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## INTRODUCTION

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This book has a hero: not Achilles or Pericles, but the exceptional economic growth that took place in the ancient Greek world in the Archaic, Classical, and Hellenistic periods. But why this focus on growth? Is there any legitimacy in studying growth in a traditional society? And what if the worlds of the past were worlds of no-growth—and even showed no interest in growth? Wouldn't this emphasis on growth correspond to a form of obsession characteristic of our modern world, where it is the be-all and end-all of every economic policy? And ultimately, was there any economic growth at all in the ancient Greek world?

The unfortunately still common cliché that there was no “interest in growth” in the ancient world and other societies of the past, and thus that for this reason it would be illegitimate to apply the concept of growth to these periods, is doubly misleading. First, it is not correct to imagine that in the past people were unable to observe phases of prosperity or wealth shrinkage, and that they could not have aimed at increasing their individual or collective riches. Second, and above all, growth is an abstract construct, and thus it stands to reason that before the recent development of economic analysis it was impossible to reason in terms of growth.

But in turn this leads us to an even more fundamental objection, which is that of the legitimacy of applying modern concepts (in this case, economic concepts) to societies of the past. Here again the answer is easy. Growth is an objective process in the sense that it can be independently measured. How many people were there? What was their standard of living? Did the population and the standard of living increase, stagnate, or decline? Were the evolutions of population level and standard of living parallel or did they move in opposite directions? Insofar as growth can be objectively measured—although this is an especially difficult task for societies where archives have disappeared and only proxies can be used—it is perfectly legitimate to analyze growth and processes of growth for any society of the past. In any case, the difficulty of measurement cannot be a pretext for refusing to face up to growth as the central issue of economic history.

The focus on growth as the goal of economic-historical analysis is thus central to this book. At the outset, it should be observed that, in economic terms, growth can be positive, negative, or null (which invalidates the argument of the alleged “obsession with growth” on the part of economists and economic historians). Periods of negative growth—that is to say, in more ordinary terms, periods of decline

or brutal collapse of the quantity of goods available—are of course also part of the investigation. Therefore, saying that the Greek world enjoyed a period of economic growth in the Archaic, Classical, and Hellenistic periods is in fact a shortcut for saying that it had “positive economic growth.” Above all, thinking in terms of growth also entails thinking in terms of factors of growth: labor, capital, and technology. By adopting this perspective, the economic historian benefits from the wide array of tools, concepts, and hypotheses that have been made available by what is conventionally called economic science, from the works of the founding fathers (Smith, Ricardo, Marx, Keynes) to the most recent research, hypotheses—and controversies.

Bringing to light and analyzing the exceptional (positive) growth experienced in the ancient Greek world is the first task of this book. In doing so, it directly contradicts the previous orthodoxy, which, while granting that there was some limited demographic growth, described ancient Greece as a no-growth society. Domestic self-sufficiency, a negligible foreign trade except in luxury goods for the elite, a lack of economic initiative and technological stagnation, and finally an absence of per capita economic growth are supposed to have been the main characteristics of the ancient Greek economy. This book shows quite the opposite: that complete domestic self-sufficiency is a pure myth; that foreign trade was fundamental and concerned not only luxury goods but, at an unprecedented level, basic consumer goods for the mass of the population; that in the long term technological innovation was remarkable and could result in a reallocation of the workforce; that there was per capita growth, at a level unprecedented before the early modern period. This does not (in any way whatsoever) make the ancient Greek economy a “modern” economy. But cataloguing what it lacked or “missed” as compared to a modern society would be nonsensical. Instead, we should emphasize that Greece experienced a process of growth that found no parallel in other cultures of that time. “Wealthy Hellas,” as Josiah Ober has put it, is thus an appropriate definition for Greece in this period.<sup>1</sup>

But measuring growth is only one side of the economic historian’s task. The other side consists in investigating the institutional developments that made it possible to reach a certain level of labor supply, capital accumulation, and technological knowledge. Rendering the complexity of these evolutions is the key to making sense of the process of growth. This is why, for Greece, this book is also about the ecological milieu and the natural resources that were available, or not available; about demography and the specific demographic and social structures that conditioned the labor supply; about patterns of consumption; and no less about the global political and legal framework than about the specific institutions organizing economic life. Of course, social constructs and antagonisms are also a significant part of the picture. Showing how growth was perfectly possible “in a traditional society,” as Philip Hoffman has already proved in the case of early modern France, is a fundamental aspect of this research.<sup>2</sup>

At the end of the nineteenth century or in the first half of the twentieth century, many books aimed at providing general syntheses on the economy of the Greek

world.<sup>3</sup> However, for good or less good reasons, they were severely criticized for their lack of conceptualization. The following generation of historians took a different stand. The only possible method for analyzing ancient economic history was seemingly to take a structural and sociopolitical standpoint. The excellent book by Michael M. Austin and Pierre Vidal-Naquet, *The Economic and Social History of Ancient Greece* (1977), which set its stamp on several generations of students and scholars, remains emblematic of this way of seeing things.

