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J. LOVE

The Character of the Roman Agricultural Estate in the Light of Max Weber's Economic Sociology

Yet it is hard to find any earlier society in which a governing class practised . . . agricultural methods [like «investment agriculture»] so widely or the pursuit of returns and profits was so openly admitted. The conclusion is a clear acquisition of recent studies, and shows that the writings of Cato and Varro, at least, were not without audience. Whether this exploitation can legitimately be called capitalist (the term preferred by Rostovtzeff and Tibilotti) seems to me doubtful, and an answer would require another kind of enquiry; the phenomenon must be understood before it can be classified.

Martin Frederiksen, Changes in Agrarian Structures in the Late Republic

Even the most cursory of surveys tells us the *latifundia* of Roman antiquity were economic institutions of the first importance. It is indicative of their place in the economic life of the times that these large farms, as the term implies, were known of only in the plural, which is suggestive both of their numerical preponderance as well as of the mode of ownership and land use. K. D. WHITE suggests the English parallel «broad acres», and notes that implied in many usages of the term is the idea that production was less intensive because of the scale involved.¹ The real difficulty, however, is to determine more precisely what economic function these institutions had, and to characterize them in detail.

In what follows I shall attempt to establish to what extent the agricultural estate during the classical era can be said to have been a capitalistic institution, or, conversely, in what measure did it remain the province of a more primitive, less differentiated form of economic activity (here we shall of necessity have to consider the economic significance of the so-called *oikos*). I shall also be concerned to present

¹ K. D. WHITE, *Latifundia: A Critical Review of the Evidence on Large Estates in Italy and Sicily up to the End of the First Century A.D.*, BICS, 14, 1967, p. 73. WHITE's Roman Farming is probably the best general survey of the empirical evidence now available. For a detailed survey of the technical, agronomic aspects (horticulture and husbandry) as well as for the geographical background to ancient agriculture, see E. C. SEMPLE, *Ancient Mediterranean Agriculture, Agricultural History*, 2, 1929 (two parts).

some of the less known historical work of MAX WEBER in an attempt to resolve this question.

The scholarly work of MAX WEBER needs no introduction to students of modern society. But it is less well known that WEBER made important contributions to the study of antiquity. It is only an older generation by European-trained historians who are familiar with the fact that WEBER began his career as an economic historian and made his first contributions in the field of ancient history in the form of two major works.² Whereas the youthful work of KARL MARX has received considerable attention in recent years, the reverse is the case with WEBER's early works; indeed, there is as yet not a single work exclusively devoted to WEBER's writings on antiquity in existence.³ It is partly for this reason, then, that below I introduce various aspects of this neglected section of WEBER's *oeuvre*. But I am reintroducing WEBER to ancient historiography not merely for the sake of making a contribution to the history of ideas. For, it is my conviction that his work is still of enormous importance and value for our current problems in historical research – this is especially true as regards the main topic at present before us, that of the economic character of the Roman estate.

But before we look in detail at WEBER, let us first briefly consider the state of debate within the discipline and the views of the major protagonists as they have stood till now.

*1. Survey of the Literature on the Economic Significance of the Latifundia:
the Debate between <Primitivists> and <Modernizers>*

Over the last hundred years or so the scholarly discussion on the general character of the ancient economy, and on the state of Roman agriculture in particular, has essentially taken the form of a debate between those who have argued that nothing remotely approaching capitalism could have existed in antiquity (the so-called <primitivists>) and those who have readily found all kinds of parallels between ancient conditions and those of modern times (<the modernizers>). Let us briefly explore the parameters of this debate.

First, the primitivist view of the *latifundia*. Typically, this approach says that here

² The works referred to here are *Die römische Agrargeschichte in ihrer Bedeutung für das Staats- und Privatrecht* (1891) and *The Agrarian Sociology of Ancient Civilizations* (1897 and 1909). WEBER also wrote an important essay, *The Social Causes of the Decay of Ancient Civilization*, in 1896.

³ A Ph.D. thesis (1984) by the present author, entitled *Antiquity and Capitalism: Marx, Weber and the Classical Origins of Western Civilization*, aims to rectify this state of affairs. Three essays which, whilst not dealing with WEBER at great length, nonetheless make most useful contributions to the appreciation of his work are: M. I. FINLEY, *The Ancient City: From Fustel de Coulanges to Max Weber and Beyond*, *CSSH*, 1977; A. MOMIGLIANO, *New Paths of Classicism in the Nineteenth Century*, *H & T*, 21, 1982; and P. HONIGSHEIM, *Max Weber as Historian of Agriculture and Rural Life*, *Agricultural History* 23, 1949.

was a form of land use which always remained within the bounds of a natural economy, that self-sufficiency was to the fore, and that the landowner never went beyond a basically traditional approach in the practice of farming. Such a view has most recently been advanced by MOSES FINLEY (whose work will be discussed at length below). At one point he characterizes the mentality of ancient estateowners in this way: «They had a <peasant like> passion for self-sufficiency on their estates, however extravagant they may have been in their urban outlays.»⁴ KARL MARX also seems to have leaned in this direction, certainly in his earlier works. On one occasion, in his *Grundrisse*, he asks: «Do we never find [in antiquity] an inquiry into which form of property etc. is the most productive, creates the greatest wealth?» And he answers: «Wealth does not appear as the aim of production [in antiquity] . . . The question is always which mode of property creates the best citizens.»⁵

A slightly different perspective is found in the important work of the German economic historian, CARL BÜCHER. Whilst not categorizing the ancient estate as an utterly primitive institution, BÜCHER is still quite definite that it was very remote from capitalist enterprise proper. (BÜCHER, as we shall see, was not unimportant as an influence on WEBER.) In connection with the *latifundia*, BÜCHER employs the concept «*oikos* economy» (which is also a general concept which he uses for the purpose of demarcating a stage in the economic progress toward the modern industrial system). The economic life of the Greeks, the Carthaginians and the Romans, according to BÜCHER, is characterized by production based on the extended household unit (or *oikos*). By incorporating <foreign> elements (that is, slaves or serfs) into the original family unit or tribal community, «a means was thereby found of maintaining intact the independent household economy with its accustomed division of labour, and at the same time of making progress towards an increase in the number and variety of wants. For now the more numerous the slaves or villeins belonging to the household, the more completely could its labour be united or divided. In agriculture larger areas could be cultivated. Particular technical employments, such as grinding corn, baking, spinning, weaving, making implements, or tending cattle, could be assigned to particular slaves for their whole life;

⁴ M. I. FINLEY, *The Ancient Economy*, London, 1973, p. 108. I concede that FINLEY's view is more complicated than is indicated by this quote: see my detailed discussion below. For the moment let us note the following statement of FINLEY which is a fuller expression of his view: «Investment in land, in short, was never in antiquity a matter of systematic, calculated policy, of what WEBER called economic rationality. There was no clear conception of the distinction between capital costs and labour costs, no planned ploughing back of profits, no long term loans for productive purposes» (p. 317). Incidentally, strictly speaking WEBER does not use the concept of «economic rationality» – for WEBER all economic action is rational, by definition. From his point of view the real theoretical task is to determine the *degree of (formal) rationality* present in any course of action of economic significance; which is more difficult than merely estimating the presence or absence of rationality *per se*. For WEBER's treatment of these issues, see his discussions in *Economy and Society*, New York, 1968, I, 63–68, 71–74 and 85–90.

⁵ *Grundrisse*, Harmondsworth, 1973, p. 487.

they could be specially trained for this service. The more prominent the family, the more wealthy the lord, or the more extensive this husbandry, all the more possible was it to develop in variety and extent the technical skill employed in the procuring and working up of materials.»⁶

BÜCHER describes the Roman household as typically divided between the *familia rustica* and the *familia urbana*. The former is basically a productive unit and comprises managers, overseers and labourers all co-ordinated into a complex subdivision of labour capable of producing a great range of goods and services. The *familia urbana* is divided into an administrative staff and a staff for the service of the master and mistress within and without the house. Whilst the economic system built on these arrangements represents a real advance from the point of view of productivity, according to BÜCHER the system lacks «the characteristic feature of economic exchange, namely, the direct connection of each single service with its reciprocal service, and the freedom of action on the part of the individual units carrying on trade with one another . . . Here we have continuously unfilled gaps in supply, there surpluses which are not consumed on the estates producing them, or fixed instruments of production and skilled labour which cannot be fully utilized.»⁷

BÜCHER does not claim that exchange is lacking altogether, but what beginnings there are do not affect the inner structure of economic life. For, «the labour of each separate household continues to receive its impulse and direction from the wants of its own members; it must itself produce what it can for the satisfaction of these wants. Its only regulator is utility. «That landlord is a worthless fellow», says the elder Pliny, «who buys what his own husbandry can furnish him» . . .»⁸

In a completely opposite direction are the perspectives of the modernizers, of those who argue there are no fundamental differences in mentality or practice between ancient estateowners and their modern counterparts (or at least between the ancient estate system and early American plantation capitalism). C. YEO, for instance, draws direct parallels between the Roman *latifundia* and the plantation economies of Brazil, the West Indies and the American South of the eighteenth and nineteenth centuries (these last three being taken as capitalist in a completely adequate sense of the term). Any differences between ancient and modern capitalism are reduced to mere questions of scale – the achievements of Rome being more modest, mainly because the Mediterranean world never became as large a market as the global market being constituted at the time of American slavery. All too sim-

⁶ CARL BÜCHER, *Industrial Evolution*, New York, 1901, p. 96. I agree with MOSES FINLEY, however, that there is more to BÜCHER'S view than is suggested here. As FINLEY points out, BÜCHER «knew perfectly well that the closed household was not the sole or universal economic formation in Graeco-Roman antiquity» (*The Ancient City: From FUSTEL DE COULANGES TO MAX WEBER and Beyond*, CSSH, 1979, p. 316).

⁷ *Industrial Evolution*, p. 107.

⁸ *Ibid.*, p. 109–10.

plistically, YEO uses the terminology of modern economics to describe and classify ancient practices. We must immediately insist in this regard that YEO is methodologically rather naive, as can be seen in the following passage where the Roman plantation system is uncritically described as: «a capitalistic type of agricultural organization in which unfree or slave labor in considerable quantity was employed under unified management to produce staple crops for sale in both local and foreign markets. This definition implies that (1) the functions of labor and management were sharply distinct; (2) the system was commercial in purpose and character; (3) the system was capitalistic involving an investment of money capital, often of large amount, in land, slaves, and equipment; (4) there was a tendency toward specialization – the production of a single crop for market.»⁹

Another modernizer of this kind is the great Roman historian MICHAEL ROSTOVITZEFF. He tells how, as a consequence of the effects of the Roman-Punic Wars, there arose a new class of wealthy citizens who did not belong to the established senatorial aristocracy. These individuals were «capitalists» acquisitive, adventurous and desirous of investment opportunities and they saw the sphere of agriculture as a suitable opening for furthering their business activities. Thus, beside the old system of subsistence farming a new system appeared: «a system based on capital and servile labour, and directed by an absentee landlord, who lived at Rome or some other Italian town and gave up his time to other business. These landlords regarded the land merely as an investment, and therefore were eager to discover the most profitable methods of cultivation.»¹⁰

ROSTOVITZEFF is even less restrained than YEO in his attribution of modern economic conceptions and a modern business ethos to the Romans. Learning from the existing techniques of the Greeks of southern Italy and exploiting the markets first established by the Carthaginians in Spain and Gaul, ROSTOVITZEFF claims «it was natural for the Roman capitalists to increase the scientific culture of vines and fruit on their lands, to plant large tracts with olive trees, and to use the excellent pastures of central and south Italy for scientific stock-raising. All that they thus produced was exported by the Greeks of south Italy to the West, and then to the East as well, when the wine, oil and fabrics of Italy could compete in quality with the produce of Greece. As this capitalistic system of agriculture extended, and as more and more capital was invested in plantations and flocks, the disposal of her produce became a more urgent question for Italy. . . . foreign policy was affected . . . it was Cato, the author of the first Latin treatise on agriculture, who insisted on the

⁹ C. A. YEO, *The Development of the Roman Plantation and Marketing of Farm Products*, *Finanz-Archiv*, 13, 1952, p. 321. See also his *The Economics of Roman and American Slavery*, *Finanz-Archiv*, 13, 1952 and *The Overgrazing of Ranch-Lands in Ancient Italy*, *TAPhA*, 79, 1948.

¹⁰ Rome, New York, 1960, p. 89.

destruction of Carthage – a measure which can only be explained as the suppression of a rival in the production of wine and oil for the western market.»¹¹

A kind of compromise assessment, which, noting the limits of ancient economic thinking (by modern standards), still acknowledges the importance of profit-making and the large-scale of some enterprises, has recently been advanced by KEITH HOPKINS. According to HOPKINS, during the Roman era Italy was partially transformed into a market economy in the course of a ‘revolution’ in agricultural productivity which took place with the advent of the *latifundia*. Economic progress and the development towards a market system was strictly limited, however, because in the long term «many peasant farms remained in tact. After all, the urban poor constituted the only mass market, and they probably spent about as much on bread as on wine and olive oil together. This weakness in the aggregate purchasing power of the urban sector helped insulate a sizeable sector of the Italian peasantry from the agrarian revolution which transformed working practices on larger farms.»¹²

The bulk of the Empire’s labour force was therefore primarily concerned with subsistence, and, hence, «an extremely large proportion of all that was produced both in Italy and in the provinces was never traded; it stood outside the market, solid and inflexible, almost untouched by the forces of money. Analysis of the Roman economy has always to take that solid unmarketed core into account.»¹³ HOPKINS goes on to argue that taxation and the payment of rents in kind became far more important than market exchange as a means of wealth accumulation as Rome’s economy expanded. He cites Rome’s reliance on wheat from Sicily and Africa (which was extracted as a tithe: a tax of one tenth of the crop) as an illustration of the importance of non-market processes.

Yet, HOPKINS seems to be uncertain about the relative strengths of market and non-market sectors. Speaking about the basis of upper class wealth, he says that «agricultural rents and the income from farms worked by slaves and administered by agents constituted the largest source of income.»¹⁴ But the question arises as to precisely how such rents and income were accumulated *outside* market processes. Consider, for instance, the situation with regard to rents. Only some of these could be collected in kind (which HOPKINS acknowledges to be the case): but most (including those paid in kind to large landowners) would have had to have been transformed into monetary form at some stage in order for their value as income to be realized for their recipients. And there seems no way that all of the income derived directly from slave-worked *latifundia* could be valorized under the conditions obtaining in Roman times apart from market exchange – at least HOPKINS

¹¹ *Ibid.*, p. 90.

¹² K. HOPKINS, *Conquerors and Slaves*, Cambridge, 1978, pp. 3–4.

¹³ *Ibid.*, pp. 15–16.

