

'Creative' Mental-Labor

A Conceptual Contribution to Labor-Value Theory

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The aim of this article is to contribute to the 'known' characteristics of the worker's labor with a 'new' and related concept. With the introduction of this 'new' concept, it is hoped that all relevant economic theories and analyses will become more qualified, especially the value-price theory.

The labor of the worker consists of two components; '***mental-labor***' and '***physical-labor***'. In economic models, the workers who exercise these two components in the supply of commodities and services are, in general, categorized as:

- 1- (***unqualified***) laborers (**L**) and;
- 2- ***human-capital*** (**H**).

At each stage of production, both of these components are used in combination and in differing quantities. 'Mental-labor' commands and 'physical-labor' applies (carries out) the command.

Features of 'Mental-Labor' and 'Physical-Labor'

As mentioned above, in traditional economic jargon, there are two known components of the labor of a worker expended in production:

1- (Unqualified) labor designated by 'L':

In order to switch on or off a machine or to start a car's engine, the brain sends commands to organs in the human body, for example, to arms and/or fingers. After the application of command sent by the brain, the machine or automobile starts working. Applying the command sent by the brain to switch on or off is a simple "physical" act, which is the result of coordination between brain (mental labor) and body (physical labor). What the brain (mental labor) commands, the body (physical labor) carries out.

In the similar fashion and in terms of supply of products, for every physical action related to production, no matter how simple the action might be, the brain (mental labor) must step in and send commands to the body (physical labor) for action. In other words, applying the simple commands sent by the brain is the "unqualified labor" (**L**). This kind of cooperation of brain and body for carrying out a simple command can also be referred to as ***physical labor accompanied by 'simple mental labor'*** (**Lsm**). The emphasis on the word 'simple' is intended to point out that the action does not need complex education or training. **Lsm** is qualified to some degree. Actually there is no **L** with zero qualifications. In other words, there is actually ***no completely 'unqualified labor'*** (**L**) since every worker is endowed with some degree of knowledge, i.e., mental abilities.

Qualified labor or human capital designated by 'H':

After the machine starts up with a command sent from the brain, a laborer can start using the machine for its designed purpose. At this stage in order to run the machine

efficiently, say a crane, the level of the mental labor has to be increased compared to the mental abilities required to start the machine. In other words, before starting to run the crane, the operator must be endowed with specific knowledge and training on how to use the crane efficiently. To put it another way, the crane operator's mental labor level has to be improved by specific training and further education. The mental labor that is properly educated/trained, i.e., qualified, can be correctly referred to '*qualified labor*' (L^{qm}) or, as some erroneously say, human capital, '**H**'.

L^{sm} and L^{qm} or **H**' are actually, two sides of the same coin, i.e. two different components or features of the worker's labor. And both are *sine qua non requirements* during the production process though, during the production process, 'qualified labor' L^{qm} adds more value to the product supplied than the L^{sm} .

In a nutshell, the work done starts with the commands sent from brain, (mental labor) of the worker, which is carried out by his/her physical labor.

There seems to be a third and critical concept missing

We have seen there were two components of labor; commands sent from brain, i.e., mental labor and their application by physical labor.

Is the picture complete? Or could there be something lacking or an unnoticed in this definition of mental labor?

Now, we will introduce a third component or a feature of the labor of worker, which we consider as a 'new' contribution; that is the concept of '*creative*' *mental labor* which is the source of all 'technological progress' and of long-run economic growth.

The '*creative*' *mental labor* is also the reason keeping the long-run average rate of profit from falling towards zero, which Marx expected to happen.

A brief explanation before we continue the analysis.

According to the 'scientific thought' system, no information or knowledge can be suggested to be 'absolutely true' or the 'final stage'. Any kind of knowledge should be open to counter-views (anti-theses). Otherwise, we would have to settle for dogmas and there would be no scientific-progress.

