wrong ideas" (Fernández Flórez, 1950, p. 152; Fernández Flórez, 1945, p. 10). He displayed scarce sympathy towards industry and finances, and in The Devil's glasses [1918], like in The seven columns, he censures politicians and bureaucrats for hindering economic development (Fernández Flórez, 1980, pp. 67ff.).

We think, not like Pozo and Samuels, that *The seven columns* does in a way analyse society and human nature and opens a door to hope and life fulfilment without rancour and fictitious restraints, enabling improvements à *la Smith* (Pozo and Samuels 1992, pp. 178, 181, 192 n.24). As in Mandeville's poem, this novel shows that

The Seven Deadly Sins were the seven pillars on which rested our society; civilisation, progress; our customs, our laws, our work, our well-being, even our emotions, rested their enormous and age-long weight on them. The seven strong pillars fell, and everything fell.

Humanity is now wandering amongst ruins. (Fernández Flórez 1979, p. 223)

The Devil complains to Acracio that the world ignores him, which is equivalent to ignoring God (there is no vice without virtue), and men trust only science and logic. The book is not against reason: "The road of science leads to God, but pride fools men with its mirages." The deadly sins are the foundation of evil, and Acracio asks the Devil to eliminate them. Satan murmurs: "I had never thought of that. [...] I will grant your wish" (Fernández Flórez 1979, pp. 137, 140). The first reaction after being rid of evil and temptation is euphoric: "it was agreed that all men should be called brothers [...] Socialist leaders proclaimed that Satan's decision meant the triumph of the party's ideals" (ibid., p. 143). Five years later, however, there is nothing but desolation, misery and starvation, because "property was almost nonexistent [...] No social mechanism functioned normally. Authority was ignored [...] Among all the superstitions, the most deeply rooted was that the end of the world was nigh" (ibid., p. 214). Finally, Acracio himself, although still thinking of a distant and unpredictable future where his benevolent aspirations of general goodness perhaps will be made true, joins the multitude of humans who march to meet the Devil and to beg him to restore the old order (ibid., pp. 223-4; cf. also Román Portas and Longueira Moris 2013, p. 1117).

Being apparently based on the notion that the forces of human life stem from evil, *The seven columns* stresses the complexity and imperfection of human nature, which does not act only through one exclusive system of ethics (Fernández Flórez, 1950, pp. 17-9).

Fernández Flórez's methodology, coated with humour or satire, is individualistic - "Collective existence reflects the individual one"-, and Pozo and Samuels rightly link him to Mandeville and also to the liberal tradition from Locke to the Scottish Enlightenment (Fernández Flórez 1979, p. 187; Pozo and Samuels 1992, p. 182). With all their defects, human beings can achieve better solutions than the ones that spring from the minds even of benevolent leaders. The seven columns illustrates the importance of personal traits and social institutions. Its plot combines good and evil, and criticizes humanity's redeemers like Acracio, with the best of intentions that are the recipe for disaster. There are several criticisms of public policies regarding natality, intervention in businesses, and public services (ibid., pp. 207, 190, 157-8, 178-82, 188-91). The novel does not attack the moderation of passions but the false morality of the Pharisees who dictate what is and what is not virtue.

In a book where an anchorite, a person searching for virtue, ironically implores for the good of humanity not to God but to the Devil, God himself appears once, when the soul of an abbess insists that the world is a terrible place full of "vile creatures". The Creator speaks about the goodness and generosity of humans, and finally, at the obstinacy of the nun, recriminates her:

Unhappy woman, how dare you condemn what is My work? You have made yourself find on the earth only blackness and sin, and sorrows and tears. Always tears, streams, lakes, oceans of tears. You have wilfully shut your eyes to what

was good, what was beautiful, what was pleasing to the senses, and what was lovely, because you imagined that beauty and pleasantness were sinful. How can you condemn My creation without condemning Me? Return again to the world. Know it! (ibid., pp. 96-7)

Several liberal themes evoke Adam Smith, from realism to frugality, and from the division of labour to the relevance of private property and the security of justice, and the economic incentives derived from the desire to better our own condition, even when evil sentiments like envy are mixed with it (ibid., pp. 49-51, 153-5, 208, 214-217).