Times have changed, and so has the outlook for studies in this area. First, it must be emphasized that our knowledge has greatly increased in recent years. Archeologists, epigraphists, papyrologists, and numismatists have pursued their work. All too often the result is of benefit only to small groups of specialists. This book seeks to introduce as much new evidence as possible (especially from archaeology) into economic debate. This new information often helps to blow up old orthodoxies. At the same time, aided by changes brought about by the study of sources, there has been a conceptual revolution. Today, despite some lingering resistance here and there, analyzing the economic growth, technological progress, population increase, and money supply of the ancient world are no longer the taboo subjects they were until recently. It is now increasingly acknowledged that the economy of the ancient Greek world is a topic worthy of attention for its own sake, which of course, does not mean, as we noted earlier, that the economic should be dissociated and separated from the social, political, or even religious constructs. Besides, this holds for all societies, and not only for those too easily qualified as “preindustrial” or “precapitalist,” as if our world provided the standard for measuring everything else. However that may be, it is increasingly clear that just as there is, for example, a logic peculiar to politics and religion that justifies studying them using a specific methodology, there is also a logic of the economy that fully merits a specific approach. In this perspective, ancient economic history is no longer an exception. Analyzing the economy of ancient Greece in terms of growth, and thus in specifically economic terms, is also a way of reintegrating its study into the general field of economic history.

This book differs in part from the classic works on ancient history. Naturally, the analysis constantly relies on sources (unless otherwise noted, the translations of the ancient texts are my own). But this book also reserves an important role for overall hypotheses. It aims at presenting the foundations on which our knowledge of the economy of ancient Greece is currently constructed, takes stock of a few major historiographical debates, and provides an introduction to methods of study that combine traditional tools for analyzing sources in ancient history with contemporary perspectives on economic research. Readers will profit more from it if they have some sense of the economic approach in general, but they do not need to have a technical knowledge of this domain. They should also know that they will not find here a purely descriptive economic history of ancient Greece, with minute regional and chronological developments. This study makes no claim to be exhaustive—limits of length would in any case render that impossible—or to provide a

*sum* of the current state of our knowledge in this domain. Its goal is rather to provide a thematic analysis of the economic structures of the ancient Greek world.

This book focuses on the period from the last century of the Archaic period (the sixth century BCE) to the end of the Hellenistic period (in fact, the end of the first century BCE), which saw the maximal economic expansion (and the beginning of the decline) of the Greek world. However, the starting point of the investigation lies at the end of the second millennium BCE, with the collapse of the Bronze Age societies. In this period, Greece experienced the creation of a new form of political organization, the *polis*, or city-state, which proved fundamental for the later phase of economic expansion. The geographical frame of reference is Aegean Greece and the western coast of Asia Minor, but the relevant context sometimes extends to the whole of the Mediterranean.<sup>4</sup> Indeed, in that they play such an important role in the economic development of the Hellenic world as a whole, the peripheral regions of the Mediterranean colonized by the Greeks cannot be ignored, even though they are not analyzed for their own sakes. The same goes for the kingdoms that resulted from Alexander's conquests.

Because of the debates to which the economy of the world of antiquity in general has given rise, the work begins with a chapter on historiography and method. The first part of the book is devoted to structures and production. It presents the factors determining the basis of the economy of the Greece of the city-states and production data. The ecological framework of Greece is probably vaguely familiar to most readers, but its real economic implications are less well-known. As for the demographic structures of ancient Greece, this book argues that in terms of labor supply, they gave its economy forms of flexibility unknown to many other societies of the past. In terms of energy, the ancient Greek world benefited from an indefinitely renewable source of energy: wind. But it could use that resource for maritime transport only because it also developed shipbuilding technology to an unprecedented level. The question of the "failure of the Greek steam engine" is given an answer that sharply differs from the usual one, which attributes this failure to the lack of interest in technology that was long supposed to be characteristic of the ancient Greek world. An analysis of the city-state in ancient Greece shows that it was a major factor in economic development, insofar as it provided the basic framework for the appropriation of the land and also of the workforce (in the form of slaves). The main sectors of production are analyzed in detail: agriculture, of course (with animal husbandry and fishing), but also craftsmanship, with special attention to textiles. It was long a commonplace that the ancient world experienced no technological innovation. On the contrary, in accord with the most recent research on the topic, this book insists on innovation—political innovation, but also technological innovation—as one of the key sources of growth in ancient Greece.

The second part of this book takes up the question of trade and markets. What was the "nature of the economy" of ancient Greece? Was it a "market economy" or not? The debate on the economy of the Greece of the city-states is often couched in these terms. This book takes a pragmatic approach to answering this question.

