

# The Growth and Decline of the Roman Economy

By Ryan Grant / 7 March 2011

When one harkens back to Rome he is usually met with consistent comparisons to political ideals, military glory, or the decadence and immorality of the upper classes in the late republican and imperial periods. Very rarely however, is the economy that made the wealth of the Roman Republic possible in the third century B.C.

Rome is traditionally said to have been founded approximately in 753 B.C. by Romulus, its first king. It was essentially a collection of farmers who had consolidated their lands and resources around the Tiber river, and defended it with fortified hills called an *arx*.<sup>[1]</sup> The entire basis of the city (which was little more than a backwater at this time) was its agricultural output. As the city grew it found a major benefit in being by the Tiber allowed it to trade by river with *Magna Graecia* to the south, and the Etruscan and Gallic tribes to the north. Trade by roads was scarcely possible over long distances even when the roads themselves were built in the later period. Trade by boat was much easier. Yet the wealth which enabled trade in various goods came not from military conquest or a city of shopkeepers, but rather a city of farmers whose lands gave them goods worth trading.

The importance of agriculture to the foundation of the Roman state is seen also in their mythology and calendar. In Roman mythology Saturn was the god who ruled heaven, until his son Jupiter displaced him. Saturn was cast onto the earth where he found uncultured nomads living in Italy, and taught them how to farm and was thus the god of all farmers and fields. The Roman calendar with its timetable of festivals, was originally a marker of agricultural seasons and agricultural gods. Juno was the goddess of the moon, by which the Roman calendar before Julius Caesar was

based. In fact, most of the festivals of Mars fall within March, which the Romans counted as the first month of the year because it prepared for spring and the agricultural cycle. The Calendar being denoted not by sequential days but rather by the *Kalendae, nonae* and *idus*, were based on the phases of the moon by which the field was regulated. As Stuart Perowne notes “The calendar thus shows the agenda, as it were, of a state still founded on agriculture, but already developing into a community which has legal and political business to transact and wars to wage.”<sup>[2]</sup>

Sometime in the early period of the Republic, after the expulsion of the last King Tarquin the proud, the Romans adopted a Greek style Hoplite army, the name coming from the shield they carried: the *o`plon*. In Greece this consisted of tenant farmers, who tilled their fields and when they were called to battle would take up whatever arms their wealth allowed them to afford to fight for the city state. Rome would adopt this same model and maintain it even to the end of the conflict with Carthage in spite of the change face of its military design. These farmers who grew crops for themselves and sold them to the cities were also the militia which would defend the state, so that, as their forerunners in the Greek city-state, they had a vested interest in victory in order to preserve their families and lands.

As Rome fought numerous conflicts in Italy with various Italian tribes, their cities were absorbed into a network of alliances, whose population continued to till its fields and then would take up arms for the Republic when called. This militia army had been able to overcome a far superior modern Hellenistic army lead by Pyrrhus from Epirus in the early third century B.C. Again they returned to their fields. The victory was won not even so much by particular tactics, but by the overwhelming manpower which Rome had. Pyrrhus was supposed to have said: “With soldiers such as these, in a short time I could have conquered the whole world.”<sup>[3]</sup> This would later be true, but not under his leadership.

