

## I: INTRODUCTION

*Sitta von Reden*

The judgement of antiquity about wealth was fundamentally unequivocal and uncomplicated. Wealth was necessary and it was good; it was an absolute requisite for the good life; and on the whole that was all there was to it.

Moses Finley, *The Ancient Economy* (1999)

Archaic and classical Hellas, taken as a whole, was a wealthier place than most historians once imagined. Indeed, late classical Athens (and perhaps other advanced poleis of the fourth century BC) appears to have been among the most prosperous communities of premodernity.

Josiah Ober, *Wealthy Hellas* (2010b).

The opening quotations could not be more different in approach and content. For the Cambridge historian Moses Finley (1912–1986), wealth in the ancient economy was for kings, emperors, aristocrats, and rich landlords to hold and cherish. It was the foundation of what they would have called *eudaimonia*, a good state of mind, which was a social and moral category. In great contrast, the Stanford historian Josiah Ober describes wealth in terms of general standards of living in ancient Greece. The Greek economy produced wealth for many to share.<sup>1</sup> The GDP of Greek cities, had it been calculated, would have been greater than that of many other premodern states. Such a high level of prosperity would not have been achieved without a great number of people caring about profit – neither a good nor bad thing, but a natural human priority. For Finley, wealth was a matter of fact and of the status of social elites. For Ober, it was a collective achievement, and the

<sup>1</sup> In the following, Greek economy always refers to the ancient Greek economy. All dates are BCE, unless stated otherwise. Some exceptions are made for clarification, or if a date sits uneasily next to another number.

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question economic historians needed to answer was how this achievement had become possible.<sup>2</sup>

Moses Finley argued that the ancient Greeks did not have a concept of what we call an economy. *Oikonomia* was household management, a field of knowledge for landowners rich enough to employ a bailiff, control slaves and manage the tasks of the head of a large *oikos* (household). *Oikonomia* was separated conceptually and socially from any manual labour, from monetary trade and from commercial markets. It was driven by concerns about social status and good behaviour rather than productivity and economic profit. A society that produced such a field of knowledge rather than anything comparable to Adam Smith's *Enquiry into the Wealth of Nations* was not concerned with labour as a productive activity, money as a means of exchange, or wealth creation as a collective purpose. The majority of people were small landowners who had just enough to feed themselves and their families. There was therefore not much scope, nor indeed interest, in economic development. The supply of large cities, like Athens, Alexandria, or Rome, was exceptional, based on imperialism and tribute, not on free markets and trade. The ancient economy had little in common with the economies of the modern period.<sup>3</sup>

Josiah Ober states the opposite. In a broad study of democracy and economic growth in ancient Greece, he contends that the difference between pre-modern and modern economies had been overstated.<sup>4</sup> Although probably unintentionally, Greek city states had in fact left sufficient economic data and proxy indices that revealed outstanding economic performance and development from the archaic period onwards.<sup>5</sup> There were good reasons for the economic success of ancient Greece. The internal organization of poleis into bodies of citizens equal before the law encouraged collective decision-making based on large amounts of information and knowledge that circulated publicly. The cooperation and competition of these small to mid-size states in the Aegean as a whole, moreover, encouraged trade and exchange. Along similar lines, Alain Bresson argued that the city-state structure of the ancient Greek world fostered local specialization and interstate exchange, leading to local capital accumulation, investment, and innovation.<sup>6</sup>

<sup>2</sup> See Chapter 27 below and Ober 2010b, 2015b.

<sup>3</sup> Finley's ideas are discussed further by Eich, Chapter 22, and Cuomo, Chapter 26, in this volume.

<sup>4</sup> Ober 2015a. <sup>5</sup> See also Chapter 27 in this volume. <sup>6</sup> Bresson 2016a.

