THE ANCIENT GREEKS

In the empires of ancient Greece and Rome, there were few economic problems to think about.

This was convenient because no one had to work out what wages to pay or what prices to charge. These are two basic economic problems.

Money was used only by government officials and the rich.

Aristotle, who lived in the fourth century before Christ, said that slaves, like tame animals and other inferiors, were better off under a master who only needed to feed them. In return, the slaves provided labour.

By Aristotle's time, coins were in use as a means of exchange. He said this should be their only use.

Making money by lending it and charging interest is abhorrent!

The question about whether an economy should be organised on the basis of self-interest or socialism was also considered by Greek philosophers.

Plato (428-348 BC) believed that the guardians of the state (i.e. politicians) should have no property beyond the bare essentials and a small income.

Plato said that if the guardians did own property, they would be more concerned about making money and adding to their property than about guiding the citizens.

On the other hand, Aristotle was on the side of property and self-interest —

What pleasure we get from owning things! This desire is what we need to develop a rich economy!
PRIVATE PROPERTY

The Romans apparently had very little to say about the economy. They contributed very little to what we think about economics today — except for one thing...

They placed a lot of importance in agriculture because it enabled states to be self-sufficient.

Self-sufficiency was important at a time when states were frequently at war in an expanding empire.

The Romans also questioned the virtues of slavery, some thought people without hope worked without incentive.

Most communities had always believed in the idea of private property (tools, weapons and even people), but the Romans formalised these thoughts into law.

Their main contribution to economic thought was that they made legal the rights of citizens to enjoy their own private property.

Write that down...

The ideas about private property have ever since been argued. It's mine!

The conservative thinkers argue in favour of the rights of private property. Those on the socialist side argue for the rights of public interest.

It's in the public interest for it to be privately owned — by me.

When Christianity began, the main social attitude to come out of it was equality for all. Poverty was seen as a virtue.

For the next 2000 years, people rationalised this belief so that they could accumulate wealth and private property.

Praise the Lord!

By the time of the Renaissance it was believed the wealthy could have access to heaven. In fact, money paid to the Church of Rome could buy the purchaser a place in heaven! Fortunately, Martin Luther and the Reformation changed these attitudes.

DABILL PUBLICATIONS © TIM CATTLE
WHAT IS ECONOMICS?

Economics is the study of how we choose to use scarce resources in order to satisfy our wants.

We say something is scarce when we don't have as much of it as we would like.

A resource is anything that can be used to produce things we want.

Read pages 2 and 3 of the illustrated text and answer the following:

1. During the times of the ancient Greeks and Romans the main resources were land and labour.
   Were these resources scarce in those times?

2. Why (or why not) were they scarce?

3. What was the main industry of the Greeks and Romans?

4. Why was so much importance placed on this industry?

5. Is the reason for its importance the same these days?

6. To what extent was money used by the Ancient Greeks?

7. What was their attitude towards lending it?

8. Was Plato a socialist or a capitalist?

9. What attitude did Aristotle have towards organising an economy?

10. Why did the Romans question the virtues of slavery? (The main 'virtue' was that the wages bill was zero!)

11. What attitude did the Romans have towards private property?

12. What differences in attitude did the conservative and socialist thinkers have towards private property?

13. What attitude prevailed for the next 2000 years?

14. To what extent did the importance of wealth play during the Renaissance?