We differ with Pozo and Samuels, who stress these parallelisms, in that we believe that the novel's message is not merely materialistic, neither is it strictly linked to a specific morality or social hierarchy. They confuse modern ethics with pure selfishness. Even when they recognize that Fernández Flórez may reconcile materialist morality and human nature, they seem to equate such a morality with market greed (Pozo and Samuels 1992, pp. 182-4, 188). Pena López makes a similar mistake, confusing Smith's system of natural liberty with utilitarianism and selfishness in the market economy (Pena López, 2021, pp. 59-60).

There is no evidence that Fernández Flórez, who was a well-read writer, knew neither Mandeville nor Smith; the influences named by several scholars do not include them (Pozo and Samuels, pp. 172, 183; Mainer Baqué 1975, pp. 225, 237-8 passim; Mainer Baqué 1981, p. 174; Gómez 1958, pp. 41-2; Mature 1968, pp. 73, 117 n.53). Pena López (2021) relates Fernández Flórez and Mandeville but does not prove that the Spaniard knew the author of the Fable and does not mention the paper by Pozo and Samuels.

Conclusions

Yuram denigrates *The Fable of the Bees* as one of "the most obscene texts in the history of economic thought", adding that the shift from Mandeville to Smith established "the specific meaning economics confers on the broad concept of rationality [...] what was rationalized was the economy, and this was achieved by hermetically sealing passions within individuals", and ending dramatically: "A rereading of Mandeville may help us to understand a riddle or our neoliberal age: how can such an ascetic, unhuman view of the world be promoted with moral fervor?" (Yuram 2016, pp. 573, 577, 592).

Similarly, Pena López identifies Mandeville with liberal rationality and with Smith, and names the Fable as the "fundamental root" of The Wealth of Nations and utilitarianism, both in ethics and in economics. Linking Fernández Flórez to Mandeville and Smith, to liberalism and even libertarianism, he says that the Spanish writer "is in favor of a complete absence of power", and does not believe that this is the best of all possible worlds, "against the liberal tradition" (Pena López 2021, pp. 52, 58-9).

We can safely conclude that interpretations of this kind are not warranted. After analysing Mandeville, Smith, and Fernández Flórez we have found that the three of them approached economic and social problems defending liberty and at the same time acknowledging the existence of conflicts and contradictions that turn indispensable the presence of ethics, politics, and law.

Their liberal rationality is not Panglossianly optimistic, neither is it cynic, and their individualism not only does not exclude society but builds upon it, as Smith states in the first lines of *The Theory of Moral Sentiments*, and is obvious in his arguments about labour and trade in *The Wealth of Nations*.

Their personal profiles were different, to be sure, and the Scotch thinks deeper than the Dutch and the Spaniard. Smith's works are not satirical fiction. Fernández Flórez authored novels and Mandeville a *Fable* that aspired to "amusement" and "diversion" (i.8, 379, 409).

But all three authors acknowledged the complexity of human nature and society as they really are and recognized that we would not progress economically suppressing the market, just as we would not do so morally in a fantastic universe without sins.

The three stressed also that institutions and rules are indispensable, not pointing at anything analogous to modern states but to communities of free and responsible people.

Their liberal suspicions against the excesses of power and the dangers of promoting ideal worlds – which are typically socialist characteristics– are visible, too, in the economic, political, and particularly in the moral sense.

Smith and Fernández Flórez would probably follow *The Fable of the Bees* in keeping the present well-stocked and high-minded interventionist agenda at arm's-length:

Mandeville's politics generally eschews appeal to moral exemplars, for those who proclaim their own rectitude tend to do far more harm than good. Beware the morally righteous, Mandeville warns, for theirs is the hypocrisy that breeds intolerance and civil discord. (Douglass 2022, p. 475)

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