Assume, as not infrequently observed, that a Marxist claims that: "*Marx*' views are not subject to criticism. That's because they are the highest and final stages reached by the science of economics." That person would be denying the essence or the basic principles of the Marxist thought system, i.e., dialectical thinking. Marx was one of the prominent practitioners and a dedicated advocate of the dialectical thought system 'aiming to find a better and up-to-date truth through reasoning' within the context of 'the thesis - anti-thesis -synthesis' system. Therefore every faithful Marxist or any scientist, in this respect, should be open to 'new' ideas no matter how 'anti-revolutionary' they might seem to them.

Introducing a 'New' Concept: 'Creative' Mental Labor

Classical economists like A. Smith, D. Ricardo as well as K. Marks were certainly well aware that 'technological innovations' continually take place in the competitive capitalistic markets. The technological innovations used in their analysis and models were, in principle, '*unit cost-lowering*' type which is of significant importance in any analysis.

Neither A. Smith nor Ricardo or Marx had analyzed economies where technological innovations introduced '*new products*'. In other words, Classical economists, including Marx, did not evaluate in their analyses the inheriting of '*new products*' in relation to price formation, rate of profit, long-run growth, distribution of income or foreign trade. This is certainly not due to incompetence. Making such a claim would not only be 'unfair', but 'grossly unjust' to them. In their era, the priorities of their analysis were different and economic science had not yet evolved to examine such issues.

In light of today's advances in economic knowledge, a contribution to labor-value theory with a new concept might be due. The name of the new concept is '*creative mental labor*'.

'Creative' mental labor and 'qualified labor' are NOT the same

The '*creative feature of brain*' should not be confused with features of 'qualified labor', which is focused on using the given technologies efficiently. '*Creative mental labor*' has some distinct features which cannot be acquired simply through education and training as in the case of 'qualified labor'. The concept of '*creative mental labor*' does not require skills-abilities but first and foremost a '*creative talent*' accompanied by curiosity, intuition and hard work. In other words, while qualified labor is necessary for the efficient use of given technologies, '*creative mental labor*' is a *sine qua non* for the '*creation of new products and production processes*'.

'Creative' mental labor offers two kinds of technological innovations:

- 1- '*New products*' not infrequently accompanied by '*new production methods*'.
- 2- A '*given product*' but a '*new production method*'.

New products introduced by the 'creative' mental labor are also the reason why the rate of profit does not fall towards zero in the long run.

There may be those who think that we can evaluate 'creative' mental labor within the scope of 'educated-qualified labor' (L^{qm} or H). Of course it's possible and that's what we see when we examine any mainstream analysis. Introducing the '*creative mental labor*' feature to labor-value theory would do no harm to the essence of theory. In fact, its introduction would make a critical and substantial contribution to economic theory and analysis facilitating qualitatively better analyses, better understanding of the system as a whole as well as improved proposals to solve problems. That is because the new concept '*creative mental labor*' plays a significant role in the formation of prices, long-run profit rate and long-run economic growth. Therefore, it is necessary or even inevitable to distinguish between 'creative' mental labor and qualified labor in economic analysis.

To further advance economic science, we need new theories incorporating 'creative' mental labor in areas such as:

- 1- *Value-price formation,*
- 2- *Long run growth,*
- 3- *Distribution of income, and*
- 4- *Foreign trade.*

That's because, value-price theory is the foundation stone of all economic theories. Therefore, *developing a 'new' value-price theory incorporating technological innovations that are the products of 'creative' mental labor should be considered to be of prime importance.*

Final remarks

We've discussed a critical feature of labor which did not have a place in the analysis of Smith, Ricardo, Marx and the Marxists, namely '**creative' mental labor**. It is difficult for those who do not welcome new ideas, to break away from the traditional or mainstream line of thinking. However:

It's not new thoughts that are difficult; What is difficult is to get rid of old thoughts that are formed with the development of most of us and that take place in every corner of our brain, branching, budding. (Keynes;1973; Preface)

In a similar fashion, Einstein had pointed out how difficult it is for the human brain to escape from traditional thought systems and stated that:

It's harder to break people's prejudices than it is to smash an atom.

Let's finish this article by asking the economists who are open to new ideas with the following question:

Where is the value-price theory incorporating both 'creative mental labor' and 'technological innovations'?

Or growth theory?

Or income distribution theory?

Or foreign trade theory?

RESOURCES

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