

were strong institutions that shared an anti-M–C–M'-bias, e.g., churches, convents, and universities. The feudal structures, through which feudal lords appropriated surpluses of the work of dependent peasants,⁹ often, indeed, involved a seriously meant personal bond; this was very different from the relationship between masters and slaves in slavery or between capitalists and workers in capitalism. It accentuated the self-interest that feudal lords had in a certain well-being of “their” dependent peasants.¹⁰

Of course, religions, which had all emerged as anti-debt-movements in the “Axial Age”, not only massively suppressed the development of money and profit economies, but they also depressed scientific, technological, and societal progress.¹¹ Stagnation reigned throughout the Middle Ages. This only changed when dynamical capitalism re-emerged alongside the Renaissance and Reformation. After all, it can be argued that it was not in the allegedly “dark” European Middle Ages that peasants suffered the most, but before the Middle Ages or afterwards, e.g., when large peasants’ upheavals and peasants’ wars, such as the great German peasants’ wars, took place between 1524–1526, when an estimated 70,000 were killed. (This number of dead will appear ridiculously low compared to the millions of dead in Chinese peasant rebellions and wars, which we shall encounter later).

Section 3. The master drama of ancient capitalism: Land for peasants

Agriculture and small peasants’ land ownership

Today’s intellectuals tend to underestimate agriculture, but agriculture, and land, meant everything for more than 90 % of human history for almost 100 % of the peo-

systematic distortion of the upward flow of information (page 123) and lead to the already mentioned permanent central interference, which renders prices rather irrelevant. E.g., if socialist states wish to enable consumer prices below costs, they subsidize them by a “negative turn-over tax.” (page 136). Kornai’s results are largely sober and well-balanced. Many planning officials of the former GDR and managers of people owned businesses, to whom the author could talk to when he worked for the German privatization agency the early 1990ties, would likely have shared Kornai’s views.

- 9 This expression does not imply a Marxian exploitation concept. The appropriated surplus is the difference of the value-in-exchange is attributed by markets and the costs.
- 10 Sometimes the case is made that the economics of slave economies convey stronger motives to take care of slaves than for capitalists to take care of free workers. However, ongoing supply of “fresh” slaves worked in the opposite direction.
- 11 Quite interestingly, *Graeber* explains patriarchalism, including prohibiting women and daughters from leaving the house and their wearing of veils, as an attempt to protect them against being enslaved and prostituted if the family’s father should become overindebted. (*Graeber* (2011) page 182 et seq.)

ple. Many social philosophers assumed that primitive society – “that early and rude state of society”¹² – had rather equal rights of appropriation, or even a rather equal distribution of land and, apparently, this assumption was historically true over a longer period in many civilizations. After the Neolithic revolution, in many cases, tribes worked their fields and used their pasture jointly, and, given the slow speed of ancient history, this condition may have actually lasted for millennia.¹³ However, it did come to an end everywhere, and inequality did emerge. The most powerful and noble families, magnates, “engrossers”, latifundist, a local or regional landed nobility, a gentry or as they may have else been called, or, sometimes town-based grand merchants, got to own the largest share of agrarian and other land over great periods in history that followed. Of course, there were narratives, e.g., myths, that explained how this situation had come about, and normative ideas, which were promoted by these families and proto-states or states, which justified it. Often there were also laws, which protected it expressly.

Legal construction of land ownership, property etc.

In the present context “land ownership” etc. is supposed to mean primarily somebody having the right to appropriate the result of working the land. If the small peasants had that, there was no master drama. The legal construction is, economically, of lesser or little or no relevance. E.g., whether the land may officially have been owned (if at all the notion of ownership or property exists) by a god, emperor, king, or overlord was inconsequential if the peasants working the land could reliably appropriate the produce and could expect this to continue in the future. This situation was not be practically different from the peasants officially owning the land, having some title to it, as may have been evidenced by land registers etc. In fact, small peasants were often better protected if they had no title to the land – as they could then not pledge or mortgage it (and see creditors execute in it), or lose the land by selling it in distress. We also note that an attempt to apply modern legal terms to ancient conditions will mostly take us nowhere. E.g., it would be inadequate to construe the reliable, foreseeable use and the right to appropriate the produce of the land as “possession” or as *usus fructus* in the modern sense (which legal terms may, in fact, also not be the same in different legal systems). After this point is clarified, there is, though, now

12 Wealth of Nations, book I chapter VI first line.

13 In China this situation was mainly known as the *tsing tien* system (well field system). See *Bodde*, The state and empire of Ch'in, pages 27 et seq. 35 et seqs. In Rome, according to *Mommsen*, fields were initially in common property and “wealth” was identical with cattle and the possibility to use land. He argues that the word “pecunia” (meaning money and cattle) and “manucipatio” (meaning transfer of property) were not applied to the transfer of land, but only to movables (manus = hand). See *Mommsen* (1976) volume 1 page 197, 198.

no more reason to painstakingly avoid terms like ownership, property etc. related to land ownership.

The distribution of agrarian land, production, population, taxes, armies and state administration

Small peasant's land ownership, production and states' tax incomes etc.

The distribution of agrarian land matters greatly for the production output, for the size and character of the population, for the amount of taxes the states can collect, and hence for the state's fiscal situation. Thereby, it also matters for the number of state-functionaries and soldiers the state can recruit and its external might, whether it is used expansively or defensively, the size and volume of its construction projects and infrastructure and the luxury available to a court. High agrarian production output and high collected taxes will also support artisanry and finance intellectuals, e.g., philosophers, teachers, and artists, although they are normally rather cheap.