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The discrepancy between the approaches of Finley and Ober/Bresson stands in a long intellectual tradition that has grappled with the question of how the ancient economy compared to that of the present. August Boeck, a classical philologist who pioneered ancient Greek economic history in the early nineteenth century, wrote his *Staatshaushaltung der Athener* (1817, quickly translated into English as *The Public Economy of Athens*, 1827) in light of the emerging capitalist economies of Western nation states and their theoretical reflection in Scottish Enlightenment philosophy.<sup>7</sup> Well into the eighteenth century, economic thought had been locked into a conceptual, social, and moral distinction between agriculture and aristocratic wealth, which were regarded as good, and commerce associated with social outsiders driven by base profit-seeking; this prevented the unbiased perception of production, consumption, and trade as connected processes.<sup>8</sup> It was only in the Scottish Enlightenment (to which Adam Smith belonged) that there developed a unified concept of political economy according to which production, consumption, and exchange were connected through markets. The invisible hand of the market that coordinated supply and demand was the best way of generating general prosperity within national economies.<sup>9</sup> This market model and the underlying principle that humans by nature act in their own, profit-oriented interest henceforth were regarded as universally valid.

However, the universalizing claims of classical economic theory did not meet with blanket approval. In the following decades and centuries, both economists and historians engaged critically with these claims and proposed different analytical frames for pre-modern and non-capitalist economies. Moreover, the increasingly mathematical methodologies that were developed in neo-classical economics from the late nineteenth century onwards raised doubts as to whether ancient societies left sufficient quantitative data to be subjected to the analyses that contemporary economic theory requires.<sup>10</sup>

## THE SCOPE OF THIS VOLUME

The ancient Greek economy is thus a contested field, both in terms of its nature and the methodologies applied to its research. The international

<sup>7</sup> See the following: von Reden 2015; von Reden and Speidel 2019.

<sup>8</sup> Burkhardt, Oexle, and Spahn 1992 for an excellent survey of the intellectual history of economic thought and concepts.

<sup>9</sup> Eich, Chapter 22, in this volume.

<sup>10</sup> See, for further discussion, the chapters in Part V of this volume.

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team of authors of this volume take different views on these issues, but together they represent a broad range of current approaches, methodologies and perspectives. The chapters are grouped into different sections that approach the Greek economy within different temporal, geographical and analytical dimensions. The volume starts with diachronic surveys that focus on developments within and across the periods of Greek history. The second section looks at economies in several significant sub-regions in order to showcase local variation within an economy whose unity has often been questioned. The third section establishes major structures that shaped economic processes and behaviour despite regional variation. The fourth section suggests new ways of looking at economic connectivity beyond the market principle. The chapters of the final section take up the question of development and performance again: which theoretical models are best suited to capture the economic development in ancient Greek economies, which methodologies can be applied to their analysis, and how can we assess what modern economists call economic performance?

## TIME AND SPACE

The first millennium BCE can be regarded as the central period of ancient Greek economic history.<sup>11</sup> Yet this chronological slice is somewhat arbitrary, as it is based on disciplinary conventions that developed long before economic history became part of the academic field of ancient history. Neither the beginning of the Early Iron Age, which made its appearance in different regions of the Mediterranean from about 1200 BCE onwards, nor the victory of the Roman general Octavian over the last Hellenistic queen in 31 BCE, created abrupt economic change. While some violent disruption destroyed the palatial centres in Greece and the Aegean at the beginning of the eleventh century, the disruption did not wipe out local economic structures entirely, and some of these structures continued to influence the ways Greek economies developed after the Early Iron Age (Lemos, Chapter 2). At the other end of the period,

<sup>11</sup> There are good reasons for including the Near East in the Greek economy from the Hellenistic period onwards, if not much earlier (J. G. Manning 2018). Several chapters therefore reach far beyond what might reasonably be called the Mediterranean. Chapters on the Greek economies in the western Mediterranean (as they developed in southern Italy, Sicily, North Africa, Spain, and France as a result of Greek migration) are excluded only for the sake of limiting the size of this volume. The conventional end of the Hellenistic period in 30 BCE is also disputable, as many social, cultural, and economic patterns of the Hellenistic economy extended well into the Roman imperial period; see most recently Chaniotis 2018.

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Roman economic presence in the eastern Mediterranean did not start with the conquest of Egypt but reached back far into the early second century. The economies of the Greek-speaking world were transformed gradually as a result of political change, without transformation being felt to the same extent in each part of that world at the same time. Economies have their own temporal structures. They respond only gradually, and variably, to political change.