¹⁴ *Ibid.*, p. 18.

does not show us any alternative.¹⁵ HOPKIN's position, therefore, remains equivocal: on the one hand he insists on «the preponderance of tax plus rent over market exchange»;¹⁶ on the other hand he maintains that considerable markets did exist, such as that for urban produce, a consequence of «the aggregate demands of fifty million peasants.»¹⁷

I shall now turn without further ado to WEBER. WEBER's views are of special interest in the light of the above survey because in his thinking we find elements of both the primitivist and the modernist position; indeed, much of WEBER's writing on the subject can be said to have been motivated by the attempt to reconcile aspects of these two opposed viewpoints. We shall see in what follows that WEBER, under the influence of MOMMSEN, begins from a fairly uncritical modernistic stance; he then moves in the direction of primitivism as he encounters the work of JOHANN RODBERTUS and CARL BÜCHER. But, contrary to some readings, such as those of JOHANNES HASEBROEK and MOSES FINLEY, WEBER does not finally endorse the primitivist position. This is because he develops a third, alternative view of the matter through a critical engagement with the works of EDUARD MEYER, JULIUS BELOCH, WERNER SOMBART and others.

2. Weber's Early Account of the Latifundia: The Idea of Agrarian Capitalism

The full story of WEBER's view of the general development of ancient capitalism and of latifundist agriculture in particular is very involved, and to do it just would require a lengthy analysis of all three of WEBER's early writings on antiquity. As our concern here is only to use WEBER's insights to enhance our understanding of a specific issue, the status of the ancient estate, we shall refrain from an exhaustive analysis of WEBER's writings and focus our attention on the second version of <The Agrarian Sociology> (1909) which is the culmination of his early researches.¹⁸

¹⁵ It is of course true that a significant proportion of the produce from an estate was consumed directly by the *villa rustica* itself and, where feasible, the *villa urbana*. In this connection there is an interesting boast of Trimalchio, Petronius's fictitious character who is much prone to exaggeration, that everything consumed at his banquet is produced on his own estates. Of course, this needs to be taken with a grain of salt as far as being an indication of the state of autarky that would actually have obtained in a typical household. Besides, Trimalchio's intention is not so much to prove he was self-sufficient as to demonstrate the vastness and diversity of his holdings; being so extensive, they were obviously capable of a level of provisioning far beyond the needs of his own table no matter how lavish.

¹⁶ Ibid.

¹⁷ Ibid.

¹⁸ It is not well known that WEBER actually produced two versions of The Agrarian Sociology. The first was written in 1897 and the second, revised edition, which is the basis of the present English translation, was completed in 1909. On the significance of the two editions, see MOMIGLIANO's excellent review of the English translation, The Instruments of Decline, Times Literary Supplement, 8th April 1977, p. 435.

In the Introduction of 'The Agrarian Sociology' WEBER begins by suggesting the *latifundia* can be considered capitalist: (a) if they are primarily oriented to the production of goods destined for sale in the market; and (b) if estateowners acquire their means of production (slave labour, land, raw materials) there also. However, as he was only beginning to realize at this time, the matter is not so simple as this. For whilst the existence of a certain level of commodity production and the acquisition of some means of production via the market are fairly easily established, at least in part, the crucial issue is to determine to what precise extent the owners of ancient estates were oriented to profits earned in this way. Did they pursue business interests in a systematic calculating manner akin to modern capitalists? Or was the management of the ancient estate conducted along quite different lines?

Let us consider the details of WEBER's initial description of the ancient plantation in the light of these questions.

In his discussion of the rise of Rome, WEBER begins by telling us how the *latifundia* were a development from the Egyptian pharaonic domains, and that they had spread to the western Mediterranean (Roman Italy) via the Phoenicians. Under the general conditions prevailing at the time, there were two forms of enterprise suited to production for the market, share-cropping and slave plantations.¹⁹ However, as long as it was 'economically feasible' to wage war for new lands and slaves, wealthy landowners preferred to set up enterprises which utilized slaves. Thus, WEBER concludes, «from Cato the elder until Augustus, enterprises based on slave labour grew steadily larger and in fact became the dominant form of economic activity.»²⁰

Significantly, WEBER interprets this predominance of unfree labour over free labour as the victory of a capitalist, or bourgeois, stratum over an older, traditional free yeomenry. The peasant-yeoman type had been all but decimated in the two Romano-Punic wars: «qualitatively taking into account his social and economic importance – the yeoman [now] counted for nothing as compared to the slave owners.»²¹

In characterizing the economic operations set up by these emerging capitalists, WEBER tells us that «generally only valuable products such as olive oil, wine, fattened cattle and gourmet foods could be produced in inland areas for sale on the market. This determined the kind of organization which developed on Roman estates. Large ranches with transmigratory herds were dominant in Apulia and along the passes in mountainous areas; elsewhere they were unusual. Everywhere capitalist enterprise turned away from raising grain.»²²

¹⁹ K. D. WHITE distinguishes two technical types of latifundist agriculture, the ranch focusing on grazing and stock breeding, and the large-scale mixed farm: *Latifundia*, p. 76.

²⁰ *Agrarian Sociology*, p. 318.

²¹ *Ibid.*, p. 322.

²² *Ibid.*, p. 323.

Of major importance here is the suggestion that only a very limited range of goods were amenable to capitalist methods of production owing to the high capital investment involved in the purchase and maintenance of slaves and the high cost of overland transport. In the production of ordinary staple goods such as grain, slaves were usually replaced by free labourers or *coloni* who leased parcels of land on which they paid fixed rents.²³

Thus, from these remarks, it seems that WEBER is somewhat equivocal as to the actual extent of the capitalistic penetration of ancient economic life. On the one hand, he alleges capitalists emerged as an absolutely dominant stratum using slave labour more and more on their estates, which had become in essence profit-making enterprises. On the other hand, he implies that capitalist development was very meagre because such enterprises were as a rule unsuited to the large-scale production of staples; for their supply smaller concerns based on free labour apparently remained more important (hardly what we expect of a capitalist system).

WEBER is also ambiguous as regards the exact fashion in which the *latifundia* are to be deemed capitalist. At times he argues the ancient latifundists operated their estates entirely along capitalistic lines. For example, on the basis of sound knowledge of the returns to be had from the production of various cash crops, they employed differing methods and appropriate forms of labour (using slave labour for the less intensive forms of agriculture and free labour for those requiring greater responsibility). But how systematic were their deliberations to determine which methods to use or which crops to plant? Were they really concerned to ensure the maximum return on investment? What means – economic, scientific, technical etc. – were at the disposal of estateowners in this regard?

When he explicitly considers these questions in 'The Agrarian Sociology', WEBER recognizes certain difficulties. As regards the situation in the Republican era, he readily concedes that the rational exploitation of slave labour faced considerable limitations, because it was not possible to accurately and promptly adjust both the quality and the amount of labour to suit the varying conditions of production. The difficulty here arose especially from the fact that it was not merely the worker's labour, as under modern capitalist conditions, but his whole person that was appropriated. For this meant, as WEBER cryptically put it, that on many occasions

²³ I shall not discuss these non-slave production processes in detail, though recent studies suggest that they were of more importance than has previously been thought: see in particular J. M. FRAYN, *Subsistence Farming in Italy During the Roman Period: A Preliminary Discussion of the Evidence*, G & R, 21, 1974. FRAYN concludes that «a large proportion of the population of ancient Italy throughout Roman times must have been engaged in small-scale or even subsistence farming, just as many still are today» (p. 11). See also her book *Subsistence Farming in Roman Italy*, Fontwell, 1979, especially Chapter Five. R. MACMULLEN's review of the somewhat unsatisfactory state of studies of the lower orders of rural antiquity, in the essay *Peasants during the Principate, Aufstieg und Niedergang der römischen Welt* (H. TEMPORINI ed.) Berlin, 1974, II (1), is also worth consulting.

«in antiquity slave capital (*instrumentum vocale*) literally ate up a plantation's profits.»²⁴ Of course, in so far as both the initial costs of acquiring slaves and the costs of their maintenance remained low, their exploitation could still be profitable despite the presence of major irrationalities – estateowners merely needed to ensure their slaves were on the whole no more skilled (and hence costly) than experience showed was necessary.

Elements of a more rational approach are evidenced by the more flexible system of augmenting the unfree labour force with various forms of free labour, or with contract labour which was employed at harvest time. But the allocation of labour tasks in this fashion was more the result of a pragmatic expedient than a consequence of any systematic procedure of adjustment based on calculation. How could it have been otherwise without a rigorous accounting and the techniques of modern management? Under Roman conditions the quantity and the quality of the labour employed could not therefore be readily modified in accordance with fluctuations in the cost of labour (that is, to the cost of slaves and the various forms of free labour) or in the prices obtainable for the goods being produced (demand). Here we cannot properly speak of a completely 'free market' either with respect to labour or commodities.

The crucial basis of (formal) rationality in economics, according to the theoretical perspective of WEBER's later sociology, is the extent to which the various facets of the production process can be and are thoroughly adapted to what he calls «the market situation».²⁵ For it is one thing for an excess of produce to be sold off for a profit when and if it arises; or even for the cultivation of additional parcels of land to be occasionally undertaken in order to increase the likelihood of a surplus: it is quite another thing to deliberately plan the cultivation of a certain acreage, to decide upon a mode of land use and so forth in the expectation of an increase in the level of output at a definite point in the future. If this latter outcome (profit) is to be the case with any degree of certainty, attention must be given to the market prices of the goods earmarked for sale and the known or estimated costs of their production; and rigorous efforts must be made to compare and evaluate the various business strategies and technical alternatives for the sake of choosing which course of action is most likely to increase the volume of returns. The process of economic rationalization involves in particular estimating and comparing the costs of alternative techniques of producing the same product, or, of alternative techniques of producing the various components of a good. A further and related stage can be said to have been reached when even the type of good to be produced is determined by such calculations.

In attempting to determine where the ancient estate stood with respect to rationality along the lines of these considerations, a number of problems must be

²⁴ *Agrarian Sociology*, p. 324.

²⁵ On this concept, see WEBER's discussion in *Economy and Society*, I, 82–84.

confronted. For one thing, complications arise from the fact that different economic activities embodying differing degrees of rationality are frequently found within one and the same institution. For example, on the ancient estate we know that many productive activities, such as weaving or carpentry, were directed primarily toward the estate's self-sufficiency; whereas (presumably more rationalized) processes such as the production of cash crops – wine making, olive oil, wool, stock raising and, sometimes, activities like brickmaking and pottery (on the larger estates) – were oriented to the market and undertaken, at least in part, with commerce in mind.

Thus, when the issue of rational management is brought directly into focus and comparisons are made with the modern situation, the backwardness of ancient practices become somewhat clearer. For it is evident that, even when profit making approached the state of being a conscious, primary goal, there were severe limitations on the degree to which a systematic and methodical approach was possible. WEBER explains why this was so in the following assessment of the typical management situation: «Estates were poorly managed in Republican times, mainly because landlords lived in the city, were involved in the political life of the city, and therefore, were necessarily absentee. Generally the landlord appeared only occasionally, to receive reports from his overseer, and how little he knew of estate management – and each generation it grew less – is indicated by the simple rules of thumb suggested by the agrarian handbooks. Careful accounts were usually kept only for valuable cash crops, oil and wine in particular. Monetary income was what the owner wanted, nothing else; this explains the lack of interest in any extensive improvements for which in fact no credit was available.»²⁶

All this means that the effective manager of the typical estate was the bailiff (*vilicus*). But, the *vilicus* was usually a slave, and thus had little power or inclination to initiate business undertakings in the manner of a modern entrepreneur; nor would he have possessed the kinds of administrative skills – business, accounting, technical – typical of modern managements.

Now this assessment of WEBER, implying a very low level of formal rationality, seems at odds with other things he has to say in «The Agrarian Sociology». Indeed, WEBER comes very close to contradicting himself, because, despite his qualification of the alleged capitalist character of the ancient estate, on other occasions, as we have seen, he nonetheless insists on referring to the latifundists as genuine capitalists; in zealously pursuing profits they managed their estates more or less on busi-

²⁶ Ibid., pp. 328–9. W. E. HEITLAND argues that the effect of the bailiff was if anything to minimize profits. To reduce the chances of reprimand, an astute steward would avoid raising the expectations of the owner by keeping the average output as low as possible: in the event of a bad harvest, the adverse consequences to himself would then be minimal. See W. E. HEITLAND, *Agricola*, Cambridge, 1921, pp. 153–4. Any kind of entrepreneurial initiative on the part of the overseer is specifically discouraged by Columella: *De re rustica*, I. 8 (12–15) (ASH, transl., Cambridge, 1946, I, 91).

ness lines and as a group constituted a veritable bourgeois class. At one point, when speaking of business activities in antiquity – admittedly it is with specific reference to the equestrians – WEBER speaks of a «class of capitalists who participated directly in capitalist enterprise», whose economic power had constantly increased throughout the classical era, who had «business training» and were responsible for «the development of commerce in slaves and the exploitation of slaves on a colossal scale.»²⁷ Our problem arises here because WEBER seems to conflate the idea of the equestrians as a business class with the notion of the senatorial class, usually described as a fairly traditional landowning aristocracy. This is surprising because, when he expressly considers the equestrian class and its rise to prominence in relation to the established patrician nobility, this confusion is scrupulously avoided; that is, WEBER seems fully aware of important differences between the older landowning nobility and the parvenu equestrians (for instance, in describing the equestrians at one point WEBER speaks of a pure commercial class: «the class which owned slaves and capital but did not belong to the aristocracy of office, the bourgeoisie solely concerned with making money»;²⁸ they were, according to WEBER, especially implicated in tax-farming and government contracting). Unfortunately, WEBER is not altogether consistent, and his characterization of the equestrians is often used for the landowning aristocracy as well. On such occasions WEBER overlooks the fact that the landowning aristocracy must to some extent have constituted a separate grouping with a distinct economic character of its own. We know, for instance, that the elite of this class could not be involved in those contracting activities in which, by contrast, the equestrians were heavily engaged, owing to laws which forbade the former entering into commercial deals with the state. We also know, as did WEBER, that the senatorial aristocracy were preoccupied with politics and related affairs anyway, and that for status reasons they regarded business activity as beneath them.

Of course, the social character of the equestrians, and the legal and political significance of the so-called *ordo equester*, is the subject of a continuing controversy, and owing to the complexity of this question we can only touch on some aspects here.²⁹ For the moment let us simply note that the weakness of WEBER's early view of the *latifundia* lies in his tendency to use the economic character of the equestrian *publicani* as evidence for the capitalist, and even «bourgeois», ethos of plantation owners and wealthy magnates generally.

²⁷ *Agrarian Sociology*, pp. 317–18.

²⁸ *Ibid.*, p. 320.

²⁹ Of the many works on the subject, I shall mention only E. BADIEN's, *From the Gracchi to Sulla* (1940–59), *Historia*, II, 1962 and E. GABBA's, *The Equestrian Class and Sulla's Reforms in his Republican Rome: The Army and the Allies*, Berkeley, 1976.