Private property (including the workforce) was guaranteed by the existence of the city-state, which provided its foundation. The main trait of the system was that all citizens and free people in general were allowed to dispose of the great majority of what they produced as they saw fit. That was an important difference with respect to the kingdoms of the Near East, where tribute in kind remained a fundamental source of income for states and where the proportion of the economic activity that states could channel to their benefits was larger than in Greece. In the Greek city-states, free men controlled their units of production. They could trade with their counterparts in the framework of their city-state or, under certain conditions that were defined collectively, with partners outside their city of origin. For this reason, in the Greek world commercial exchange (not tribute in kind) played a decisive role in the circulation of goods. New institutions played a major role in these transformations. Coinage, which began around 650 BCE and developed very rapidly at the end of the Archaic period, provided a powerful accelerator for transactions. New laws and administrative procedures were developed, organized around the two sites for trade: the agora for internal commerce, and the *emporion* for foreign trade. Up to now, the attention of economic historians has been focused on the city-state. The goal of this book is to shift the attention toward the economic logic of the “society of the city-states.” Interactions between various regions and interregional networks covering the whole Mediterranean are crucial to making sense of the growth of the Greek world for the supply of foodstuff, raw material, and labor. Finally, drawing on game theory, the book investigates the limits of growth in the ancient Greek world.

Every book has a history. This one is transcontinental. The first version was published in French. This American edition is fundamentally an English version of the first edition, and for this I owe an immense gratitude to Steven Rendall, who has not only provided a wonderful translation but also made many useful suggestions. But in addition, although the core of the argument has not been changed, many modifications have been introduced into the original text wherever it has seemed necessary. These modifications may affect a few words or a few sentences. Sometimes, however, whole paragraphs have been written anew. This was done to correct inaccuracies or on several topics to introduce the inevitable modifications of my own views over the years. No less importantly, I have also had to take into account the considerable developments in research that have taken place since 2007. This has raised a dilemma. It soon proved impossible, and would not have made sense, to systematically incorporate all this new literature. I decided to make use only of new research that could be directly connected to the text as it stood. The opposite decision would have meant writing another book, or perhaps several others. As such, however, the list of literature quoted in the notes is already 50 percent longer than in the original edition. The list of references remains more multilingual than in similar English or American publications. But, in accordance with the new audience of the book, this edition has many more English titles than the original text. For the reasons mentioned earlier, it also goes without saying that this edition completely replaces the first one.

Much of what is published here was first presented to my graduate students at the University of Bordeaux 3, to my students at the University of Chicago in spring 2005, and again to my students in Chicago after January 2008 during the updating and revision process. They constantly asked pertinent and challenging questions and also obliged me to modify a number of my views or reformulate them in order to make them more easily comprehensible. I would like to express my deep thanks to Maurice Sartre, who urged me to undertake this adventure, and to the friends and colleagues who have provided references or made useful suggestions—in particular, Pascal Arnaud, Jean-Pierre Bost, Marie-Françoise Boussac, Patrice Brun, François de Callataÿ, Laurence Cavalier, Véronique Chankowski, Pierre Debord, Claude Domergue, Panagiotis Doukellis, Gérard Finkielsztein, Christophe Flament, Jérôme France, Vincent Gabrielsen, Yvon Garlan, Edward Harris, Bruno Helly, Thomas Keith, François Kirbihler, Denis Knœpfler, Barbara Kowalzig, Elio Lo Cascio, John Ma, Joseph Manning, Alexandre Marcinkowski, Emanuel Mayer, Lina Mendoni, Stephen Mitchell, Claudia Moatti, Christel Müller, Josiah Ober, Graham Oliver, Christophe Pébarthe, Karl Gunnar Persson, Olivier Picard, Nathalie Prévost, Selini Psoma, Gary Reger, Pierre Rouillard, Richard Saller, and Ronald Stroud. The list might be longer, and I apologize in advance to colleagues and friends whose names do not appear here. But I cannot fail to mention my Chicago colleagues, especially Clifford Ando, Jonathan Hall, Cameron Hawkins, Brian Muhs, David Schloen, François Velde, and Glen Weyl, for the stimulating conversations I have had with them in recent years on economic topics. In Bordeaux, Nathalie Pexoto helped with the maps and Stéphanie Vincent made available all her competence in dealing with graphics. I thank both of them, as well as the librarians of the Institut Ausonius and the Bibliothèque Universitaire in Bordeaux, and those of the Sorbonne, the Institut Louis Gernet, and the École Normale Supérieure in Paris. On the American side, I owe an immense debt of gratitude to the Regenstein Library in Chicago and especially to its Classics librarian Catherine Mardikes. I also thank the Princeton University Press team and Rob Tempio for their help with the final form given to the manuscript. I am very grateful to the University of Chicago and to Martha Roth, the dean of the Humanities Division, who has allowed me to use my research credit to help defray the cost of the translation of this book. This book is published with support from the French Ministry for Culture—National Book Center. Finally, I would like to express my special gratitude to the “Cestas clan,” Michèle, François, Julie, and Frédéric, for their invaluable help and unflagging support during the period when I was preparing and writing this book, both in its original version and its new English edition.

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