The geographical extent of the Greek economy calls equally for clarification. From the archaic period onwards, Greeks settled across the eastern and western Mediterranean as well as along the coasts of the Black Sea. At the beginning of the Hellenistic period, the Macedonian king Alexander conquered the Persian empire, which reached to the Hindu Kush in Central Asia and Egypt in Africa, and intensified links to the maritime spaces of the Red Sea, Persian Gulf, and Indian Ocean.<sup>12</sup> Greek soldiers and civilian immigrants settled in the conquered lands, and the new kings introduced administrative structures, legal infrastructures, and coinages that were recognizably Greek. Yet neither can the economies of the Hellenistic empires nor the economy of the ancient Mediterranean be compared to what we might call the ‘British’ or ‘US’ economies.<sup>13</sup> They did not form a political and economic unit comparable to that of modern nation states. Nevertheless, in the course of the archaic period, the communities that spread across the Mediterranean and the Black Sea developed some common economic patterns (van Wees, Chapter 3), and the newly founded cities and settlements in the Hellenistic period shared some of these patterns as well. The notion of the ‘unity’ of the ancient Greek economy raises a number of problems, but there are good reasons to regard the eastern Mediterranean, Asia Minor and the Black Sea as its central locations.<sup>14</sup>

The effects of the expansion of the Greek economy in the Hellenistic period are more problematic.<sup>15</sup> Arguably, only a thin veneer of Greekness spread across the new imperial regions, many of which broke away from Greek rule in the course of the third and second centuries BCE.<sup>16</sup> The degree to which Greek impact was recognizable in the political cores of the Hellenistic empires in Mesopotamia and Egypt is discussed in Chapters 9 and 10 of this volume. The Mediterranean

<sup>12</sup> J. G. Manning 2018 for the importance of these spaces in the *longue durée*.

<sup>13</sup> For the difference between national and imperial economies, now Haldon 2021.

<sup>14</sup> For the Mediterranean as a distinct ecological and economic space, Horden and Purcell 2000, which has stimulated numerous further studies; for discussion of the approach, W. V. Harris 2005.

<sup>15</sup> Morris, Saller, and Scheidel 2007. <sup>16</sup> Fabian 2019; L. Morris 2019.

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remained the cultural and symbolic homeland of the Hellenistic empires, yet economic centres moved from mainland Greece and the Aegean to the Levantine and Egyptian coasts, where Antioch and Alexandria became important crossroads between the Mediterranean and the Asian and African hinterlands. Several chapters of this volume include the economies of these spaces in the Hellenistic period, yet it should be kept in mind that many local economic structures remained in place in the Hellenistic empires despite their Greek domination.

### DIACHRONIC PERSPECTIVES

The surveys of Part I of the Companion discuss major economic developments in the Greek world from the Early Iron Age to the end of the Hellenistic period. They offer the opportunity to comprehend key economic developments within their social, political, and historical contexts, and how these contexts led to particular dynamics of change. The chapters are divided along the conventional periods of ancient Greek history, which again may need some justification. Poleis, and the political relationships formed by their particular kind of connectivity, dominated Greece and the Aegean from the late eighth century onwards and remained so until the Hellenistic period when new regions and forms of social organization became part of what we may call the Greek economy. While the political organization of the polis remained a strong factor in the Hellenistic period, these poleis were now part of overarching imperial structures. The Greek economies before and after the era of the polis were thus rather different from those of the archaic and classical period and also require a different range of questions and analytical tools. While the interpretation of changing sets of archaeological data is the main challenge in writing the economic history of the Early Iron Age, as Lemos demonstrates in Chapter 2, the principal question raised by the Hellenistic economy is how and to what extent the Greek economies of the Mediterranean benefitted from their greater connection with Asia and Egypt (von Reden, Chapter 5).