3. The Roman Writers on Agriculture

At this point I would like to consider in some detail the most important evidence to have come down to us on the matter before us, the writings of the great Roman authors whose manuals on agriculture have survived to the present day. I shall discuss in turn the writings of the three main figures: Cato (234–149 B.C.), Varro (116–27 B.C.) and Columella (60s A.D.). Each was responsible for a major written work in which the problems of latifundist agriculture were discussed at some length. Of course, these writings are not only an excellent source specifically on the agricultural practices of the Romans; they also provide a mine of information on rural life and social conditions generally.³⁰

i. Cato's De agri cultura: The Nature and Extent of Production for Profit

Cato's *De agri cultura* is the most well-known and important literary source dealing with agricultural conditions in Republican times. Whilst on a first reading the meaning and purpose of the work may seem easily understood, as in the treatment of many a text emanating from a culture at some remove from our own, the matter is by no means so straight-forward. By way of introduction to the interpretation of the work let us consider in broad terms the ostensible nature of Cato's tract.

To be sure, the *De agri cultura* is not a sociological analysis of the modern type; it makes no attempt to describe the broad range of agricultural practices found throughout antiquity in a comprehensive way. Rather, it is primarily concerned with a single type of cash-crop farm the working of which it describes in great detail. And it is interested in this largely from the point of view of the self interest of the owner. Unfortunately, Cato does not tell us how many actual farms of this specific type existed (nor does he give much information about other forms of land tenure and their significance).

But the real difficulty with Cato begins when we consider the precise purpose underlying the composition of his handbook and the general meaning and significance of the activities he recommends. Ambiguity arises in the first instance because Cato is not simply describing existing practices but is offering an account of how agriculture ought to be practiced as a response to changing circumstances. The background situation is well explained by E. BREHAUT, who tells us: «the work has something of the aspect of a manual of farm management for an absentee owner. The elements in the management, well adjusted to one another, are the owner's visits, the routine work done by slaves and the harvesting operations done

³⁰ There is probably no better introduction to the analysis of this literature than MOMMSEN's *History of Rome*, Volume Three, Chapter Twelve. On the works of Cato and Varro, see also the very comprehensive recent survey by K. D. WHITE: *Roman Agricultural Writers I: Varro and his Predecessors, Aufstieg und Niedergang der römischen Welt*, I (4).

by free labour under contract. This system apparently should be interpreted with reference to the conflict that had long existed, especially for Romans of the ruling class, between the claims of farming (the Roman traditional economic occupation), and the demands of the State for military and other service. With the expansion of the Roman power in Cato's lifetime and the introduction at the same time of the new agriculture the intensity of this conflict was increased, and it may well be that the system of management found in the book represents the equilibrium finally established. Both the new agriculture and the new management necessitated a manual.»³¹

Cato's *De agri cultura* deals with the ideal practice of one particular kind of latifundist agriculture which it can be fairly safely assumed had already become reasonably widespread. His focus is a farm of 100 to 240 *iugera* (60 to 150 acres) on which wine and olive oil is to be produced, it would seem, for market sale. Additional profits are to come from the sale of excess grain and osiers as well as from sheep and pigs and products derived from them (wool, cheese, etc.). Cato takes it for granted that the predominant source of labour power to work the farm will derive from a band of slaves. Depending on the needs of the farm, he envisages a dozen or more slaves, including the bailiff (*vilicus*), his wife, and some specialized workers such as a teamster, herdsmen, vine tenders and a number of general hands, the last being possibly shackled (*operati*). This much can be gleaned from Cato's text quite readily. But difficulties arise, as already suggested, when we try to classify more precisely the type of agriculture advocated.

One section of Cato's manual which has for some time been felt to have been somewhat opaque is the opening passage or so-called Preface. In the past many commentators took this more or less at face value, as a fairly straight-forward declaration of Cato's actual intentions, and partly on this basis they advanced general interpretations of the role of the *latifundia*. Now, however, such results are increasingly put in question. Whilst it is true that the Preface seems to lend itself to the idea that Roman agriculture epitomized simple rustic values and peasant-like virtues, that it is suggestive of a form of agriculture quite the opposite of, say, modern plantation agriculture, the true significance of the section is probably the contrary.

Let us consider a key passage. Cato writes: «It is true that to obtain money by trade is sometimes more profitable, were it not so hazardous; and likewise money-lending, if it were as honourable. . . . [but when the ancients] would praise a worthy man their praise took this form: «Good husbandman», «good farmer». One so praised was thought to have received the greatest commendation. . . . [for] it is from the farming class that the bravest men and the sturdiest soldiers come, their calling is most highly respected, their livelihood is most assured and is looked on

³¹ E. BREHAUT (ed.), *Cato the Censor on Farming*, New York, 1933, p.xiii.

with the least hostility, and those who are engaged in that pursuit are least inclined to be disaffected.»³²

On the basis of this passage alone the judgement, say, of MARX, that the ancients had no real interest in profit-making and that their scientific enquiries only sought to know what made good citizens, looks perfectly unobjectionable. But the question must be put whether this view can be sustained on the basis of an analysis of Cato's text as a whole; for more than one recent commentator has called attention to the fact that the sense of the Preface is significantly at odds with that of the body of the work. A. J. TOYNBEE, for example, points out that, whilst the Preface recalls and endorses the traditional Roman regard for the farmers of the land by comparison with the pernicious money-lender and the semi-respectable businessman, in the remainder of the work the idealized yeoman-warrior is completely absent and of no real consequence.³³ And the historian K. D. WHITE is in substantial agreement with this when he says Cato's *De agri cultura* testifies «that the post-Hannibalic economic and social revolution in Roman Italy is already an accomplished fact.» This is evident, he claims, because the handbook was obviously written «for the benefit of the very businessmen from whom the author affects, in his introduction, to be dissociating himself.»³⁴ Without necessarily accepting TOYNBEE'S or WHITE'S judgements in their entirety, let us turn to the body of Cato's work and consider their claims in more detail.

It is noteworthy that in general the *De agri cultura* contains little that is overtly directed towards the commercial or entrepreneurial aspects of estate management; most of the work is comprised of practical agricultural information and advice evidently for the benefit of the interested owner. Nonetheless, there are a few occasions where business-like strategies and managerial procedures are explicitly taken up, and these deserve close scrutiny. In one oft-discussed passage Cato presents some recommendations on how to go about the purchase of an estate, and what he says here is probably indicative of the general approach to management which would actually have underlayed the practice of latifundist agriculture at this time. Cato says: «When you are thinking of acquiring a farm, keep in mind these points:

³² *De agri cultura*, Introduction, in Marcus Porcius Cato, *On Agriculture* (W. HOOPER trans.), London, 1934, p. 3.

³³ *Hannibal's Legacy*, London, 1965, II, 296.

³⁴ *Roman Agricultural Writers*, IV(1), 456. A. ASTIN, discussing the relation of Cato's Preface to the remainder of his work, argues that in writing a book on agriculture Cato felt the need to justify his undertaking, and so adopted the idea «that a book about agriculture was a worthy project because agriculture itself had great merits as a source of income. These merits he expressed partly by pointing to the drawbacks of two other ways of acquiring wealth [trade and money-lending], partly by referring to certain positive qualities which in general terms were associated with agriculture – though some of these had no real connection with the type of agriculture with which Cato himself was concerned. In short, the argument of the Preface was devised for the occasion and was not necessarily or even probably the product of long consideration and deep conviction» (Cato the Censor, Oxford, 1978, p. 253).

that you are not over-eager in buying nor spare your pains in examining, and that you consider it not sufficient to go over it once. . . . Notice how the neighbours keep up their places; if the district is good, they should be well kept. . . . It should have a good climate, not subject to storms; the soil should be good, and naturally strong. . . . the situation should be healthful, and there should be a good supply of labourers, it should be well watered, and near it there should be a flourishing town, or the sea, or a navigable stream, or a good and much travelled road. It should lie among those farms which do not often change owners When you reach the steading, observe whether there are numerous oil presses and wine vats; if there are not you may infer that the amount of yield is in proportion. The farm should be one of no great equipment . . . see that it be equipped as economically as possible, and that the land be not extravagant. Remember that a farm is like a man – however great the income, if there is extravagance but little is left. If you ask me what is the best kind of farm, I should say: a hundred *iugera* of land, comprising all sorts of soils, and in a good situation; a vineyard comes first if it produces bountifully wine of a good quality; second, a waterbed [i.e., irrigated] garden; third, an osier-bed; fourth, an olive yard; fifth, a meadow; sixth, grain land; seventh, a wood lot; eighth, an *arbustum* [a vineyard trained on trees]; ninth, a mast grove [acorns].»³⁵

Quite a deal can be deduced from these remarks. To begin with they indicate that the buying and selling of land was a normal and accepted practice, and we can even infer the existence of a market for land and estates (though actual prices are not discussed). Of course, the really important question arising here is whether the prices at which estates were exchanged reflected their *profitability as enterprises*. For, from the passage above we cannot take it for granted that the market was one in which commercial attributes were decisive. It is indicative that Cato does not seem to view the desirability of owning an estate singled-mindedly from the point of view of business considerations. The latter certainly seem to be present, but equally also are other interests of a decidedly less commercial kind (e.g., a ‘healthful location’). Cato’s deliberations on which farms are ‘best’ throws some light on this question of the degree of market orientation or commercialization. In arriving at his ranking, he itemizes a range of economic or quasi-economic criteria for the selection of the ideal estate: a desirable establishment ought to possess definite substantive qualities such as good soil, climate, location, water and so on. But Cato’s specification of these criteria does not tell us definitely that in all this *profitability* is the key consideration; all that he expressly emphasizes is the *physical output* of particular crops or techniques (indicated by the number of presses, vats etc.). This is not to say he is indifferent to considerations of efficiency; nor does it follow that the idea of increasing profitability was altogether lacking. The ideal estate should be close to sources of labour (presumably to augment the full-time slave force), and proximity to navigable rivers

³⁵ De agri cultura, 1 (HOOPER, pp. 3–7).

and towns is also advised, we can assume, to lessen transport costs, to facilitate the sale of produce, and hence to increase returns.

The ambiguous relation of the ancient estate to profitability was the subject of a penetrating analysis some years ago by G. MICKWITZ. MICKWITZ acknowledges the practical value of much of Cato's advice for increasing output, but notes how from the point of view of modern business management there are crucial oversights. For instance, there is «no indication of the idea, so familiar to us, that lack of prosperity in a certain region might simply be the result of bad farming, and that an energetic farmer might be able to make money by buying a cheap farm in just such a district.»³⁶ MICKWITZ goes on to suggest that the reason for this was that the modern approach would only have been possible on the basis of accounting methods of which the Romans were ignorant. In other words, attention to what we nowadays term the «opportunity costs» (of buying different farms or of different potential strategies of economic development on one and the same farm) is nowhere in evidence. Whatismore, according to MICKWITZ, Cato fails to demonstrate an adequate understanding of the relation between invested capital (machinery, slaves and land) and the return on capital (allowing for current prices and operating costs) – at least by modern standards.³⁷

MICKWITZ's critique is particularly to the point if we consider Cato's recommendations concerning the optimum quantity of equipment to be employed on an estate. Unlike a modern capitalist farmer, he does not advocate that the type and quantity of productive equipment should be adjusted in accord with detailed estimates of the marginal utility of potential improvements and extensions, that is, in terms of *costs* (and thus likely returns). Rather, Cato opts for a pragmatic, rule-of-thumb «solution» to the economic problem of optimizing the allocation of resources. He sets as his ideal a level of equipment somewhere between the point of having a large quantity of technical apparatus of various kinds (which may be wasteful) and a situation where there is very little equipment (which indicates a low output). This is obviously only a very imperfect means of establishing the rationality of the production activities involved. Furthermore, Cato recommends the yield, and hence the prospective «profitability» of an estate, be estimated by such indirect indices as the number of oil-presses and wine-vats. Evidently, the would-be farm buyer did not ask to see the accounts – the production and sales figures – as a guide to evaluating the estate's viability; which is all the more surprising since elsewhere Cato specifically mentions accounts of various kinds (money-, grain-, oil- and wine-accounts), which he urges a master always to inspect when visiting his estates (once acquired). Here again Cato simply advises the buyer to take note of

³⁶ Economic Rationalism in Graeco-Roman Agriculture, EHR 52 (ccviii), 1937, p. 584.

³⁷ ASTIN argues: «Cato's . . . approach shows no consideration of investing additional capital as a means of increasing productivity; rather his aim seems to be to reduce purchases to the minimum in order to widen the margin between cash receipts and cash expenditure» (Cato the Censor, p. 259).

what we would regard as utterly superficial indicators, such as the prosperity of the neighbours, the «success» of previous occupants, etc.

The question arises in the light of the above analysis whether the estate described by Cato can legitimately be classified as a profit-making concern, or as capitalistic in some sense of the term. We have seen that in many respects the *latifundia* of Cato's day fall far short of the ideal of a modern capitalist enterprise, a fact which has all too often been insufficiently recognized. In this regard writers such as ROSTOVITZ, TOYNBEE and WHITE risk giving an entirely wrong impression in their all-too-ready usage of terms like «businessman» and «rancher» to describe Roman estateowners; in this regard the criticisms of the primitivists must have their due. However, the point can equally be put that it is perhaps admissible to designate the *latifundia* as primitive capitalist enterprises. For there are parts of Cato's work, for instance, where a kind of concern with increasing profit and lowering costs which is akin to our modern capitalism seems manifested, if only in embryonic form. Indeed, from certain remarks in the text, we can be fairly certain that at least a modicum of attention to cost saving was quite typical. Furthermore, it is evident that a large quantity of the goods produced – what precise proportion is anyone's guess – were genuine commodities for which prices existed.

Some idea of the extent to which a concern for cost saving is manifest can be gleaned from a discussion by Cato of various avenues of obtaining a wine press for a prospective estate. In listing three alternative ways of acquiring a second-hand press, he proceeds to give itemized costs which include the details of transport and assembly expenses, and he finishes the discussion listing the total costs as well. The section provides strong evidence that attention to cost saving in this fashion was a normal part of astute management. Thus, prices certainly existed for various means of production (or so-called producer goods) as well as for ordinary commodities, and these must have been the basis for some management decisions of a fairly rational kind.

To sum up thus far, we can say that, despite the fact that a variety of economic and non-economic interests were involved, Cato's ideal of a good farm is definitely connected in some measure with considerations of profitability. It seems, however, that profitability was assessed primarily on the basis of experience; it was *not* rigorously estimated by formally rational means of calculation such as those of double-entry accounting. Even so, according to MICKWITZ, the rudimentary estimates which estate owners like Cato probably made would have been adequate to establish a rough comparative idea of the average profits to be gained from the various estate types. He hypothesizes that «these rates of profit could be compared with the profits to be made from other investments, and on the basis of this comparison the value of land rose or fell according to variations in the current rate of interest.»³⁸ Thus, MICKWITZ seems to assume that the ancient estate, whilst not

³⁸ Economics Rationalism, pp. 584–5.

managed entirely «scientifically» (his term to designate modern methods of management), was nonetheless a genuine profit-making enterprise.³⁹

I shall explore the implications of these considerations further in an excursus on the work of MOSES FINLEY which comes toward the end of the present chapter.

ii. Market Production and the Oikos in Varro's De re rustica

Varro's *De re rustica* and Columella's book of the same title are perhaps even more pertinent to our present concerns than Cato's work. This is because they were written at a later period when in all likelihood a greater degree of economic development had been achieved (Varro's book was published in 37 B. C. and Columella's in the middle of the first century). Thus, if we concede that Cato was somewhat backward as far as rational economic management is concerned, perhaps with Varro and Columella things were different. First let us consider Varro.