Nevertheless, the first strain on this agricultural system came during the Punic wars. The three separate Punic wars fought more or less from 261 B.C. until 147 B.C. and were the bloodiest and longest lasting conflicts in the ancient world. The first war, caused when the city of Messina in Sicily called for aid from both Rome and Carthage, lasted over 20 years. This was a new kind of war for Rome, not only because it had to copy Carthage’s naval technology to challenge it at sea, but because it meant soldiers campaigning outside of Italy, something which the legions had never done before. As a result of this, the citizens of Rome and her allies were away from their fields for a very long time. Yet, most of the casualties were at sea, of which the Romans only lost one major battle in spite of Carthage’s long standing naval dominance, and on land it only had two significant defeats, one in Sicily and one in North Africa. The overall casualties were among rowers in the fleets, not so much among the citizen class, so the effects of lengthy campaigning were not felt on the agrarian economy. This changed dramatically during the Second Punic war. In this conflict, Hannibal, who had consolidated his father’s victories in Spain and formed one of the best armies of the day, decided the only way to defeat Rome was to do it on her own soil. He resolved to break up the network of alliances which made up the Roman Republic. The best way to do this was to burn the fields. Apart from foraging, which was necessary to feed his army, Hannibal burnt a massive portion of northern and central Italy, to the point, as the Romans watched almost helplessly. Hannibal campaigned in Italy from 218-202 B.C., undefeated on Italian soil, and at last was recalled to Carthage where he was defeated at the battle of Zama. Interestingly, Hannibal would later be elected the *suffete* (king, or in Punic, a judge) of Carthage and focused on rebuilding the city’s agricultural foundations in order to provide the money and prosperity to pay the war debt imposed by the Romans.

After nearly twenty years of constant skirmishing, raids and battles, Italy’s agricultural economy was in shambles. It would not be rebuilt. Instead Rome continued to levy more troops and fight abroad, getting

involved with Greek politics, fighting in Macedonia as revenge for their alliance with Hannibal, even in Asia Minor (modern Turkey) with the Hellenistic kingdoms of the east which employed Hannibal as a mercenary. Also in Spain, where significant territory had been taken from Carthage, Rome now went to war with the Spanish Celts to attain more territory. The result furthered the damage done by Hannibal's campaign. Farms fell to disrepair, woman and children could not manage farms with the fathers away at constant war, so to manage the dearth of farmers, the upper crust of Roman society bought up the land. The conquests abroad between North Africa, Greece and Spain had flooded the market with slaves, and they could be bought for nearly nothing. With more and more land becoming available, large farming estates could be set up, called *latifundia*, the agribusiness of its day. Marcus Porcius Cato, who pushed for Carthage's destruction and uttered the famous phrase "*Delenda est Cathago*," wrote several books which summarize the attitude of the new owners of the fields: "Sell worn out oxen, blemished cattle, blemished sheep, wool, old tools, and old slaves, sickly slaves and whatever else is superfluous."

The continuing consolidation of estates lead to decreasing opportunities for Roman citizens fighting for the Republic, who fled to the cities and found no work. This is the first major appearance of a proletariat in Rome, which could not provide anything other than their *proles* (children) to the state. According to Plutarch, the reformer Tiberius Gracchus noticed the level of change in the countryside on his way to Spain with an army, noting that barbarian slave and beast has a place to lay its head, but not a Roman citizen. When Gracchus returned from Spain, a treaty he made with a local people, the Numantines, was shamefully broken by the Senate. The economic situation was hitting a boiling point with the average Roman citizen who had no means of attaining land, especially with such massive estates to compete against, and land not being available. Gracchus proposed to run as a tribune well below his class and in contempt of the Senate, drawing much support from the families of the 20,000 citizens in

his army he saved in Spain. He pushed for a new law to open up opportunities for Roman citizens to own land, the *lex sempronia*. Falsely characterized as Communism, the *lex sempronia* called for enforcement of an ancient law limiting the amount of land any one person could possess. The state would then provide land, which technically belonged to it anyway by tradition. Far from socialist legislation, the proposal of Tiberius Gracchus was meant to open the way for enfranchising the large proletariat which flooded the cities and especially Rome. The Senate however, filled with upper and lesser nobility who had benefited largely from the land grab, paid one of the tribunes to oppose the legislation. Gracchus was eventually successful in passing it by removing the tribune and forcing the law passed. The story of Gracchus and his brother Gaius is a fascinating one, but takes us too far afield. Tiberius Gracchus' reforms were necessary, but he tried to enact them by breaking not the letter, but the spirit and tradition of the Roman constitution. He was eventually killed, as his brother who also took up the same reform. At this point Rome divided itself into two factions, the *optimates* (great ones) and the *populares*. The *optimates* annulled the *lex sempronia*, leading the two factions to entrench themselves over the issues of agricultural reform and finally they fought each other at different periods through different politicians, who used them for their own ends. Thus began the civil wars which culminated in the victory of Augustus over Mark Antony in 31 B.C. and the beginning of the *Principate*, otherwise known as the Imperial period. The *Principate* would last until Diocletian set up the Tetrarchy in 293 A.D.

