

Chapter I. Praeter-Economics: Wealth procurement by violence

Men are dependent upon their environment with regard to oxygen, water, and nutrition. They take oxygen and water as unanimated inputs from the air, rivers, lakes, or wells and nutrition by tearing plants from the ground or by killing animals as positive inputs for their bodies. Furthermore, their conditions demand to protect themselves against certain damaging influences, such as cold, rain, wind etc., e.g., with housing. This dependency of men from its environment cannot be stressed enough. Human needs dictate what men have to do and they have the greatest impact in their motivational system. These needs work by inducing humans to try to procure what they physically need in the first place, but also to avoid such objects being taken away from them again, e.g., as taxes, tribute payments, or other expropriations. Humans also depend on nature insofar as they suffer greatly from physical damage done to their bodies, through injuries, or from restrictions of their freedom of movement, e.g., by being imprisoned. Narrative desires of humans are also of great impact in their motivational systems.

At some stage of science and technology, in the neolithic, humans organized their nutrition in farming, agriculture, forced domestication, breeding, and the pasturing of animals. Men basically knew that they were part of the same species as other men, but this awareness never prevented them from taking away from other men which they had previously procured from nature. They generally discovered that it was possible to apply the idea of farming and domesticating to other humans too, and, for instance, to farm slaves in plantations in Sicily or, much later, in the South of the US and Spanish and French colonies, or to subjugate tribes and countries in order to draw tributes from them. This enabled them to also appropriate what other men could appropriate from nature in the future, not only on an ad hoc basis but in a lasting and systematic manner. If they felt the need to justify this, as they occasionally did, they found good reasons in the differences of physical appearance (race), the respective degree of civilization (barbarians), in religious or other beliefs, or in terms of a form of political organization.

The economic system comprises emergent operations based on the attribution of emergent qualities, such as ascribing property to both things around humans

and humans themselves. The acceptance of property within a state is normally connected to the monopoly of state power and to the law, which keeps citizens from robbing and subjugating each other domestically. Quitting robbing and subjugation between tribes and states is a different episode. It is normally connected to a balance of military or political power or the international community reaching a certain level of civilization (acting for the time as if they were all operating within one state). Wealth procurement by violence takes place outside of what we shall get to know as the economic system, and it is not the subject of economics. However, we cannot deny that pre-economic and praeter-economic wealth procurement, the dark way of wealth procurement, from the ancient profit economies in Greece, Rome, and China through to colonialism and imperialism, always was *the grand alternative* to wealth procurement by exchange and was even the preferred method in many regards. In fact, simply taking riches away from their neighbors by force and threats, or getting them to work at no or at an unfair remuneration, was *the more plausible thing to do* in the eyes of the world's elites and upper classes for most of history. It came a good deal before commerce. Here we also meet a strong reason why we should not fall too deeply in love with the lower classes: After they lost their economic and social battles, and their land was bequeathed to their domestic upper classes, they were just too willing to ally with their conquerors and to jointly with them turn around to rob their neighbors. Violent wealth procurement was, thus, from Roman legions to the Nazis, typically a semi-socialist camaraderie, which the upper and lower classes joined in on. Warring, robbing, and subjugation were always partially meant to appease the participating lower classes and was quite successful in this regard, at least for a time. Humanity deserves no better than having to remember this past. We cannot even be sure that procuring wealth or profits by violence is a closed chapter of human history. The prevailing of democracy in most of the world's important advanced countries is certainly *no* sufficient reason here. Think of ancient Athens: While it was celebrated for its early democracy, the ekklesia (people's assembly) on the Pnyx was always as quick as any tyrant (if not quicker) in its demanding and applauding acts of aggressive warfare and economic violence against neighbors.

Marxist and some radical anthropologists, e.g., *Stanley Diamond*, argue that humans robbing and subjugating other humans was not a feature of the earliest times of primitive society,¹ but only arose with civilization, proto-states² and the state. We can leave this issue open – we at least know quite reliably from art, archaeological findings, e.g., of the Shang and Ch'ou dynasties or of Minoan and Mycenae Greece, and historic writers that warfare was *by those times* a fully legitimate means (more exciting than production) by which to procure riches. During higher education, most

1 See *Kuczynski* (1951, pages 17, 20 and 33 et seqs.), who distinguishes between savagery (Wildheit) and barbarism (Barbarei).

2 *Diamond* (1971) pages 42–72.