From the outset it should be noted that in Varro's *De re rustica* there are many statements suggesting that «profit» or «gain» is a primary concern – though, importantly, such interests are not usually advanced as the sole motive of farming activity. The following passage is typical: «The Italian seems to have had two things particularly in view in his farming: whether the land would yield a fair return [*fructus*] for the investment in money [*impensa*] and labour, and whether the situation was healthful or not. . . . For no sane man should be willing to undergo the expense and outlay of cultivation if he sees that it cannot be recouped . . .»⁴⁰

From our modern point of view this coupling of economic prudence with non-economic considerations is unusual; at first sight we are not at all certain as to the weight to be placed on the consideration of «health» here. But equally, on close consideration, it is not certain what precisely is meant by the idea of investment and a fair return [*fructus*].

From another passage we can perhaps gain a better idea of the importance of the idea of profit vis à vis other considerations. Varro says: «The farmer should aim at two goals, profit [*utilitatem*] and pleasure [*voluptatem*]; the object of the first is material return [*fructus* = fruits of the earth], and of the second enjoyment. The profitable [*utile*] plays a more important role than the pleasurable; and yet for the

³⁹ In MICKWITZ's analysis, the term capitalism is not used to describe ancient economic activities like estate farming. He seems to wish to reserve the term for profit-making practices in modern societies. MICKWITZ's intention is clearly to counter any suggestion that ancient practices were in a fundamental way similar to those of modern scientific farming. In a footnote, however, he expresses the intention to examine at a later date the «problem of the character of «ancient capitalism»» (*ibid.*, p. 586). A further problem with MICKWITZ's frame of analysis is that he tends to conflate the role of scientific methods of evaluating productivity (focusing on the technical issues of increasing productivity) with modern capitalism as an economic activity, phenomena that are clearly related but not one and the same thing.

⁴⁰ *De re rustica*, 1.2(8) (HOOPER, p. 171).

most part the methods of cultivation which improve the aspect of the land, such the planting of fruit and olive trees in rows, make it not only more profitable [*fructuosiore*] but also more saleable [*vendibiliore*], and add to the value [*pretium*] of the estate . . .»⁴¹

It is interesting how when the same idea of the dual purpose of agriculture is mentioned again, the term *utilitatem* is employed, not *fructus*. Indeed, the two terms seem to be almost interchangeable, which suggests that the idea of profit in our modern sense is not in Varro's mind. It seems Varro is implying a very general notion of usefulness, advantage or gain, rather than invoking the formal concept of business <profit> that we know. When used in a business context, the latter notion refers to «the surplus product of industry after deducting wages, costs of raw material, rent and charges» (Oxford Dictionary); but this meaning is a product of modern political economy and dates only from the seventeenth century. Perhaps the closest Varro comes to this notion is in his use of the term *fructuosiorum*, which refers generally to the notion of fertility or fruitfulness, but especially to the idea of the produce or proceeds of the land. To translate this as <profit> (as HOOPER does) is thus potentially quite misleading, particularly if we think of profit in the strict economic sense of today. It is pertinent in this regard how the aesthetic pleasure consideration is listed by Varro as almost as important as *utilitatem*, *fructus*; it contributes just as much to the <saleability> and <value> of the estate. This would be inconceivable if the modern notion of profit was operative – clearly the pursuit of profit under today's conditions precludes any serious consideration of aesthetics in the evaluation of an investment property's worth.

But if the term profit is not strictly applicable, a business-like consideration is surely strongly at work. From the point of view of our present concerns, the crucial questions now are these: Given that the strict modern sense of profit is ruled out, how systematic and single-minded, nonetheless, is Varro's approach to the pursuit of profit or gain? Are his methods of management founded on any better knowledge of the relevant economic data (costs etc.) than is the case in Cato? Is it possible that Varro displays greater rationalism in the service of economic interests than his predecessors?

To answer these questions, let us consider a part of Varro's *De re rustica* where I think an indication of his general approach to estate management is given. There is one interesting section written in dialogue where Varro and his colleagues are portrayed as engaged in a debate over the merits of the various kinds of husbandry typically to be found on an estate. The comment is made by one of the participants that a <bookkeeper> (*scriba librarius*) of Varro had claimed that through <villa husbandry> (the kind of farming that takes place around the farmstead, instead of in the main paddocks; it includes the raising of chickens, pigeons, bees and the like) one particular villa had received 50,000 sesterces for the year. When someone ex-

⁴¹ *Ibid.*, 1.4 (1–2) (HOOPER, p. 185).

presses surprise at this figure, Varro embarks on a lengthy reply to justify the claim, and a discussion arises as regards what returns can be expected as normal in this domain of agriculture. The passage is worth reproducing in full and begins with Varro's response: «Well, from the aviary alone which is in that villa, I happen to know that here were sold 5,000 fieldfares, for three *denarii* a piece, so that that department of the villa in that year brought in sixty thousand sesterces – twice as much as your farm [that of Axius] of 200 *iugera* at Reate brings in.» «What? Sixty?» exclaimed Axius, «Sixty? Sixty? You are joking!» «Sixty», I repeated. «But to reach such a haul as that you will need a public banquet or somebody's triumph, such as that of Metellus Scipio at that time, or the club dinners which are now so countless that they make the prices of provisions go soaring. If you can't look for this sum in all other years, your aviary, I hope, will not go bankrupt on you; and if fashions continue as they now are, it will happen only rarely that you miss your reckoning. For how rarely is there a year in which you do not see a banquet or a triumph or when the clubs do not feast?» «Why» said he, «in this time of luxury it may fairly be said that there is a banquet every day within the gates of Rome. Was it not Lucius Abuccius, who is, as you know an unusually learned man, . . . who used to remark likewise that his estate near Alba was always beaten in feeding by his steading? For his land brought in less than 10,000 and his steading more than 20,000 sesterces. He also claimed that if he had got a villa near the sea, where he wanted one, he would take in more than 100,000 from the villa. Come, did not Marcus Cato, when he took over the guardianship of Lucullus recently, sell the fish from his ponds for 40,000 sesterces?»⁴²

This passage clearly reveals a great deal about economic conditions at the time, and throws light on aspects not treated in Cato. To begin with reference is made to a kind of bookkeeping that we do not find referred to in Cato. It seems Varro's accounts, and evidently those of the other producers as well, were able to show the returns (both in physical units and in money) for a single «department» of the estate over a year's operation. But appearances here may be deceptive. For the figures quoted are unlikely to be the actual profits strictly calculated (these, after all, can only be established by the modern methods of double-entry capital accounting). Rather, they are probably merely the value of gross sales for the year, without deduction of costs. On this interpretation, a larger nominal profit figure results than that which would occur with modern calculations. Clearly, in emphasizing the volume of returns, Varro's concern is not the strict measurement of profit in the modern sense (where with competition the rates of profit between industries tend to equalize so that high proportions are indicative of real economic performance); rather, he seeks merely to show the reader that one particular area, villa husbandry, has been neglected as an area of potential high returns; presumably, because producers have remained fixed to their traditional fields failing to capitalize on

⁴² *Ibid.*, 3.2 (15–17) (HOOPER, pp. 437–9).

new opportunities. (It is, perhaps, as if a modern writer were trying to persuade his readers that, say, the steel industry is an impressive manufacturing sector because it produces output to the value of fifty million dollars per year, even though actual profits may be quite ordinary or even below average.)

It is instructive that in the above-quoted passage Varro discusses costs only marginally, if at all.⁴³ Such an omission may mean that costs were not in fact computed for each department; or perhaps Varro is simply assuming that the enterprise would not bother producing such large quantities of goods unless normal rates of profit applied in which costs were already allowed for. (The latter case would correspond to the modern situation as referred to above where a large turnover is taken as suggestive of large actual profits as well as of the physical and technical scale of the undertaking).

Let us consider what Varro reveals about the nature of production and marketing. One thing worth noting is that his counsel here concerns the marketability of various types of luxury produce; the argument is that villa husbandry directed to this market has been insufficiently appreciated as a source of profit. It is a characteristic of this market, however, that demand is relatively unstable; for the goods being exchanged, which are all luxuries and not the everyday consumer-goods typical of our mass markets today, are mainly produced for the irregularly occurring banquets and festivals referred to. This is the case even though Varro makes the point that so many banquets and the like are now taking place in Rome that the producer can virtually count on a steady demand – but not quite. Thus there would seem to be definite limits on the extent to which an estateowner could adopt a business strategy of <forward planning>. The degree of instability is further indicated by Varro's remark about the impact of the many club dinners on prices. Apparently, the prices of luxury goods rose dramatically with increases in demand. This, of course, is an effect which can be found under certain circumstances in any modern economy. However, what is *not* indicative of the modern economic situation is the idea of developing a business strategy on the basis of such speculative opportunities. For under modern conditions, whilst in the short term an increase in demand also brings with it a rise in prices, everybody knows that this merely attracts more competition, which in turn lowers prices and reduces the rate of profit again to average levels. In the ancient situation, apparently (at least as far as this

⁴³ At one point, Varro does seem to show an awareness of the general principle of minimizing costs, and specifically in relation to labour as well. For example, he writes in one passage: «When the harvest is over the gleaning should be let, or the loose stalks gathered with your own force, or if the ears left are few, and the cost of labour too high, it should be pastured. For the thing to be kept in view in this matter is that the expense shall not exceed the profit» (ibid., I. 53 (HOOPER, p. 287)).

But, as MICKWITZ points out, in the example of villa husbandry costs were unlikely to have been deducted because «it would have been difficult to differentiate between the expenses of the *villa* and those of the *ornithon* – as the birds probably ate food grown on the farm fields . . .» (Economic Rationalism, p. 286).

example illustrates), the system of production did not have this adaptive capacity which is integral to the market of modern capitalism. Indeed, it is precisely the <inelasticity of supply>, as a modern economist would term it, which accounts for why Varro recommends villa husbandry as being so profitable. For, if estates were completely oriented to the market situation in the fashion of modern enterprises, then, prices would tend toward equilibrium across the various agricultural departments, and there would therefore be no point in recommending one branch over another. To recommend villa husbandry over, say, viticulture or grazing would be as absurd as it would be for a modern economist to advocate one type of agriculture as being generally more profitable; say, wheat farming as against wool growing. Of course, Varro's account here provides an instance of only a single price fluctuation, so the extent to which it is indicative of the normal situation cannot be judged with any certainty. But, in their emphasis on opportunities for <windfall> profit, Varro's recommendations are suggestive of a low level of market orientation (by modern standards) – and, hence, of a low degree of formal rationality in general.

Whilst the instability of the consumer-goods market as just described clearly would place constraints on the degree to which a hypothetical profit-making enterprise with large investments in fixed capital could operate, Varro also provides evidence of a more stable market situation. In one passage, he describes an economic environment in which a more reliable market for a wide range of basic goods seems attested. We even find a distinction between local markets, which Varro implies function to integrate the various specialized economic units by interchanging producer goods, and the urban or village markets, which supply a large range of consumer perishables. The passage, which is at least superficially suggestive of modern-style analytic thinking with regard to economic matters, goes as follows: «Farms which have near by a suitable means of transporting their products to market and convenient means of transporting thence those things needed on the farm, are for that reason profitable [*fructuosa*]. For many have among their holdings some into which grain or wine or the like which they lack must be brought, and on the other hand not a few have those from which a surplus must be sent away. And so it is profitable [*expedit*] near a city to have gardens on a large scale; for instance, of violets and roses and many other products for which there is a demand in a city; while it would not be profitable to raise the same products on a distant farm where there is no market to which its products can be carried. Again, if there are towns or villages in the neighbourhood, or even well-furnished lands and farmsteads of rich owners, from which you can purchase at a reasonable price what you need for the farm, and to which you can sell your surplus, such as props, or poles, or reeds, the farm will be more profitable [*fructuosior*] than if they must be fetched from a distance; sometimes, in fact, more so than if you can supply them yourself by raising them on your own place.»⁴⁴

⁴⁴ De re rustica, 1.16 (2–3) (HOOPER, p. 221).

The picture of economic life given here is obviously at some remove from the ideal of autarky. The general underlying principle of these remarks – the desirability and good sense of economic interdependence – goes directly against Cato's maxim about being always a seller, not a buyer, and seems to run counter to the whole primitivist standpoint.⁴⁵ But, as we have said on several occasions already, we ought to exercise great caution in fostering parallels with modern situations. To be sure, the above passage is noteworthy for its recommendation that farming activity be oriented to the market for the sake of profit. It also gives an indication of the extensiveness of the division of labour between establishments, showing Varro's awareness of the advantages which may thereby arise. But, when considered critically, what we notice about the economy as described here is the quite limited degree of market orientation that is actually implied. Whilst Varro advises the reader to consider the advantages which may accrue from the exploitation of the various markets (local, village, urban), the odd thing for the modern observer is that he thinks it necessary to mention at all the economic prudence of integrating a large agricultural undertaking thoroughly into the market system. It is as if the advantages of providing produce for the city on a regular basis had only lately and partially been recognized – though the precise tone of Varro's remarks is not easily registered here (he may simply be stating the obvious: that everyone knows how sensible it is to have a well-situated estate).

But let us try to classify more precisely what it is that Varro is here describing. It should be noted first that Varro distinguishes farms that are close to a market from those that are not, and tells us the former are more profitable. This seems at first sight a reasonable comment; except it is unlikely we would discriminate between present-day farms along such lines. Clearly the costs of land transport in ancient times were prohibitive; whereas today for most products such costs represent only a minor proportion of overall costs, and as such they are as often as not compensated for by other factors. The ensuing remarks of Varro, however, are a little more difficult to interpret. Varro points out that in the economy generally there are those with shortages and those with a surfeit (indeed the same party may experience each of these conditions for different products), and for this reason nearness to a system of market exchange is desirable: both for the disposal of surpluses, but also to easily supply things needed which cannot be provided self-sufficiently. It seems that both as regards selling and for buying there are gains to be made, and these will contribute to efficiency and profitability. Thus far it all looks rather familiar and it seems as if we have before us here a picture of a fairly developed market system.

⁴⁵ Readings which follow this line of interpretation, all too readily in my view, are ROSTOVTZEFF's *The Social and Economic History of the Roman Empire* (2nd rev. ed.), Oxford, 1956, I, 93 and F. M. HEICHELHEIM's *An Ancient Economic History*, Leyden, 1970 (3 vols.), III, 258 (and both *passim*).