The archaic period saw major economic change across the Mediterranean, such as the concentration of wealth among a predatory elite in the late eighth century, the expansion of trade and the rise of a middling class that exercised self-control over its predatory behaviour in the seventh and sixth centuries, and finally, the emergence of coined money and greater local specialization of production and trade at the end of this period (van Wees, Chapter 3). Agrarian and monetary

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systems remained rather unchanged in the classical period, as Mackil points out in Chapter 4. Yet significant demographic growth in the Aegean went in tandem with significant economic changes: trade and specialized local production increased, while at the same time poleis began to control the trade in vital commodities, especially grain, in order to feed their growing populations. As a result of the outstanding silver resources of Athens and the tributary structures of the Delian League, Athenian coinage became the dominant currency in the Aegean, which increased monetization and, as a result of this and increasing trade, credit finance. If we accept the scenario developed by Ober and Scheidel in the final chapter of this volume, the economy of Greek poleis reached the peak of its performance by the end of the classical period.

## REGIONAL PERSPECTIVES

The Mediterranean ecology, with its numerous microclimates and local resources, created specific human responses and economic dynamics. It favoured local specialization and division of labour, yet at the same time encouraged connectivity across the relatively short distances between islands and along the benign Mediterranean coasts.<sup>17</sup> Most economic activity in antiquity took place at either a local or a regional level.<sup>18</sup> Local populations were not fully self-sufficient; nor were their demand and supply structures strong enough to coordinate production and consumption across large imperial spaces. Yet, the question of what constitutes a region – a spatial dimension between the local and imperial – has been much debated.<sup>19</sup> An economic region is not just a geographical entity, although geographical proximity, social neighbourhood, and ecological similarity are likely to have contributed to the formation of economic ties and networks at supra-local levels. Other factors were equally, if not more, important for the formation of economic regions. Most important were political alliances created by diplomacy and contractual agreement, as Mackil discusses in Chapter 24, frequently encouraged by sentiments of ethnic and religious commonalities, which fostered regular interaction and relationships between particular social groups.<sup>20</sup>

The chapters of this section therefore adopt both a geographical and political focus on regionality. The first three contributions deal with economic regions that were part of the Greek world before its expansion

<sup>17</sup> Horden and Purcell 2000; Bresson 2016a. <sup>18</sup> Reger 2011, 368.

<sup>19</sup> Reger 2011 and 2013 on regionalism. <sup>20</sup> Reger 2013.

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into Asia and Egypt. Athens and the Aegean assumed some centrality in the regional interplay of local Greek economies. Asia Minor, northern Greece, and the Black Sea regions, in contrast, were more peripheral from a political (and disciplinary) point of view. Yet they were economically powerful as well. The two chapters on these regions show in what ways their economies played important roles in the Mediterranean, yet at the same time formed specifically local networks of exchange including those with non-Greek continental hinterlands. The other two chapters of this section look at regions under Graeco-Macedonian domination in the Hellenistic period. Both Egypt and Babylonia became part of the Greek fiscal-military regime after the Macedonian conquest, but their economies continued to be influenced by their specific ecological conditions and social organization. Large tracks of land were under the control of temples and kings rather than being held as private property by independent farmers. These chapters therefore have the particular purpose of showing the transformation of non-Greek economies in regional contexts, when Greek economic practices met with local social and ecological systems not typical of the Greek world.

### ECONOMIC STRUCTURES AND PROCESSES

Structures are the anatomy of an economy. If we want to understand economic change, we need to understand the structures within which change unfolds. Typically, economic structures are understood in terms of the institutions and practices that shape consumption, production, and distribution.<sup>21</sup> Consumption, production, and distribution are constrained by demographic conditions and by fiscal extraction that takes away some of the economic surplus. Conversely, changes in population, settlement, and demographic structure are good indices of economic change. Forms of taxation influence people's economic behaviour as well as the relative power of private (non-state) and state economic activity.

Part III thus starts with a discussion of demography and ends with taxation, framing chapters on an economy's most central purposes: satisfying consumption through production and distribution. The vast majority of people in antiquity were concerned with the consumption and provision of food and other nutrients (Wilkins, Chapter 12). Grain was the most important staple, and ancient states made great efforts to

<sup>21</sup> Morris, Saller, and Scheidel 2007.