German college students in their middle teens, at the so-called Gymnasiums, used to read *Gaius Julius Caesar's* book *De bello Gallico* (in Latin). The general picture it conveyed was that there were different tribes in and around today's France (Caesar also made trips to *Britannia* across the channel and *Germania* across the Rhine) that had different cultures and traditions, some likeable, others less so (by reason of human sacrifice in some tribes). As Caesar attacked them, they passionately defended their "liberty" against having to pay tribute or to render services to the Romans. Some charismatic leaders would emerge, stir up uproar, form an alliance with other tribes, and would organize their fight jointly. There are passages in Caesar's *De bello Gallico*, in which this all sounds very much like a harbinger of national liberation fights or of anti-colonial fights witnessed two thousand years later. However, the French tribes' desire to remain free, as in later national liberation fights, was only half the story. "Liberty", as it was understood both then and thereafter, almost always had the remarkable dialectical property that once a tribe or country had liberated itself, *it would go on the offense and try to do unto others that which had been done to itself previously*. Liberation from an oppressor would not lead to a stable, oppression-free symmetrical structure, but would only turn things upside down. Its ultimate idea was to become the new *dominus* over the former subjugator. A certain honesty prevailed. The new oppressors would often understand the loser's hatred and the legitimacy of its future rebellions and their fight for *their* liberty. The French tribes who fought Caesar never got that far, but the Spanish *Reconquista* was the beginning of the Spanish *Conquista*. The best way to be free was to become the master of somebody else.

In antiquity, thus, and for a long time thereafter, robbing and conquest were the *primary, preferred, and most noble means by which to generate wealth*. "In heroic societies", David Graeber writes, "the role of violence is not hidden – it's glorified".³ The sons of noble gentries were educated in fighting since childhood; their juvenile desires were directed towards both hunting and warfare. They were trained in fencing with wooden sticks and horse riding, and prided themselves on their fine bronze, iron, or steel weapons and helmets that they had received as birthday gifts. Weaponry is amongst the exhibits most commonly displayed in the world's archaeological and historical museums, often crafted for representative purpose much more than for actual warfare. There was also no doubt that robbing humans and enslaving them was absolutely honorable – "In the Iliad", to hear from *David Graeber* again, "Achilles sees nothing shameful in his relation with his slave-girl Briseis, whose husband and brothers he killed".⁴ On the contrary, the alternatives – work on fields or the not particularly relevant handicrafts and peaceful trades – were mostly despised. Women,

3 *Graeber* (2011) page 209.

4 *Graeber* (2011) page 209. Agamemnon, by the way, killed the husband of his first wife (Clytemnestra) and she would, as is well known, take bitter revenge after his return from Troy.

as the great military historian *Martin van Creveld* has said, may not like war, but they loved warriors (this was as true then as it is today).⁵ The most glamorous careers for sons of a robber-state's elite were connected to finding new victims for robberies; they were "start-up" or "new economy"-ventures in violent wealth procurement. The more bureaucratic or corporate careers of the time⁶ involved crushing rebellions and leading punishment campaigns, or, at the very least, overseeing and administering tribute payments; in this job, if you diverted some more into your own pockets than officially confessed, that was often accepted as well.

Marx, like others before him, distinguished a part of the produce, which was required to reproduce the immediate producers, and a surplus part that could be taken away without killing or severely hurting them. This idea could, first, be applied at an individual level. It meant that a good hunter, fisher, or gatherer would create more than he needed to individually sustain himself. Weaker members of the community, children, pregnant women, the elderly, the ill, and the incapacitated, would then be forgotten. However, this concept also makes sense if applied to the social level and involves asking whether a tribe's actively working population or community, after supporting their weaker members, still had an *excess* or *surplus produce* left over. If so, this surplus could be used in different ways: It could be destroyed, allowed to rot, sacrificed to gods, consumed in orgies, or put in storehouses as reserves. Alternatively, this surplus produce could also be appropriated by a domestic ruling elite or class, which, became the most commonly favored historic response. Finally, the surplus could be appropriated by a foreign might in the place of a domestic ruling class. In Marx, the implication was that only such progress of productive forces, which had enabled surplus generation, would enable others to appropriate riches or the work of others in exploitation and on a *regular basis* (and without killing the producers). That was a fine idea in principle. However, who was going to make sure that the oppressors observe the fine line between necessary produce and surplus produce and *not* to kill but to only exploit their victims on a "sustainable" basis?

5 The idea is clear in *van Creveld* (2001) page 38. I did not find the quote that I remember. Perhaps van Creveld made the comment only orally in a speech at a conference in Heidelberg in 2008 on the work of Panajotis Kondylis, which I attended.