However, I think such a view as this is quite misleading. For if we ask who the economic agents involved in the above transactions really are, it becomes apparent that the matter is not at all as suggested. This is because on closer inspection the units Varro describes as buying and selling in the market have the character of households (*oikoi*) at least as much as that of economic enterprises. This is indicated when Varro speaks of those who «have among their holdings some into which grain or wine or the like which they lack must be brought.» These products are in all probability destined for the consumption of all those living on the estate and not just those who are working there: the master and his family, when in residence, but also probably domestic slaves, even some clients, hired free labourers and others as well. In other words, these inputs are not necessarily acquired as either raw materials or means of production to be employed exclusively in the estate's profit-making ventures; nor can they be explained as a subsidization only of that portion of the estate's labour force which is devoted to producing goods for market sale; they may just as readily represent a form of collective consumption on the part of the *familia rustica* as a whole. Thus, the kind of exchange being described by Varro ought not to be taken as an example pure and simple of the exchange of producer goods like that which takes place between profit-making enterprises under modern conditions; there may be an element of this, but equally or perhaps more important is the need to satisfy the consumption needs of a series of extended households. And for this latter purpose the exchange must be that occurring *between oikoi*; they are forced into this exchange because they can satisfy their own needs autarkically only up to a point.

Varro welcomes this partial loss of self-sufficiency on the simple pragmatic grounds that it enables a more efficient general system to emerge in which a small measure of specialization between estates can occur – some of the needs of one estate can perhaps be supplied more easily from the output of another and vice versa. It is instructive in this regard that Varro does not emphasize proximity to the urban market primarily so the farm can obtain there various expert services and means of production, or because cash crops can thereby be more readily disposed of – this would be the outlook we would expect of a modern capitalist farmer. No, the function of the urban market which Varro describes and endorses is its role as a medium between the various *oikoi* (each of which is a slightly specialized producer of one or another useful product, which therefore stands in need of a system of exchange to maximize the satisfaction of its budgetary needs).

So, where does the idea of profit fit in here? Whilst on the one hand it is clear we are dealing with institutions having in part the character of *oikoi*, it is also undeniable, as we have already said, that these estates are implicated to varying degrees in profit making. The extent of this involvement clearly corresponds to the degree to which the estate is oriented to the urban market, and this probably depends fairly directly on either proximity to a city or suitable means of transport (river or sea). Hence, the *oikos* could orient itself in the direction of profit-making and thus

transform itself, at least partly, into a capitalist enterprise in so far as it lay close to an urban centre and exploited this proximity not just for convenience in satisfying its own needs but also for profit. Thus Varro notes: «And so it is profitable near a city to have gardens on a large scale; for instance, of violets and roses and many other products for which there is a demand in a city.» The idea of villa husbandry advocated earlier is also obviously relevant here.

At this point the urban market clearly takes on an additional function to that of facilitating *exchange between oikoi*. Now it involves exchange between those dwelling in the city and rural-based suppliers who have begun to specialize in the provision of agricultural produce for urban consumption. Insofar as this development proceeds beyond the seizing of occasional opportunities as and when they arise (such as supplying a banquet or triumph) and profit-making begins to shape the character of estate management in general (as it is perhaps on the verge of doing when Varro tells us villa husbandry now constitutes a significant part of the farm's overall activity), then the *oikos* is approaching the profit-making enterprise proper. However, the trend in this direction does not seem to go very far. It is revealing in this regard that some of the items Varro mentions as products in demand in the urban market are violets and roses, hardly the sort of agricultural produce that would form a mass market along the lines that we are familiar with today and such as would be required to sustain full-scale capitalist enterprises.

iii. Columella and the Economics of Viticulture

Possibly the single most important piece of evidence which is suggestive of the existence of capitalism in Roman agriculture is an oft-discussed section in Columella's *De re rustica* (Book 3, Section 3) where the profitability of viticulture is discussed in some detail. There are several features that are immediately worth remarking upon.

First, there is no doubt that in this section Columella seeks to evaluate the practice of farming purely in commercial terms – in contrast to Cato and Varro where non-economic considerations are invariably present alongside the profit motive. Columella's focus is a hypothetical farm unit of seven *iugera* specializing in the production of what can only be described as a 'cash crop'. More particularly, his aim is to show the good sense of specializing in a single type of production, namely viticulture. But what is most interesting about Columella's discussion from our point of view is the way he recommends that labour and other costs be related directly to output and profits – but more on this shortly.

Columella's hypothetical vineyard has been the subject of a number of detailed analyses by commentators, usually with a view to investigating the profit ratio implied by his calculations so as to establish a ratio for ancient agriculture in gener-

al.⁴⁶ This is an understandable use of the data provided by Columella, but a number of problems arise in the interpretation of the figures. Let us look briefly at his specimen calculation.

In his discussion of the capital costs involved in setting up and running a vineyard of seven *iugera*, Columella specifies the following items:

Cost of 7 <i>iugera</i> of land	7,000 <i>sestertii</i>
Cost of 1 vine dresser	8,000
Cost of planting stakes, props and willows at 2,000 <i>sestertii</i> per <i>iugerum</i>	14,000
6% interest until vines produce (2 years)	<u>3,480</u>
	32,480 <i>sestertii</i>

Columella argues that, even with the poorest of vineyards (such as those producing only one *culeus* per *iugerum*), the income each year once production has begun would be at the very least 2,100 *sestertii*. This figure is arrived at on the basis of assumed sales at the lowest prices (300 *sestertii* per *culeus*), and represents a percentage profit of 6.46%. However, this calculation constitutes for Columella only a worst-case scenario, because he immediately dismisses such a vineyard as being so unproductive as to be not worth persisting with; only those yielding three times as much in profit, 6,300 *sestertii* (19.30%) or more, are truly viable and ought to be kept.

Now even though these computations seem at first sight remarkably sophisticated by modern standards of reckoning – I leave aside for the moment the question of the calculating manner of thinking and the acquisitive spirit which are clearly displayed here – Columella's accounting has nonetheless been criticized as being an inaccurate method of estimating actual profits. The usual objection concerns alleged oversights in the calculations. For it is claimed that important overheads are absent: items such as the costs of farm buildings, wine-presses and the upkeep of slaves, as well as the amortization of capital equipment. In defence of Columella, however, the following points should be borne in mind. In the specimen calculation the seven *iugera* do not seem to be thought of by Columella as being a self-supporting unit; rather they are viewed as a parcel to be added to an existing concern. Hence, in considering the addition of this increment Columella may correctly have judged there was no significant increase to some of the expenses alleged to have been omitted (such as farm buildings and other equipment); the augmentation of a further seven *iugera* may merely have extended the area already under cultivation. As for amortization, B.S. YAMEY has convincingly argued – admittedly with regard to more modern business conditions – that there are meth-

⁴⁶ The problem of Columella's profit estimate is discussed in some detail in the following works: J. DAY, *Agriculture in the Life of Pompeii*, YCIS 3, 1932, pp. 179–80; T. FRANK, *An Economic Survey of Ancient Rome*, Baltimore, 1933, V, 149 ff.; and K. D. WHITE, *Roman Farming*, pp. 243–6.

ods of inventory taking whereby the depreciation of assets can be allowed for without the amount appearing in an explicit accounting record.⁴⁷ Thus, in Columella's specimen calculation depreciation may not have been allowed for because an inventory could not have been taken on hypothetical assets; though one must admit with FINLEY and others that any explicit awareness of the idea of amortization as a normal factor in the calculation of profits is not in evidence. Finally, with regard to the omission of the costs of keeping the wine-dresser and slave-labourers. Perhaps this is not included in the calculations because it also is presumed <given>: either the enterprise supplied their upkeep in kind from its own storehouses and therefore it was difficult to calculate this cost in money terms,⁴⁸ or it was a negligible amount in proportion to the other costs. Of course, in making this <defence> of Columella's accounting procedure, I am not attempting to deny that inaccuracies in computing real profits would arise if one followed his method. My point is rather to suggest that the alleged oversights may well be comparatively insignificant, and, thus, the rationality of Columella's calculation may not have been so drastically impaired as has often been argued.

In interpreting these passages in Columella it should also be kept in mind that his primary intention is to show simply that viticulture is more profitable than the normal rate of interest on capital (which was 5% or 6%).⁴⁹ We must not imagine that he was attempting to offer a full demonstration of the best methods of calculating profits in the running of an estate – say, for some kind of didactic purpose. If this context of the argument is kept in mind, then, Columella's calculations are not open to some of the criticisms listed above. Even though a few expenses (such as amortization, some labour costs and equipment etc.) are overlooked, the calculated margin arrived at remains so large that a worthwhile profit would still probably have resulted in actual practice. Thus, I submit that Columella easily manages to establish his main point, because his figures when computed give an annual return after the first three years on a six year cycle of 33.8%.⁵⁰ Allowance for the missing overheads could only reduce this margin to a slightly lower level. In a thorough study of the issue, R. DUNCAN-JONES arrives at a minimum figure of 10.7% after compensation for the omitted overheads, or 15.3% if the selling of nursery plants is

⁴⁷ See his essay *The Functional Development of Double-Entry Bookkeeping*, *The Accountant*, 103, 1940.

⁴⁸ MICKWITZ agrees with this explanation: «Since he [Columella] did not spend money on the maintenance of the *vinitor* or the fertilization of the plants these costs were not recorded in his books . . . and that is why he did not take them into account even when making his model calculation» (*Economic Rationalism*, p. 586). YEO, on the other hand, thinks it was not even an oversight, since the production of slaves was itself part of an estate's operation and, therefore, an amortization fund to cover the replacement costs of slaves was not necessary: *The Economics of Roman and American Slavery*, *Finanz-Archiv*, 13, 1952 pp. 475–477.

⁴⁹ *De re rustica*, 3.3(9) and R. DUNCAN-JONES, *The Economy of the Roman Empire*, Cambridge, 1974, p. 33.

⁵⁰ *Economy of the Roman Empire*, p. 41.

included.⁵¹ Besides, as DUNCAN-JONES concludes, an «owner who like Columella had vines which yielded as much as 3 *cullei* to the *iugerum* could expect profits well above the usual agricultural dividend in good years, especially if his wine was of good enough quality to fetch one of the higher attested selling prices.»⁵² Thus, it would seem Columella has easily proved his case: if conducted at the right standard, with appropriate capital investment and other preconditions (e.g., a good wine-dresser, ample quicksets, suitable soil etc.), viticulture is highly profitable. It is revealing in this connection that Columella does not cite a final profit figure, which he could easily have furnished; rather, he concludes with the following relative judgement as to the desirability of investment in viticulture: «By this reckoning the return from seven *iugera*, exceeds the interest on 32,480 *sesterces* [i.e., the total effective investment]».⁵³ In other words, operating a vineyard is easily more profitable than simply lending money at interest, which everyone knows is profitable enough.

Columella's discussion of the economics of viticulture offers valuable insights as regards the general attitude towards business and money making in Roman times. His work is most illuminating as to the precise extent estateowners oriented their activities towards the generation of monetary profits. I draw attention in this connection to the way Columella sets up his «accounting equation», for that is what he really presents us with. After quite systematically listing those items of capital investment that represent the outlay of the latifundist, he then adds the interest for the two years the vineyard would not be producing. The fact that Columella does this, seemingly as a matter of course, reveals that the money involved in the prospective investment definitely had the function of capital for its owner. It was evidently a routine matter to regard accumulated holdings of money as capable of bearing a monetary yield (interest or profit) – at least this was the case for some of the more wealthy latifundists. Whatismore, Columella presents his specimen equation as if it constitutes a fairly familiar procedure that his readers will readily understand; and, similarly, he assumes they will appreciate the general business significance of his overall argument.⁵⁴ Columella's discussion is also of interest

⁵¹ *Ibid.*, p. 44.

⁵² *Ibid.*, p. 57.

⁵³ *De re rustica*, 3.3(9). (For the full context of the remark, see my ensuing analysis.) It is only by modern standards which demand a much higher degree of *formalized* calculability that the following conclusion of DUNCAN-JONES seems to follow: «Columella's calculation does not provide a sound example of typical wine-profits . . . [he] appears careless in his choice of figures with which to follow the potentialities of wine investment» (*Economy of the Roman Empire*, p. 55).

⁵⁴ On the other hand, the fact that Columella felt the need to demonstrate how to evaluate novel business undertakings implies that the general standard of business management was not good. It must be remembered that Columella sets out to re-establish the good reputation of viticulture, which he thinks has suffered due to ignorance of correct procedures; it needs only to be practiced properly for it to be once again very profitable. But if the management of

because it implies that it was an accepted practice to make reasonably long-term investments involving a degree of forward planning; for at least two years are allowed for before any returns are expected.⁵⁵

There is one final feature of Columella's discussion which deserves comment. It concerns the precise manner in which he evaluates the desirability of a prospective investment. It is noteworthy that in speaking of his ideal vineyard of seven *ingera* Columella conceives of the long-term return on invested capital in a most sophisticated fashion. As we have already noted just now, he compares various hypothetical rates of return on invested capital (i.e., the differing rates of profit) with the typical interest-rate of moneylending, and he concludes noting the clear advantage of agriculture over usury. But what is particularly interesting is the precise way he suggests the reader should picture the process whereby the profits of the proposed investment scheme are to be generated. Columella says: «The sum total of principal and interest comes to 32,480 *sesterces*. And if the husband-man would enter this amount as a debt against his vineyards just as a moneylender does with a debtor, so that the owner may realize the aforementioned six per cent interest on that total as at a perpetual annuity, he should take in 1,950 *sesterces* every year. By this reckoning the return from seven *ingera* exceeds the interest on 32,480 *sesterces*.»⁵⁶

Now the form of reckoning alluded to here looks a little like an accounting equation of the double-entry type: for the idea that the owner of an enterprise should conceive of the capital outlay as a «debt entered against his vineyard» appears to imply an understanding of the modern accounting idea that a proprietor's investment should be represented in the firm's books as the enterprise's «liability». Of course, the extent to which a form of accounting such as this was in actual use and enabled some kind of «balance» to be reached is not at all clear. Also, in the above we find no evidence of an awareness of the notion of «assets», an item of account which is central to the modern double-entry format. But perhaps we are looking in the wrong direction, and should not be too eager to assume the alleged «account» belonged to an autonomous business enterprise in the modern sense (of an agricultural estate specializing in wine production). For if we consider it closely it looks more like the account of a moneylending investor. It is significant in this

business was generally as systematic and acute as the example of Columella's discussion implies, one would hardly expect such ignorance or neglect to have arisen in the first place. The fact of Columella's treatise may reflect that there had been a relative decline in viticulture or in the practice of agriculture in general; but either way it is apparent that viticulture was still widely practiced. We must also make allowance for the bias towards what seems to be a personal preference on Columella's part (viticulture); he was probably attached to this type of agriculture for more than purely economic reasons.

⁵⁵ This attitude of the ancients to money clearly regarded as investment capital is completely underplayed by FINLEY who would have us believe there were really only three places for money to be deposited: viz., in land (i.e., in the basically self-sufficient estate), short-term interest-bearing loans (usury) or in a strong box (hoarding): see *Ancient Economy*, p. 116.