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ease trade when grain was in short supply locally. In most poleis, agriculture was the dominant productive activity (Jew, Chapter 13; Athens may have been an exception, as Fachard and Bresson argue in Chapter 8). Non-agricultural activities were usually subordinate to the food sector, but this does not make the non-agrarian economy a subordinate topic of ancient economic history (Jew, Chapter 14). While it may be debatable which economic activity drove economic change in antiquity, it is uncontroversial that manufacture and the consumption of non-agricultural products were the most important stimulants of market exchange. Bresson (Chapter 15) and Schaps (Chapter 16) discuss the nature of markets and money in the Greek economy, their scope and limitations, as well as their key role for the connectivity of the Mediterranean and beyond. Harter-Uibopuu in Chapter 17 asks in what ways economic exchange could benefit from a legal infrastructure capable of effective conflict resolution.

## NETWORKS

The development of regional and interregional economic relationships and exchange is dependent not just on geographical proximity and political connections but also on social and religious ties that develop quite independently of geography and politics. A socio-economic network is a web of relationships that does not require a state or any other political organization to develop. Networks emerge from regular social interaction, common religious practices, sentiments of kinship, and any other kind of interaction including regular economic exchange; they might connect social groups and populations over large distances.<sup>22</sup> Network approaches to interaction and exchange have been quite popular in recent research, as they bring into focus the multiple layers and interests involved in relationships of exchange.<sup>23</sup> In economic archaeology, they were introduced in order to describe the movement of goods and people without prejudicing the motivations and mechanism of such movements.<sup>24</sup> Yet as Gabrielsen shows in Chapter 21, network relationships, even if predominantly social, are likely to stimulate commercial exchange and markets, as they create social environments of trust and

<sup>22</sup> Network approaches in ancient history are discussed and explored in Malkin, Constantakopoulou, and Panagopoulou 2007a; Malkin, Constantakopoulou, and Panagopoulou 2007b; Malkin 2011; and Taylor and Vlassopoulos 2015.

<sup>23</sup> Malkin, Constantakopoulou, and Panagopoulou 2007b.

<sup>24</sup> Knappett 2013; Leidwanger and Knappett 2018; Brosseder 2015; see also Chapter 20 for various methodological directions.

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fairness where formal law fails to protect the interests of the exchanging partners.<sup>25</sup>

The three chapters in this section adopt qualitative network approaches rather than formal network analysis. In Greek antiquity, *koinonai* (associations of various kinds) were social and religious organizations that fulfilled important economic network functions but expressed their commonalities in very specific ways. Chankowski in Chapter 19 and Gabrielsen in Chapter 21 focus on religious and social networks that were based on presumed kinship, ethnicity, common mythical pasts, or common cults. Van Alfen (Chapter 20) reconstructs networks through numismatic evidence. He explores the scale and direction of Greek monetary networks, the agents that formed their nodes, and the range of transactions that linked the nodes. As van Alfen demonstrates, coins represent particularly complex and variable network relationships. They could be created intentionally by coin issuers that aimed to forge particular alliances. Alternatively, individual coins represent the traces that individual coin users left of their monetary transactions, that is, the links that formed in the course of various economic and social practices. Network perspectives offer new methodologies for analysing new bodies of evidence and are likely to offer great opportunities for research in the future.

## PERFORMANCE

Ancient economic performance and its constraints are crucial questions for comparative historical analyses. How effectively did the institutions and structures of the ancient economy fulfil their main purpose, which may be regarded as lying in satisfying and increasing general standards of living (see Ober in the opening quotation of this chapter)? Yet establishing relevant indices and data for demonstrating economic growth in ancient societies is problematic, and the methodologies that have been offered as a substitute for the lack of data are by no means uncontroversial. In the absence of sufficient amounts of data by means of which economic growth can be assessed, arguments tend to start from the growth of particular institutions, especially markets and the circulation of coined money, that are likely to have stimulated growth. The debates over these questions go back to an important controversy that developed from Moses Finley's provocative argument about the

<sup>25</sup> See also Terpstra 2019.