At the beginning of the book, we stressed that men are dependent upon their environment with regard to water, nutrition, housing etc. They need to, first, procure these goods from nature and then to defend them against other humans and animals who might take them away. This has the greatest impact in the motivational system of humans. *A given distribution of land directly connects to this.* If small farmers have land, which is usable for agriculture, *they will most likely work it* as they can then simply live from their harvests as largely autarchic units. Given proper soil, climate, no natural catastrophes, and no civil and external wars, that is mostly enough and they can survive rather independently of what is going on around them. In particular, they need not worry about there being somebody with effectual esoteric demand for their output and sufficient productive spending for it. Their autarky keeps them outside of the economic system and unaffected by its interdependencies, complexities, non-transparency, and frequent erratic behavior. Left alone, disturbances by humans, they have to worry about nature alone.

Peasants in Antiquity needed only few suppliers. They could mostly themselves generate their supplies directly from nature, e.g., seed, primitive tools, and water, or on a bartering basis with local artisans. Aside ownership of usable land and possible political restrictions, there were no serious entry barriers to becoming a peasant.

Customers were, thus, not crucial for small independent peasants. There was the state, though, presenting itself as their partner against their will, and requesting them to deliver a share of the harvest (either in kind or in money, which difference will matter later). Such requests are justified by traditions, myth, religion, other ideologies or the law, and they can widely also be enforced, at least against small peasants living in transparent conditions, and which have no army of their own. As peasants want to avoid not only imprisonment or other punishment but also execution in their land, the necessity to pay taxes enters in their motivational

systems nearly as merciless as their physical necessities for food, water and housing. There is a strong transmission belt between land ownership and production, which does not only favor the immediate producer families but also distant other people, to whom the produce is redistributed by the state. Even if small peasants can initially self-supply with tools, seed, and water, after some time, if they run a small surplus beyond their immediate survival needs and their tax obligations, they will open up a market, at first small, then sizable, for equipment and inventories, consumption of food that they do not produce themselves, and occasionally even for a bit of symbolic, positional and luxury consumption.

If the respective plot of land was not owned by the small peasants who work it, they could not subsist from it, they wouldn't have as many children as now, and nobody would receive the share of the produce, which they forward to the state as taxes. They would also not generate employment for others.

Latifundists' land ownership, production and states' tax-incomes etc.

Assume now the land is taken over as private property by a latifundist. He will only have the land worked, if he can draw a profit out of this, meaning that he needs to find somebody to work the land for less than what somebody else will give for the produce or that he receives a proper share of the produce. In the simplest case, if the latifundist is lucky, he can keep the peasant family on the land, get rid of the state (the state ought not to accept this, but states were often not capable of enforcing tax payments against latifundists) and collect the state's former share (*ceteris paribus*, either in kind or in money) for himself. The state does not have to waive its claim wholly but the state and the latifundist may repartition the share of the produce they draw from of the peasant family. This would lead to tax-losses for the state and a meagre profit for the latifundist only. If the state insists on his full share, or if the latifundist ask for more than what would add up to the old tax, the share of the peasant family in what they produce has to fall or it has to work harder or more effectively. This will often ruin the peasant family. In this case, the latifundist may hire somebody to work the land as an agrarian laborer instead, which will, though, change very little. The latifundist still have to leave a significant share of the harvest with the employed laborers – if now as salary. Otherwise, the laborer, too, will leave or decay. And the latifundist will still have to deal with the state's request for a share...

Latifundists will, more generally than the state, not be interested in produce in kind, but in money. Depending on circumstances, they will try to sell the whole produce and pay their laborer in money, or they will sell the share of the produce they receive in kind. To whom will they sell the produce? Most certainly, they won't be able to sell the produce to the peasant families they displaced from the land or who were displaced elsewhere – they do not have the money to pay for it. The private owners will need to find *somebody else* with sufficient effectual demand, who must draw a sufficient income from somewhere else, This is, of course, possible, e.g., long-distance

trade, armies, or urban hubs with state-functionaries may generate such income, but latifundists will have to compete for this demand against other latifundist and, may be, against some remaining small peasants.

The old simple and stable mechanism, which applied when a peasant family was working its own land, in which production, including of a part forwarded as taxes, was directly driven by survival necessities of the immediate producers, is gone. The higher the percentage of the land, which is owned by latifundists, and in respect of which they claim a share of the produce in addition to the state, the more conditional and precariat will motives for agricultural production be, and the more likely will a "surplus"-population of landless beggars, prostitutes, bandits, pirates, and social revolutionaries come into being. Of course, following this, the population will shrink, tax income and size and quality of the army and of the infrastructure and the administration of the state will fall. The decay of the small peasantry will, in particular, damage the military. The respective state's power of violent wealth procurement and to defend against violent wealth procurement of neighbors will be undermined to the extent it expropriates its fellow citizens who are to do the fighting and finance it.

We shall now take a historical look at the Greek, Roman and Chinese ancient history. The Greek history, which we examine, evolved over only a few centuries, from around 700 to 400 BC, until the end of classical Greece before the Hellenistic period. Our review is mainly focused on Athens, with a very brief look at Sparta. Rome was much larger than Greece, but the period examined also only extends over a similar period, from around 400 BC into the 1st century BC. Finally, this book will, very briefly, also look at an East-Eurasian variant of the ancient master drama. Our observations on China shall be more general and cursory than those before, but extend over more than two millennia.