⁵⁶ *De re rustica*, 3.3(9).

regard that Columella urges the reader to view the amount of the investment as a debt owed to a lender for which *interest* is payable. There seems to be no awareness of the modern idea of <working capital>, where the amount invested is regarded as the firm's <proprietorship> on which <dividends> are paid. Here it would seem MARX's insight about the ancient slaveowner's conceiving of the profit-making investment in slaves as a form of advancing money-capital at interest, and not as the return on working capital, is not far off the mark.⁵⁷

4. A Critique of Some Aspects of Moses Finley's <The Ancient Economy>

It is time to turn our attention to the work of MOSES FINLEY. This is of interest to us here because he discusses Cato and the *latifundia* in some detail in his recent book <The Ancient Economy>.

At first sight FINLEY seems in agreement with the general thrust of our analysis presented thus far above; he too wants to reject the extreme modernizing as well as the primitivist view of the Roman estate. Referring to the suggestion that the ancients were regular investors of capital (and that land was the preferred investment), he says such <phrasing contains some truth but it is neither the whole truth nor nothing but the truth, because it fails to convey to a modern reader the very large non-economic element in the preference. To begin with there is the complete absence of the concept of amortization . . . Investment in land in short was never in antiquity a matter of systematic, calculated policy, of what WEBER called economic rationality.>⁵⁸

But, at the same time FINLEY does not think the objective of the ancient estate was mere self-sufficiency; for, estates <were farmed for their cash incomes not for subsistence. Hence, the stress on taking steps to avoid cash outlays for [various procurements] . . . must be explained within a framework of profit-making.>⁵⁹ Thus far we are in complete agreement. But the real problem is to determine more precisely where between the two extremes of capitalistic profit-making and primitive autarky the *latifundia* should be located. Let us look more closely at FINLEY's position on this.

Taking Cato as his starting point, FINLEY concedes that on such evidence the es-

⁵⁷ Thus we read in *Capital*, Volume Two: <In the slave system, the money-capital invested in the purchase of labour power plays the role of the money-form of fixed capital, which is but gradually replaced as the active period of the slave's life expires. Among the Athenians therefore, the gain realized by a slave owner directly through the industrial employment of his slaves, or indirectly by hiring him out to other industrial employment (e.g. for mining), was regarded merely as interest (plus depreciation allowance) on the advanced money-capital, just as the industrial capitalist under capitalist production placed a portion of the surplus-value plus the depreciation of his fixed capital to the account of interest and replacement of his fixed capital> (*Capital*, Moscow, 1956, II, 83).

⁵⁸ *Ancient Economy*, pp. 116–7.

⁵⁹ *Ibid.*, p. 109.

tateowner in antiquity was unquestionably interested in making profits; he cites Cato's advice on the sale of worn-out cattle and old slaves as indicative of a real concern for cost saving and increased returns. In line with this he also suggests that the famous statement of Cato that «a *pater familias* should be a seller, not a buyer, . . . was less a moral judgement than an economic one (in our language), though I doubt if Cato would have drawn the distinction so finely.»⁶⁰ But these remarks must not be taken as indicating FINLEY's leaning toward the modernizing pole of our controversy. To the contrary. For, despite his acknowledgement of a certain measure of acquisitiveness, in the end FINLEY concludes that the ancient estate in fact had little to do with capitalism; certainly, it was extremely remote from anything like a modern enterprise operating in the pursuit of profit, and in no way can it be understood as a more or less scaled-down version of the corresponding modern institution.

To prove his case FINLEY sets out to demonstrate that, contrary to superficial appearances, the operation of the ancient estate was really very primitive indeed. I have already quoted his view that a «peasant-like passion for self-sufficiency» underlay the mentality of the ancients in economic matters. Most central to FINLEY's argument, however, is his view that individuals like Cato were completely unaware of the techniques of rational calculation such as are commonplace today: rather, «relishing independence from the market as buyers, from reliance on others for their own necessities, the landowners of antiquity operated by tradition, habit and rule-of-thumb . . .»⁶¹ FINLEY pushes his primitivist reading furthest in commenting on that section of Cato's manual (already quoted above) where he lists in order the most profitable types of farms. FINLEY claims that this section of Cato's work «ought to be quoted as proof of the absurdity of what passes for economic analysis in the ancient sources. I need hardly enumerate the weaknesses: no consideration of the location of the farm with respect to available markets or to export possibilities; nothing about the nature of the soil beyond the single phrase, «if the wine is good and the yield is great», no cost accounting of even a rudimentary nature».⁶²

But, in highlighting the limitations of ancient economics in this way, FINLEY surely overstates the case. Undoubtedly, by modern standards Cato's ranking of investments is unsatisfactory; and the weaknesses given by FINLEY are correctly emphasized.⁶³ But even if one accepts his description of economic thinking in an-

⁶⁰ Ibid., p. 109.

⁶¹ Ibid., p. 110.

⁶² Ibid., p. 111.

⁶³ Interestingly, it is not only by modern standards that Cato's ranking has been judged inadequate. In Varro there is a direct reference to Cato's ranking in which the latter's ordering is rejected for precisely the reasons offered by FINLEY. Varro, through the medium of «Scrofa», ranks grazing at the top of his list, and in justifying his opinion he says of viticulture: «there are those who claim that the cost of upkeep swallows up the profits. In my opinion, it depends on

tiquity as «backward», and even if it is valid to claim, as he does, that the ancients had no «economic science» to speak of, Cato's methods are still more rational than FINLEY allows. For the only level of rationality which FINLEY will recognize as being of any consequence is that based on the standard of the most developed forms of capitalism known to us today. It is FINLEY's «sophisticated modern stand-point», as MARTIN FREDERIKSEN has aptly put it, which prevents adequate understanding here.⁶⁴ FINLEY's belated qualification of his initial dismissal of Cato's efforts at systematizing the various aspects of estate management – to the effect that he does not believe Cato was «wholly witless» – is a glib and unsatisfactory acknowledgment of what were surely significant rationalizing tendencies. It is true Cato does not exhaustively compare relative costs in his business analyses, and his calculations lack rigor by modern standards. The point to be made here against FINLEY, however, is that, even if Cato's methods of cost accounting are rudimentary, his general approach is by no means lacking rationality from an economic point of view. Again MARTIN FREDERIKSEN makes some timely correctives in this regard. Commenting on FINLEY's broad dismissal of Cato's «economics», he insists that «we must make allowance for the facts we are not given, and are presupposed. Calculations may have been rough-and-ready . . . but they had a basis in real experience. Local labour-costs are often mentioned as an operational factor to be calculated . . . [i. e.] facts easily known, but local, and incapable of system.»⁶⁵ As regards the issue of amortization, which FINLEY believes was totally absent, I have already argued that appropriate allowances can be made without modern book-

the kind of vineyard for there are several . . .» (De re rustica, 1.8[1] [HOOPER, p. 199]). There follows an extensive discussion of the different techniques of growing vines where the differential costs of various ways of training vines are compared. Scrofa informs his listeners that «if the material [for trellising] grows on the place the vineyard does not mind the expense; and it is not burdensome if much of it can be obtained in the neighbourhood» (ibid., 1.8[3] [p. 199]). Various forms of trellising are discussed and the conclusion is offered that the most «economical type of vineyard is that which furnishes wine to beaker without the aid of trellises» (ibid., 1.7[5] [p. 201]). Then follows a description of two ways of growing vines without trellises, and typical geographical locations of these are mentioned. And, finally, an explanation is given as to why all these varieties exist: «This variation in culture is caused chiefly by the fact that the nature of the soil makes a great difference: where this is naturally humid the vine must be trained higher, because while the wine is forming and ripening it does not need water, . . . but sun» (ibid., 1.8[7] [p. 203]). This should be refutation enough of the inadequacy of much of FINLEY's analysis which depends too much on Cato for the Roman conditions in general.

⁶⁴ M. W. FREDERIKSEN, *Theory, Evidence and the Ancient Economy*, JRS 65, 1975, p. 169. However, I fail to see the point of FREDERIKSEN's remark in reply to FINLEY on this that the latter's error is to think Cato was talking «economics» whereas that was not his aim at all. This seems to contradict FREDERIKSEN's general view, largely in agreement with the account offered here, that ancient agriculture was indeed more rational than FINLEY thinks. If Cato was not talking economics, why does FREDERIKSEN think it worth reflecting on why he was «read and imitated for the next fifteen centuries»? (p. 169) Why in other words does he specifically defend the *economic* good sense of Cato's work against FINLEY's debunking?

⁶⁵ Ibid., p. 169.

keeping methods (on the basis of valuations of assets on hand at the time of inventory taking).

FINLEY's arguments on these matters are clearly influenced by his estimation of the extent and significance of self-sufficiency on the ancient estate. He seems on the one hand to regard self-sufficiency as *the* alternative to market-oriented capitalism; yet, at other times, he also acknowledges that self-sufficiency and a concern with profit making might up to a point go hand in hand, that the injunction to be self-sufficient could be consistent with a concern to increase profits.⁶⁶ In fact, FINLEY's general theoretical strategy culminates in the attempt to weld the two seemingly opposite orientations – self-sufficiency and profit-making – into a single typological formulation. Unfortunately, the manner in which the separate elements are combined does not convince. According to FINLEY the typical estateowner (e.g., Cato) somehow possessed peasant virtues (the estate was ideally self-sufficient) as well as their antithesis (the estateowner was extremely interested in cash income). But how can such a contradictory combination exist?

In arguing for this mixture of apparent opposites FINLEY at one point resorts to an analogy. He refers to a Russian novelist's description of the attitude to estate management of a petty Russian noble of the nineteenth century, and comments as follows: «They [the petty Russian nobility] were, generally speaking, impervious to economic truths, about the desirability of a quick turnover of capital, increased production, and exchange of goods.»⁶⁷ With Cato, according to FINLEY, it was not even a question of being impervious to such truths, but of never having heard them in the first place.⁶⁸

⁶⁶ It is clear FINLEY would not accept an assessment of the meaning of self-sufficiency such as that of K. D. WHITE, who writes that the ancient estates «have one thing in common: the aim is to give the owner the highest possible return on his investment by selling all surplus produce, . . . and by keeping production costs down to a minimum. . . . It is with the same end in view that nothing is to be bought outside which can be economically produced on the farm. Since the working force of slaves represents a heavy capital outlay, no effort must be spared to keep them fully employed . . .» (Roman Farming, London, 1970, p. 390). Another account of the meaning of self-sufficiency is contained in ASTIN's book on Cato. ASTIN writes that Cato's «constant preoccupation with small savings and self-sufficiency was not necessarily a manifestation of extreme parsimony, of an obsession with squeezing every tiny drop of additional income, however trivial it might be beside the profits from the main cash crops. No doubt those profits were often large; yet they were perhaps more precarious than is sometimes allowed. . . . Carelessness and wastefulness in a number of small matters could have added up to a significant additional expense . . . Thus the seeming parsimony may be a reflection of realities of agricultural life as much as of a grasping nature obsessed with «maximizing profits»» (Cato the Censor, p. 261). In my opinion this attributes too much to «the realities of agricultural life».

⁶⁷ Quoted in *ibid.*, p. 110.

⁶⁸ FINLEY's argument in this part of his book is rather slippery. Ignoring his own disqualification of the Russian analogy as «evidence» for ancient practices he proceeds to use the Russian case firstly as evidence for the general kind of mentality that was likely to have accompanied Roman estate ownership, and secondly as a standard with which to measure the lower level of rationality of the ancients. But all this will not do for the reason FINLEY himself pro-

Now what is wrong with the view implied here is that the significance of Cato's expressed concern to cut costs and improve the general performance of his ideal estate is not adequately acknowledged. And besides, FINLEY says, as we have seen already, that the avoidance of cash outlays by the self-sufficient production of necessities was a feature which «must be explained within the framework of profit-making» – so if this idea of profit-making is to be taken seriously, FINLEY's Russian analogy is plainly inappropriate.

Here I think we come to the root cause of FINLEY's weakness on this question: for he has not fully thought through the implications of the idea of profit making as such.⁶⁹ Rather than theoretically coming to terms with this issue, FINLEY adopts a strategy of denial and emphasizes the decisive importance of what he terms «non-economic considerations»: «Ancient writers . . . did not describe land as the best investment in maximization of income language; it was profitable, to be sure, if held on a large enough scale, but they ranked it first at least as much on grounds of <nature> and morality . . .»⁷⁰ The ancients «had not yet learned to draw a simple one-for-one equation between morality and profits»⁷¹ – as we moderns have presumably learned. In ancient society the concerns of morality and those of economics were apparently kept completely apart. FINLEY tells us there were two motives which might affect a man involved in agricultural pursuits. Such a man might be

vides; for it is precisely the difference between the «leading Roman senators residing and politically active in the capital city» and the «petty Russian nobility burrowed in their estates» which cannot simply be «allowed for», as FINLEY puts it. This proviso is merely a gloss which veils the failure on FINLEY's part to come to terms with what is really distinctive about the Roman situation, as I hope to show in the course of the argument which follows.

⁶⁹ To be fair to FINLEY, it is probably correct that for Cato a measure of self-sufficiency was always valued up to a point, presumably as a precaution against all kinds of natural and human calamities, and, from a social/political point of view, as the basis of certain qualities of character associated with the yeoman-warrior. WHITE however goes too far when he says Cato's ideal estate «was wholly based on the doctrine of self-sufficiency; indeed the entire hand book smacks of it . . .» (Roman Farming, p. 51). According to WHITE, it was only with the growth of cattle-ranching and large-scale sheep farming that there was a fundamental change in the pattern of land use, though even with this development, which he claims is attested by the writings of Varro, the old «mixed farms» did not disappear. Of course, the ideal of small-scale self-sufficient farms was always alive in the popular consciousness, as exemplified by the Georgics of Virgil (*ibid.*, p. 52).

⁷⁰ Ancient Economy, pp. 121–2.

⁷¹ *Ibid.*, p. 122. This view of the modern economic order and its moral dimensions is probably an attempt to use perspectives derived from WEBER's *The Protestant Ethic and the Spirit of Capitalism*. If this is FINLEY's intention, then his interpretation of WEBER is unfortunately too simplistic and misleading. The Protestant ethic, according to WEBER, did not make acquisition or the pursuit of profit itself a moral value; on the contrary. WEBER's point is that the pursuit of profits, or rather its specifically qualified moral sanctioning, was an *unintended result* of inner-worldly asceticism. There was no simple one-for-one equation between profit and moral goodness. On all this see the discussion which follows presently.

motivated out of greed (acquisitiveness), or his interest in the land could be an essentially «non-productive» one, having its roots in an attachment to «nature» or in «morality». As evidence for the latter motivation, FINLEY cites a passage from the pseudo-Aristotelian *Oeconomics* where agriculture is praised because it is regarded as being just and close to nature (earth). He also illustrates the point with reference to the example of Pericles, who apparently disposed of his crops in bulk (by contract) so as to unburden himself for political activities, his real preoccupation. FINLEY summarizes his views on these questions with the cryptic formulation that the mentality of the ancients «may have been a non-productive one; it was in no way a non-acquisitive one.»⁷²

But the analysis of these relationships between morality, economics, acquisitiveness, nature etc., and FINLEY's general account of the mentality of the ancients are confused and poorly argued. For one thing, each illustration employed to demonstrate the irrational, non-economic character of ancient agricultural pursuits is an instance from Greek history; so any conclusions about antiquity as a whole, and Rome in particular, are questionable because the evidence from Greece does not necessarily give an accurate picture of the situation elsewhere. Whatismore, FINLEY himself admits that Pericles and Cimon (two of his examples) are not like Cato; yet he proceeds to generalize from such cases regardless. It is also revealing in this connection that FINLEY has virtually nothing to say about Varro or Columella, writers who are surely crucial sources for our understanding of the practice of Roman agriculture, as I have already demonstrated. In general FINLEY tends to judge the Roman situation and ancient conditions generally as if the Greek sources were by and large adequate. This is confirmed again when he actually takes up a Roman source, Cato, but immediately assimilates his outlook to the typical Greek standpoint. At one point, speaking of the prominence of themes of nature in ancient Greek literature dealing with agriculture, FINLEY makes the wild and unsupported claim that such notions (justice, closeness to nature etc.) are also «good Cato and good Cicero.»⁷³

⁷² *Ancient Economy*, p. 122. An alternative assessment of the role of non-economic concerns can be found in ASTIN: «Whilst the criteria which Cato applied to farm management were not exclusively financial, nor were they exclusively ones which would have been equally applicable to any type of income-producing enterprise. At least in some small measure his attitude was influenced also by his preconceptions about integrity, personal prestige, and the social responsibility of agriculture» (*Cato the Censor*, p. 261). On this issue, however, see my discussion of WEBER which follows presently.