6 Sombart observes "Der Raubhandel ist der Zwillingbruder des Raubes. Er besteht darin, daß (meistens berufsmäßig) Waren verkauft werden, die von den Verkäufern weder produziert noch gekauft, sondern durch Gewalt erworben worden sind." (1902, volume 1, page 163). According to Sombart, the "natural man" even prefers this, "... dass der Erwerb der als Verkaufsobjekt dienenden Waren nicht auf dem Wege eines freihändigen Kaufs zu erfolgen habe, sondern thunlichst durch entgeltlose oder entgelt niedrige Wegnahme der Waren. Ebenso wie aller Kolonialhandel noch heute zum großen Teil einseitiger Handel geblieben ist, d. h. Verkauf von Erzeugnissen anderer, die man auf dem Wege der Ausplünderung diesen abgenommen hat." (1902, volume 1, page 164).

Nevertheless, if there is surplus production, then this certainly makes for a better and possibly more long-lasting series of robberies and for better subjugation. A great step forward was discovered in the Neolithic Age. Its settlements, farming, and breeding (which substituted hunting and gathering) and which is normally dated between 10,000 and 8,000 BC, pushed productive forces, thereby allowing for a more sizable surplus and, thus, enabled robber-oppressors to build surplus-appropriation systems and empires on this basis. The late Neolithic Age roughly coincided with proto-state and state formation and most or all proto states or states started to attack and rob their neighbors systematically at this time.

The violent procurement of goods, even if it takes place outside of what we consider the “economy”, can still be analyzed with the business-tools of profit-and-loss-accounting. The “asset” of a subjugated tribe or country has initial acquisition costs, which come in both money and in kind (sacrificed human lives and body-parts) be it from the ruling nobility or from lower classes and even from unfree humans. Furthermore, after the original acquisition of the asset, after victory, there are multiple ongoing operational costs of running the asset and collecting the revenues. The production of things by subjugated populations and carrying the produce to a hundred or thousand miles away homeland is a burdensome task. Unfortunately, if oppressed populations have to work for an oppressor, they are not really very good workers. The motivation of the workers to toil for a foreign upper class is even lower than it was when the produce was for the domestic upper classes and plantations slaves, e.g., in Roman-era Sicily, French Guadeloupe or in the US’ south, can only be given primitive tools – as better tools would be mistreated and destroyed. The workers also need overseers, other cost-inducing surveillance personnel, and a good deal of policing – a military must remain on standby in the case of upheavals. Furthermore, the distance from the subjugator’s population to the homeland requires transportation and communications lines, e.g., roads and ports, which have to be constructed, maintained and defended. Of course, somebody also has to physically carry out the transportation, preferably the oppressed themselves, which they will only do as reluctantly as anything else (and will require further overseers, policing and military reserves on these lines of communication). All this has to take place in an overall disadvantageous medium of hatred, resistance, sabotage, and occasional violent rebellion. Thus, for any material gain in terms of wealth to arrive happily in Rome, a manifold of this gain may have had to be produced in Sicily, with only a small net operating profit outweighing the asset’s original “acquisition costs” and allowing for a positive internal rate of return. So far, our “business-look” on how capital has to operate in the realm of violent wealth procurement has still ignored the most important cost-block of modern venture capital, the costs of the 90 % of the ventures that fail altogether and never make any money: Military campaigns to acquire the asset of control over a subjugated population may and will occasionally be lost. The cost

of these ventures with a pure negative return must obviously be set off against the profits from more successful ones.

All this sounds very discouraging for the considered ventures of violent wealth procurement. But if this so, then why did the states of antiquity and beyond so frequently engage in such ventures? The suspicion arises that apart from the upper classes being desirous of occasionally profiting from violent wealth procurement, and apart from those upper-class members who were running the show expecting particular high profits, the ventures served as an “employment policy” for the lower classes from the very outset. In fact, every grain of wheat, which was extracted from the oppressed populations, and which did not make its way to the storehouses of the Roman nobility at the Tiber, fed the hundred thousand of Roman legionaries, administrators, coachmen, sailors etc. who were part of the gigantic project apparatus. Ventures in violent wealth procurement, in other words, were solid and large-scale means to externalize the costs of prosthetics for lower classes. In addition, states, of course, had to consider that if they did not throw such ventures against their neighbors, their neighbors might throw them against themselves. After this examination of violent wealth procurement as a praeter-economic way by which to procure wealth, which always remains an alternative option, we will now move on to the economic method itself.