In the series of wars and reforms leading up to Julius and later Augustus Caesar, there was a reform of the Roman army which helped alleviate employment problems. Gaius Marius, a famous general in the early first century B.C., reformed the army eliminating the property requirement, and forcing the state to supply weapons and armor to the legions. The troops would also be paid regular wages for their service. This meant that the army changed from a militia army to a paid professional army. This had significant consequences

for the later empire with respect to loyalty, but that is for another place. In the long run what Marius' reform of the army did accomplish was the crystallizing of the *latifundia*, the massive landed agricultural estate worked by slaves as the norm. These were not only in Italy, but established likewise by *coloni* in North Africa, and later Egypt. By the time of Augustus, North Africa and Egypt were supplying most of the grain that the empire consumed, with farms in Italy selling only a marginal amount. In other words, instead of a fertile citizen population tilling the fields and sustaining the state locally, the Romans outsourced their agricultural production to feed their cities across the Mediterranean. Agriculture was truly the center of the Roman economy in this period as it was in the early Republic, but now it depended not on its citizens, but on trade ships constantly sailing through the Mediterranean with crops harvested from slaves and sometimes tenants of rich estate holders. It is important to understand that production in this period of the empire was not a mark of private enterprise, but was largely a state affair. Currency, which in reality is only a symbol of wealth, was dependent upon the most important things it represented: food, clothing, and raw materials. Agriculture provided not only food but also the cloth used to make the garments, the olives for oil and the vineyards for the wine which was such a highly consumed commodity. At least three quarters of all of the goods of Roman trade had something to do with agricultural output. Yet a good portion of the city of Rome could not afford to feed itself, which is why a dole of grain (possibly equivalent to today's food stamps) was provided by the state.

The consequences for the later empire could not be any more grave. The personality of the emperor was what held the empire together, but after Marcus Aurelius in 180A.D., this began to wane. Soldiers were now more loyal to their commanders than to the state or the emperor. Commodus, the son of Marcus Aurelius, and the next emperor Pertinax were murdered. After Septemius Severus not a single emperor would die again of natural causes until Diocletian. Severus made the famous plea to his sons Caracalla and Geta "Live in

harmony, enrich the soldiers, and despise everyone else.”[4] The constant civil war which afflicted the empire did not affect the agricultural seen very much, but it did strain the resources available as well as the increased costs of paying soldiers to keep them loyal.

What did this do for the agricultural state? Apart from putting strain on the system it did not do much. The life of cities began to break down. With more troops drawn away for civil wars, raids of tribes across the Rhine increased deep into Gaul and occasionally to Italy, so that cities which were once sprawling and without walls were now contracted and made defensible. The civic life started to evaporate, as governors and prefects were no longer wealthy enough to endow a city with entertainment, games, civic works and the like. The cities became a hole for starving masses, disease and death as early as the 3rd century. In fact, we have this glowing image of everyone living in stone marble apartments, with mosaic tiles, but that was only the social elite. In reality, even in the golden age of Augustus, most people lived in stinking hovels with no plumbing that could easily fall apart and were prone to fire. This was little different in the 3rd century. Thus the wealthy permanently retired to their villas, paying their own troops to protect them from raids, with walls, and depending upon the mass of slaves to work in their fields. By commanding troops, many of these lords would take the military title of *dux*. [5] Thus early in the breakdown of the empire the origins of medieval feudalism were already being laid, since many of these arrangements would be taken up and honored by the Goths and Franks when they would come into possession of large swaths of the former empire. Yet so long as Rome and Constantinople would maintain control of the shipping from Carthage and Egypt, they could still remain fed. This changed after Alaric’s sack of Rome in 410 A.D. Though he died a few years later, the Vandals would continue moving to North Africa, and eventually took over Carthage, ending the supply of grain being shipped to Rome. This meant functionally that the city could scarcely feed itself, and it began emptying out. The same became true for much of Italy. Grain would be requisitioned from the *Latifundia*,