⁷³ *Ibid.*, p. 122. This may not even be «good Aristotle»! Compare the remarks quoted by FINLEY with those of Aristotle himself on the subject of household management and «wealth-getting» in his *Politica*. Aristotle's analysis of husbandry etc. not only betrays a highly aristocratic and detached attitude – «The discussion of these matters is not unworthy of philosophy, but to be engaged in them practically is illiberal and irksome» (*The Basic Works of Aristotle*, New York, 1941, 1258) – but as well it expresses a purely instrumental rationale. Aristotle writes: «The useful parts of wealth-getting are first the knowledge of live-stock, – which are

The counter view on the motivating factors at work in Cato is put most forcefully in the recent book on Cato by A. ASTIN. ASTIN first argues that for Cato the profit motive was almost certainly the decisive consideration: «There is no question but that when Cato decided to write about agriculture he thought automatically in terms of agriculture as a source of income, and therefore that the dominant consideration in the advice he gave was to make the farm yield as large and as secure an income as possible.»⁷⁴ In so far as other motives and considerations are involved in Cato's deliberations – such as those concerning nature and politics – most of them are reducible in ASTIN's view to the ideological function of legitimizing the kind of large-scale agricultural undertakings emerging at the time. ASTIN does not quite put it in these terms, but speaks of Cato's concern (especially in the Preface) to make this new form of agriculture «respectable»: «income from farming is socially desirable, but not because the actual farming which produced the income [is respectable] . . . [Respectability] is associated in his thought not with investment farming but with agriculture in a general sense. For Cato, part of what makes investment farming respectable is that it is a form of agriculture, and agriculture in general is respectable . . .»⁷⁵

ASTIN, however, mistakenly thinks Cato's argument justifying large-scale agriculture by eulogizing its opposite, peasant farming, rests on an «illogical association of ideas» (besides, whether Cato was fully aware that the kind of agriculture he was advocating had little to do with peasant virtues [i. e., the authenticity of his consciousness] is not really the issue). The important thing surely is that, in speaking of the yeoman-warrior in the fashion of the Preface, a powerful rhetorical trope is set to work in the service of justifying the social and economic power of the latifundists. For these quite novel arrangements for the conduct of agriculture,

most profitable, and where, and how, – as for example what sort of horses or sheep or oxen or any other animals are most likely to give a return» (ibid.). Perhaps FINLEY'S case is established as far as the Greeks are concerned in parts of Xenophon's *Oeconomics* where agriculture is praised for a variety of reasons mainly to do with military and religious advantages. According to Xenophon, the ideal warrior-citizen must integrate farming activities involving work and the tasks of overseeing with other non-agricultural pursuits: farm labour develops strength, and rural life hardens and sharpens the body; organizing slaves fosters the ability to command; and husbandry facilitates horsemanship and gives opportunities for cavalry training (see *Oeconomics*, 4. 1–17 and 11. 12–19). But compare all this with the following extracts from Xenophon: «Farming . . . may result in profit or in loss; it makes a great difference to the result, even when many labourers are employed, whether the farmer takes care that the men are working during the working hours or is careless about it. . . . evils [such as idleness] crush estates far more than sheer lack of knowledge. For the outgoing expenses of the estate are not a penny less; but the work done is insufficient to show a profit on the expenditure; after that there's no need to wonder if the expected surplus is converted into a loss . . . otherwise no business gives quicker returns than farming» (ibid., 20. 16–22). It is evident that Xenophon is a difficult and complicated case; a fully adequate interpretation cannot be worked out here.

⁷⁴ Cato the Censor, p. 261.

⁷⁵ Ibid., p. 256.

especially when contrasted with the traditional, more communal practices hitherto prevailing, must have been from the political and ethical point of view of the ancients highly questionable and thus in need of legitimation.⁷⁶ Hence, it is more than understandable that in his Preface Cato should attempt, consciously or otherwise, to distort/camouflage/mystify the true significance of the emerging economic forms, to imply they were nothing other than a continuation of traditionally-esteemed forms of rural life.

Whilst ASTIN is a valuable corrective to FINLEY on some points, he unfortunately remains ambiguous on the crucial question we are concerned to resolve here. In particular, I must object to his use of the concept «investment farming» to describe the economic character of plantation agriculture. This term is equivocal and misleading; by using such an unclarified notion ASTIN avoids having to make a serious classification. To resolve these issues, therefore, in what follows we shall return to WEBER and consider in particular his later sociological work.

5. *Weber on Cato and the Economic Mentality of the Romans*

Throughout WEBER's work there are numerous occasions where he compares the economic mentality typical of modern capitalism with that found in ancient times. On one such occasion, in the Notes to «The Protestant Ethic and the Spirit of Capitalism», he makes direct reference not only to antiquity but to Cato as well, and the longish discussion which follows illuminates much that is relevant for our analysis here. Before we discuss this, however, it will be useful to briefly recapitulate some aspects of WEBER's views on the historical origins of modern capitalism, as this is crucial to what he says about Cato and the ancients.

In the body of «The Protestant Ethic and the Spirit of Capitalism», WEBER had sought to establish that the attitude to work characteristic of the early Puritans played a decisive role in the emergence of modern capitalism. At the heart of the Puritan's passionate devotion to work, WEBER found the religiously inspired notion of the «calling». This notion was so constructed as to place very strong ethical and psychological sanctions upon the individual to believe his salvation was bound up with his activity in the world; this was especially true as regards his conduct in the realm of work and business. But having embraced the world, paradoxically, the individual was somehow expected to remain uncorrupted, to maintain a pious and sober bearing; and he was expressly admonished to eschew worldly pleasures and the fruits of success – hence WEBER's descriptive category: «inner-worldly asceticism». Such attitudes encouraged a personality-type characterized by methodical

⁷⁶ Any marxist will be familiar with modern instances of this psychological and ideological need to justify material interests by resort to traditionally-esteemed or sacred values. A classic statement of the problem is contained in the Eighteenth Brumaire of Louis Napoleon Bonaparte of KARL MARX.

and passionate devotion to work. But work was viewed not as a means to an end (riches) but as an end-in-itself; that is, the possession and enjoyment of wealth was not regarded as the direct goal of business or work activities. Nevertheless, success in making money and the pursuit of one's career with zeal and purpose was hardly disparaged and indeed it was strongly encouraged. WEBER summarizes the character of the Puritan's «this worldliness» as follows: «Wealth is thus bad ethically only in so far as it is a temptation to idleness and sinful enjoyment of life, and its acquisition is bad only when it is with the purpose of later living merrily and without care. But as a performance of duty in a calling, it is not only morally permissible, but actually enjoyed.»⁷⁷

Of course, as is well known, WEBER concluded his analysis in «The Protestant Ethic and the Spirit of Capitalism» by arguing that an «elective affinity» obtained between the Puritan conception of work and the functional needs of modern capitalism. Puritanism was of consequence both to the outlook of the capitalist and to the situation of the modern specialized worker: «The emphasis on the ascetic importance of a fixed calling provided an ethical justification of the modern specialized division of labour. In a similar way the providential interpretation of profit-making justified the activities of the business man. . . . [Asceticism] has the highest ethical appreciation of the sober, middle-class, self-made man.»⁷⁸

Now to return to antiquity. The first question we must consider is whether a similar economic mentality to that just described can be said to have existed at any stage in antiquity.⁷⁹ It should be borne in mind that Cato's works along with those of other ancient authors with their praise of hard work, diligence, frugality etc. have frequently been taken as indicative of just such a capitalist mentality, as encouraging a kind of methodical worldliness corresponding to that associated (since WEBER) with Puritanism. So we must ask: Were Cato and those of his kind akin to modern Puritans? And if so, we must also then ask why capitalism of the modern kind did not arise in antiquity. In the Notes of «The Protestant Ethic and the Spirit of Capitalism» I have already referred to, WEBER raises precisely these questions and offers some valuable insights.

First, on the apparent similarity between ancient and modern attitudes to work. WEBER begins his discussion by agreeing that «there is no doubt that . . . in ancient times with Cato, Varro and Columella . . . and others of the same type, especially in the doctrine of *industria*, a sort of economic rationality is highly developed.»⁸⁰ However, there are important differences as well. WEBER goes on to explain that in antiquity the notion of *industria* did not give rise to a genuine *ethos*, in contrast to

⁷⁷ The Protestant Ethic and the Spirit of Capitalism, London, 1930, p. 163.

⁷⁸ Ibid.

⁷⁹ This is a fundamental issue. The most commonly held view emphasizes how slavery has had the effect of devaluing work. See C. Mossé, *The Ancient World at Work*, London, 1969 and HANNAH ARENDT, *The Human Condition*, Chicago, 1958.

⁸⁰ P. E. S. C., p. 197.

what occurred in the early modern era. At the time just prior to the emergence of modern capitalism, the notion of *industria*, which had been present all along in monastic Christianity, was developed by Protestant theology and practice into a doctrine for ordinary men and women. This meant that asceticism was brought down from the monastery and introduced into the work-a-day world. The essential point of difference between this situation and that of the ancients then, WEBER tells us, is that with the former one is dealing with an «ethic» which, because it derives from religion, «places certain psychological sanctions (not of an economic kind) on the maintenance of the attitude prescribed by it, sanctions which, so long as the religious belief remains alive, are highly effective, and which mere worldly wisdom does not have at its disposal.»⁸¹ With the latter, on the other hand, such an ethic was lacking altogether.

WEBER takes SOMBART to task on the failure to see this crucial difference. SOMBART had attempted to equate the acquisitive spirit of individuals like Cato with that of the modern capitalist, arguing that ancient Stoicism provides acquisitiveness an ethical backing which corresponds to that given to self-interest in modern times by Protestantism. But, according to WEBER, SOMBART had failed to understand the difference between the straight-forward acquisitiveness of Cato and the more involved outlook of Puritan worldly asceticism. This difference holds, according to WEBER, even though in the outlook of Cato and Varro «*acquisition* as such stands in the foreground», and even though it is correct up to a point to say that in such early cases economic rationalism is developed to its farthest conclusions.⁸² But for WEBER the issue finally comes down to this: In the case of an individual like Cato one is dealing with that «sort of economic rationalism which really existed as a reflection of economic conditions, in the work of authors interested purely in <the thing for its own sake>.»⁸³ In other words, this kind of rationalism is merely an outgrowth of a pragmatic attitude, which as such lacks the backing of strong ethical sanctions. By contrast, it was the unique achievement of Puritan ethics to fashion a kind of economic rationalism that was also animated by powerful <inner>, psychic dispositions. As WEBER puts it: «In Cato . . . this [Puritan-like] *ethos* is lacking; . . . it is a matter of worldly wisdom, not of ethic.»⁸⁴

The specific character of Cato's economic outlook, and in particular the meaning of rationalism in such a case, is more comprehensible if we compare his situation with other <transitional> or <borderline> examples. In the same section where WEBER contrasts the economic ethics of the ancients with those of Puritanism, he also examines the outlook on economic affairs of the great Renaissance humanist LEON BATISTA ALBERTI. ALBERTI is of interest to WEBER in part because one of his

⁸¹ Ibid.

⁸² Ibid., p. 196.

⁸³ Ibid., p. 197.

⁸⁴ Ibid., p. 196.

many creations was a four volume work on household management, a work comparable in many respects to those of the ancient writers we have discussed above. But he is of special interest because WEBER argues he constitutes a transitional case falling somewhere between the ancient and the modern outlook, and for that reason is worth studying.

WEBER begins noting that with ALBERTI it is true to say that private business activity has up to a point been rationalized; yet, on the other hand, WEBER also claims the ethic and manner of life have remained in significant respects under the spell of tradition and are therefore totally different from Protestantism. This difference (between ALBERTI's outlook and the ethos of Protestantism) has not always been appreciated by scholars. WEBER again takes SOMBART to task (this time for wrongly attributing to ALBERTI a fully bourgeois perspective). WEBER's discussion is worth reproducing in full for what it explains about the possible directions of economic rationalization, especially in a case which at first sight closely resembles that of Cato. In discussing the meaning of work and wealth in ALBERTI's book on household management, WEBER writes: «It is true that the recommendation of large enterprises as alone worthy of a «nobile è onesta famiglia» and a «libero è nobile animo», and as costing less labour is characteristic of ALBERTI . . . Hence the best thing is a putting-out business for wool and silk. Also an ordered and painstaking regulation of his household, i.e. the limiting of expenditure to income. This is the «santa masserizia», which is thus primarily a principle of maintenance, [of] a given standard of life, and not of acquisition (as no one should have understood better than SOMBART). Similarly, in the discussion of the nature of money, his concern is with the management of consumption funds (money or «possessioni»), not with that of capital . . . [ALBERTI] recommends, as protection against the uncertainty of *fortuna*; early habituation to continuous activity . . . and avoidance of laziness, which always endangers one's position in the world. Hence a careful study of a trade in case of a change of fortune, but every *opera mercenaria* is unsuitable . . .; the ideal of life in a country villa. . . . Note, further, the very high opinion of literary things (for *industria* is applied principally to literary and scientific work), which is really most worthy of a man's efforts.»⁸⁵

Now this analysis is of interest for our present purposes because WEBER proceeds to make some very instructive comparisons between the economic mentality of ALBERTI and that of Cato. For both ALBERTI and Cato, according to WEBER, the prime consideration in the management of their financial affairs is not to increase profit for profit's sake, but, rather, to ensure the maintenance of a specific life style and material standard of living. Just as with ALBERTI, so too with Cato it is characteristic «that a landed estate is valued and judged as an object for the investment of

⁸⁵ Ibid., p. 195. On the interpretation of ALBERTI, see BENJAMIN NELSON, WEBER'S Protestant Ethic: Its Origins, Wanderings and Foreseeable Futures, in: *Beyond the Classics*, pp. 84–5.

consumption funds.»⁸⁶ Which is not to say the pursuit of riches ceases to be an important motive – after all, the life style of these aristocrats requires a great deal to sustain it. But the nature of the acquisitive impulse here means that it is essentially a question of the accumulation of <wealth> rather than <capital>. According to WEBER's economic sociology, wherever funds are primarily sought to satisfy given consumption needs, the trend is toward the establishment of an economic unit whose *modus operandi* is <budgetary management>, not capital accounting. Of course, such units may also be partly involved in profit making, and may even (as in the case of Cato and ALBERTI) pursue such interests up to a point rationally – but there are clearly limits to this latter possibility.