which began producing more since the prices went up, yet again it was insufficient. People still had few occupations or ownership over the means of production. Technologies that the medievals would develop to great affect such as water power and horsepower were known in the Roman world but not used because the large number of slaves meant there was no market for the technology.

In the end, the thing that hastened the fall of the Western Empire was the loss of its outsourced grain production in Carthage. It was already dying a slow death from increasing bureaucracies, inflation from the devaluation of the currency, mutual distrust in government, civil war, the Goths, Persians and Huns, as well as declining birth rates. Yet the empire had survived this for some time because it had not come to the end of its resources. The loss of its supply of food is the very thing that brought the western empire to the end of its resources. The Eastern Empire by contrast, with its capitol in Constantinople received its grain from Egypt which was by and large still safe, and by the time of the Arab conquest, the land in Greece and Asia Minor had become populated with farming communities which could now support the agricultural needs, something that did not take place in the Western Empire. This enabled it to last for nearly another thousand years.

In the classical world, agriculture was indeed the center of all economy, it was the source of wealth since, no matter what, people need to eat. It also produced rents and income from tenants, it produced commodity and luxury goods. When these things were more widely diffused and held more commonly, it was at that point that the Roman Republic had the population of hardy citizens which defeated the professional armies of the greatest general of the age (Hannibal) and the greatest empires of the age (Macedon and the Seleukeis). It was the army of farmers that won what would become the Roman Empire, it was the professional troops loyal to their generals and not the state who eventually lead to its disintegration. The loss of the land and the greater

concentration into cities lead to a decline in the births of Roman citizens, while the slave class and foreign tenants continued to grow. The Roman Empire in the 3rd century could never have survived a defeat the scale of which Hannibal inflicted at Cannae, where he surrounded a superior force with an inferior force and annihilated 70,000 Romans. Yet the Romans of the 3<sup>rd</sup> century had a vast supply of men to draw on for their armies, as farming families tend to produce more children by greater health and greater need for helping hands. What we see in this is that culture, society and civilization are necessarily tied not merely to the land, but the stability of the land. The stability of the land is achieved when numerous people till it, somewhere between 35% and 45% of the population. In that way there is more security against a dearth of crops, but there are also smaller individual family units that not only provide for the state, but also for themselves. This ensures the stability of a polity which has direct control over its food supply. Disastrous examples as the loss of Carthage to the Vandals should be a reminder to a nation which today depends on food traveling on trucks for thousands of miles before hitting a store shelf.

[1] *arx, arcis (f)* essentially means “box”, and hence our term in English for such things as Noah’s “ark” and the “ark” of the covenant.

[2] Perowne, *Roman Mythology*, pg. 39.

[3] “Ego, talibus militibus brevi orbem terrarum subigere potuissem.” -*Liber de Viris Illustribus Urbis Romae*.

[4] *Dio*, 77. 15. 2-4; quoted in A. Goldsworthy, *How Rome Fell*, pg. 68.

[5] *Dux, ducis (m)*, a leader, or a commander of troops, hence the word “Duke” in medieval parlance.

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#### Questions to Consider:

1. According to Grant, what key factor facilitated the early rise of Rome?
2. How did this factor change as Rome grew in size and strength?
3. According to Grant, how did this change contribute to Rome’s downfall?