With ALBERTI we have, then, an example of the transitional case which WEBER calls, somewhat awkwardly, «capitalistic wealth investment». But the assimilation of Cato into this category is not as complete as it is with ALBERTI, who WEBER seems to regard as a classic instance of the category. The case of Cato must be distinguished from the pure type of wealth investment because, as WEBER puts it, here (with Cato) «*acquisition* as such stands in the foreground in a different way from that to be found in ALBERTI.» By this WEBER means that in Cato the acquisitive impulse as such is stronger and, indeed, seems to be unbounded. Paradoxically, in this regard, Cato is probably closer to the modern acquisitive mentality than to ALBERTI.⁸⁷ On the other hand, ALBERTI is closer to the Protestant concept of the calling than is Cato. This is because the conception of *industria* found in the former was connected historically with that found earlier in monastic Christianity (which was of course the same conception eventually taken over by Puritanism); but nothing corresponding to this kind of valuation of work can be found in the ancients for whom work was almost always devalued.

Thus, in the light of these deliberations we can say that Cato must occupy a position somewhere along the following continuum: at one pole is the pure profit-making enterprise of the modern bourgeoisie (with its rational, continuous and systematic pursuit of gain); at the other end is the wealth-investment household (where the intensity of the pursuit of profit is limited by the reluctance of the <capitalist> to take on the strictly entrepreneurial function).

WEBER further clarifies these issues in his essay on <The City> where he shows how it was the status characteristics of the ancient patriciate which always stood in

⁸⁶ The Protestant Ethic, p. 196.

⁸⁷ In her study of Renaissance Man, AGNES HELLER tells us that for ALBERTI the ideal «behaviour combines *participation* and *distance*. The *heroism* lies in realizing that union. His means of doing so is *masserizia*, a method born of a combination of Aristotelian and stoic-epicurean concepts of measure. *Masserizia* means the wise conduct of one's affairs. Nor does it refer only to <virtue> as ethical behaviour, narrowly conceived. *Masserizia* may just as well mean the healthy governing of our bodies, or the harmonious and balanced direction of our family life, business affairs, time, interests and fate» (A. HELLER, Renaissance Man, New York, 1981, p. 115).

the way of a thorough-going bourgeoisification. In particular, this meant the exclusion of entrepreneurdom, more or less as a matter of course. It is not that the nobility of Rome or that of the Middle Ages cannot be described as capitalistic in any sense whatsoever. Rather, WEBER tells us, it was «the role of the *entrepreneur* that the status etiquette, occasionally and with varying flexibility backed up by law, forbade to the truly patrician families of both Antiquity and the Middle Ages. The objects in which the typical patriciate of the different ages invested its wealth of course varied considerably. Nevertheless, the distinction remained the same: whoever too noticeably crossed the line between the two forms of economic activity represented by the investment of wealth on the one hand, and by profits from capital on the other, was considered a *banauos* in Antiquity and a man «not of the knightly kind» in the Middle Ages. . . . It was not greed for gain that was tabooed; in practical life the Roman office nobility and the mediaeval patriciate of the large coastal cities was just as possessed of the *auri sacra fames* as any other class in history. Rather, it was any *rational*, continuously organized, and in this sense specifically «bourgeois» form of acquisitive operation, any systematic economic activity, that was looked upon with disdain.»⁸⁸

6. *Two Developmental Courses out of the Household: (a) Disintegration of the Household by the Enterprise, or (b) Evolution into the Oikos.*

We are now in a position to conclude our study of the role of the *latifundia* in the economy of antiquity. In «Economy and Society» WEBER has provided the basis for a summary to our discussion by outlining two possible developmental sequences both of which are relevant to the ancient estate. We shall see how each of these alternatives needs to be considered to reach a full understanding of the historical fate of the *latifundia*.

Let us first consider that developmental tendency whereby the *oikos* undergoes a process of «internal differentiation», which, if it is carried far enough, results in the disintegration of the original large household and the establishment of a capitalist enterprise. As this is not the place to embark on an extended discussion of the history of the family, we shall begin our analysis simply by noting that, whilst the household unit has been by no means a fixed basis upon which all other social institutions have been built up, it has nonetheless been very typical of early societies. Speaking very generally, a long-term historical tendency can be observed in which the original communistic household grouping is gradually broken down, and its functions of protection and juridical administration are taken over by political authorities. This tendency toward the disintegration of the household is partly attenuated, according to WEBER, in proportion to the size of the property holdings at stake. This is because the greater the economic assets of the family the greater is

⁸⁸ Economy and Society, III, 1295–6.

the pressure to keep the unit intact. Not only are there difficulties in partitioning large holdings arising from the loss of technical integration, in addition large property holdings are commonly valued as a means of maintaining social position and prestige. Thus, we find in the typical patrician families a close association between the large-scale of property holdings (extensive and numerous estates, or manors) and the aristocratic life-style of the seignorial household (a castle or villa), with its numerous apartments, large rooms, extensive grounds, domestic servants, entertainments etc.

On the other hand, in WEBER's eyes, a tendency to splitting and towards the establishment of an enterprise makes itself felt especially wherever urban development and monetarization of the economy are relatively advanced. He takes as a classic instance of this process of differentiation the case of the early capitalistic households of Florence in the mediaeval period. His description and analysis of this is worth considering more fully. At the stage when the first signs of transformation were appearing, WEBER notes how in the household «every person had his own account. He has pocket money at his disposal. Specific limits are set to certain expenditures – for example, if he invites a visitor for a stay. The member must settle his account in the same way as do partners in any modern trading company. He has capital shares <in> the house and (separate <outside>) wealth which the house controls and for which it pays him interest, but which is not regarded as working capital proper and therefore does not share in the profit. Thus a rational association takes the place of the <natural> participation in the household's social action with its advantages and obligations. The individual is born into the household, but even as a child he is already a potential business partner of the rationally managed enterprise.»⁸⁹

WEBER goes on to explain how, from arrangements of this kind, continuous capitalistic acquisition gradually arose as a full-time profession carried on in operations and premises increasingly separated from the household: «An autonomous rational association emerged out of the social action of the household, in such a way that the old identity of the household, workshop and office fell apart, which had been taken for granted in the undifferentiated household as well as the ancient *oikos* . . . First, the household ceased to exist as a necessary basis of rational business association. Henceforth, the partner was not necessarily – or typically – a house member. Consequently, business assets had to be separated from the private property of partners. Similarly, a distinction began to be made between the business employees and the domestic servants. Above all, the commercial debts had to be distinguished from the private debts of the partners, and joint responsibility had to be limited to the former, which were identified as such by being contracted under the <firm>, the business name.»⁹⁰

⁸⁹ Ibid., p. 377.

⁹⁰ Ibid., p. 379.

It is clear that this process of transformation did not go as far in antiquity, though tendencies and some progress in that direction can certainly be detected. We have seen above the extent to which the patrician household of Roman times became engaged in business undertakings despite status conventions to the contrary. Accounts of various kinds were routinely kept by estates, and it was common for upper-class individuals to maintain personal accounts as well. But a number of factors prevented the transformation of a section of the household into a ‹rational association› that could have been the basis of a continuous capitalist enterprise in the modern sense. The nature of urban development in antiquity, for one thing, is in marked contrast to that of the Middle Ages in that the ancient city always remained closely linked to the countryside via the rural property interests of the urban patriciate.⁹¹ Estate-seated and ensconced in the country, the original Latin nobles had only taken up residence in the city in order to exploit the opportunities for trade and ‹occasional business› that were offered there.⁹² This meant, as we saw BÜCHER explain in his account of the *oikos*, that the Roman patrician invariably maintained *both* an urban and a country residence. Insofar as these remained closely integrated, the one supplying the other, and with the units together oriented primarily to the master's want satisfaction, the prospects were slight that the rural estate would be transformed into a pure business enterprise. Evenso, for a time the estate was partially separated from the household as a result of the growing commercialization of life; this was especially the case when the property holdings of the Roman patriciate were extended to vast proportions during the classical era. Then it became common for the estateowner to be an absentee landlord; and the problems of ‹management› that we find first articulated in Cato arose in consequence.

The partial separation of the enterprise from the household is attested in Cato and Columella when they discuss the buying and selling of estates. It is noteworthy that they assume any property being considered for purchase will be an economically viable unit – a ‹going concern› as it were – which will be freely traded in the market at least in part on the basis of sheer profit-worthiness. However, as Cato and Varro both demonstrate by insisting in addition on aesthetic criteria, a healthful location etc., any new estate was also valued as an alternative or supplementary rural residence for the personal enjoyment of the aristocratic owner and his entourage. It was, in other words, always a place to dispose of further consumption funds.

⁹¹ See on this contrast WEBER's excellent comparative study in *The Agrarian Sociology*, at pages 336–366, and its updated version in *Economy and Society* in the section ‹The City›, especially Part iii at pp. 1266–1296.

⁹² WEBER writes: Thus the economic character of the patriciate was quite fluid; only its centre of gravity can be determined and this undoubtedly was rentiership. We should strongly stress once again that the urban residence of the patriciate had its economic cause in the urban economic opportunities, and hence that in every case the economic power of the urban nobility derived from the exploitation of such sources of revenue (*Economy and Society*, III, 1293).

The separation of the household from the economic unit and the transformation of the latter into an enterprise was also made difficult under Roman conditions owing to the patriarchal power of the father (*patria potestas*). As a general rule, according to WEBER, «household authority is typically stable wherever ownership of livestock, and property in general, forms the prime economic basis.»⁹³ Under such conditions there is usually strong family and lineage cohesion. This was especially the case during Roman times where the preservation of the patrician household and its transmission to the heirs intact was an abiding concern. Whatismore, the household in conjunction with the lineage group was a factor functionally co-ordinated with Roman military and political arrangements: for kinship was for a long time the basis of recruitment into the army. A final factor mentioned by WEBER as strengthening the position of the household and the *patria potestas* is the father's position as house priest.

The case of the disintegration of the household through exchange with the outside resulting in the emergence of the capitalist enterprise is contrasted by WEBER with the opposite transition: the household's internal evolution into an *oikos* – «As the polar opposite of the capitalist enterprise we [find] the communal form of household differentiation: the *oikos*.»⁹⁴ Thus, the second developmental possibility is that where the original autarkic household develops both intensively and extensively, and is transformed into a large authoritarian household. WEBER distinguishes this from the simple household by emphasizing the patriarchal or patrimonial power of the household head, who by virtue of his position can command the loyalty and obedience of those under him who he sets to work in various ways. WEBER explains that the *oikos* «is not simply any large household or one which produces on its own various products, agricultural or industrial; rather, it is the authoritarian household of a prince, manorial lord or patrician. Its dominant motive is not capitalistic acquisition but the lord's organised want satisfaction in kind.»⁹⁵

According to WEBER, the orientation to want satisfaction does not necessarily mean there is the absence of exchange, or that a natural economy exists without the use money. Involvement of the *oikos* in trade and even some profit making is in fact quite frequent. The crucial distinguishing feature of the *oikos*, however, is the focus on the rent-producing utilization of property (as against its deployment as capital).

This means that all manner of transitions between a pure *oikos* and a capitalist enterprise are possible, and, indeed, some such in-between forms have been historically very common. WEBER expressly mentions the case where the *oikos* has various market-oriented enterprises attached to it. Provided these remain secondary, ancillary activities, the essential feature of the *oikos* (the utilization of property for

⁹³ Ibid., I, 378.

⁹⁴ Ibid., III, 1010.

⁹⁵ Ibid., I, 381.

the satisfaction of the master's wants) is not contradicted. However, if profit making is greatly extended, a transition to capitalism proper may occur. As WEBER observes, under certain circumstances «the owner of an *oikos* may become almost indistinguishable, or wholly identical, with a capitalist entrepreneur, if he establishes large industrial undertakings with his own unfree labour or rented unfree or even free workers . . .»⁹⁶

As already noted the *oikos* rarely occurs purely in the form of a natural economy because then all exchange must be totally eliminated. However, where this condition is approached or aimed at, a system of house-dependent labour usually arises and this produces all the goods and services of whatever kind that are needed by the master. Such a regime may give rise to considerable specialization of labour. In the purest case the lord's own land provides raw materials and his workshops all manufactured goods. Other services are provided by various dependent workers, soldiers, religious officials and so on. In such a situation exchange occurs only out of absolute necessity, when certain goods cannot be acquired in any other way or if a surplus is to be off-loaded. WEBER tells us how «this state of affairs was approximated to a considerable extent by the royal economies of the Orient, especially of Egypt; and to a lesser degree by the households of the Homeric aristocrats and princes . . . In the Roman empire the landed estates moved increasingly in this direction as they grew in size, the slave supply fell off and capitalist acquisition was curbed by bureaucracy and liturgy.»⁹⁷

Now as far as the times of Republican and early imperial Rome are concerned, as we have seen above, the *oikos* was clearly at some remove from this level of «purity». The *latifundia* were at times routinely and quite deeply involved in market-oriented activities of various kinds. Whilst the situation of the capitalist enterprise as we know it today was never reached or even closely approached, the estates of the Roman economy clearly practiced profit-making to a degree as a continuous activity to provide cash income. WEBER points out that such profit making commonly involved the use of slaves who, while they were attached to the household, were employed exclusively for the production of goods for market sale. He explains how «the Carthaginian, Sicilian and Roman plantation owners employed their barrack slaves in this fashion, as did the father of Demosthenes with the slaves in his two *ergasteria* . . . these are cases of the *capitalistic utilization of unfree labour*.»⁹⁸ But the crucial feature of this capitalism is that it was ultimately dependent upon the *oikos*, and thus its development was always limited in scope; at no stage did it give rise to a separate, specialized institution like the enterprise of today the function of which is exclusively commercial in nature.

The historical evolution of the Roman household did not result in the emer-

⁹⁶ Ibid., p. 382.

⁹⁷ Ibid., p. 381.

⁹⁸ Ibid., p. 382.

gence of a capitalist system (or mode of production to use MARX's concept); rather, developments only had the effect of extending the realm of the *oikos* by furthering the scope and basis of patrimonial rule. In the Empire the attempt was eventually made to treat the whole country like a huge *oikos* belonging to the state and organized semi-bureaucratically. In the West when this failed there emerged the patrimonial structures of the Carolingian period in which the *oikos*-styled manor became central – this was the economic basis of feudalism.

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