

SOME ASPECTS OF ECONOMIC LIFE IN EARLY BABYLONIA

Introduction

The need for re-examining the Economics of Ancient Babylonia.

In recent years, the reaction from classical 19th century English Economics has proceeded apace. As far back as 1895¹ W. Bagehot already noted that "English Political Economy is an analysis only of industrial societies which are to a certain extent developed." And again the same author observed that many students experience "dislike and disbelief" for "abstract propositions which claim to be applicable to all societies."²

Bagehot, was ahead of his time. Primitive economies were only too often looked on as the evolutionary ancestors of our modern market systems, - differing in degree, perhaps, but not in kind. Men everywhere were thought to have an innate tendency or "propensity to barter, truck, and exchange" expressing itself in one and the same market institution.

Largely to the diffusion of anthropological and sociological studies, it is being now increasingly recognized that economic behavior is "culturally determined", and varies according to the institutions extant in any culture. Though, for example, all societies must, in order to survive, have settled arrangements for production and distribution, such arrangements cannot be deduced from some schematic concept of what human nature is supposed to require. Still less can we assume that arrangements or institutions prevailing in our own culture must

¹Economic Studies. 1895. p. 208.

²Ibid., p. 21.

have an exact counterpart in primitive economies. "Gain, such as is often the stimulus for work in more civilized countries never acts as an impulse to work under the original native conditions."³

It follows immediately that extreme caution must be adopted in interpreting the economic information contained in documents relating to economies of bygone societies, especially where non-market societies are concerned.

For this is the point at issue. According to the traditional view Babylon's was a commercial society, i.e. a community with widely spread trade and money uses carried on through markets.

This view is being recently challenged. It is being pointed out that Herodotus, who knew Babylon well, emphatically asserted that it possessed no market places and that the market habit was unknown there. This is supported by the archaeological evidence which does not seem to show open spaces in the City of Babylon other than temple courts nor does the "Baedeker" of Babylon and Assur discovered in Assurbanipol's library contain any reference to such spaces. The archaeology of Palestinian cities, so far as they have been excavated, bears this out. Apart from Jerusalem in Hellenistic times, no Palestinian city to our knowledge possessed as much as an open space within its walls.

The relevance of Herodotus statement for the economy of pre-Persian Mesopotamia follows from the now practically universal recognition of the essential changelessness of cuneiform civilization in its socio-economic aspects over the whole course of its known history. At any

³ B. Malinowski, Argonauts of the Western Pacific, p. 156. 1930.

rate, it would take strong evidence to make out a convincing case for the widespread use in early Mesopotamia of markets which, on this assumption, later discarded. Such evidence has certainly up till now not been offered.

This study is an attempt to re-assess the worth of some recent descriptions of economics in ancient Babylonia in the light of these considerations. It is our intention to probe at the hand of secondary sources, the material available with a view,

1. to distinguish between the facts, so far as they are known to us and the marketing interpretations which may have been put upon them;
2. to direct attention to problems and aspects still awaiting definition or solution.

1. Sources of our information.

In 1897, the French Ministry of Public Instruction and Fine Arts decided to open excavations at Susa, the ancient Persepolis, in Persia. These excavations yielded much information regarding the history of the Persians and their early predecessors, the Elamites; but the most notable discovery of all had nothing to do with either of these peoples; it was a monument containing the code of laws which regulated the lives and conduct of the Ancient Babylonians.⁴

It was admirably transcribed and translated by Father V. Scheil, who found it to be the Code of Laws promulgated by the Babylonian King, Hammurabi.⁵ We are thus in possession of a document which has the unique

⁴ Edwards, C. p. 1.

⁵ Johns, C.H.W., p. 5.

advantage of being contemporary with its author; and no question can arise as to its original composition or the degree of accuracy of generations of transcribers; for it is the autograph of King Hammurabi himself, and has come down to us through the ages, with little injury, in this remarkable manner.⁶

The discovery of this Code stimulated further study of the hundreds of legal documents or tablets which had been found in the principal cities of Mesopotamia and were stored in the Museums of Europe and America, and which had hitherto been studied for their religious or historical interest rather than for their economic interest.⁷ As a result of this study and of numerous further excavations, we today have available a large number of contemporary sources in regard to economic matters. These sources include fragments of actual codes of laws, such as Lipit-Istar, the city of Eshmunna, the Assyrian Code, legal phrase books and legal instruments of all sorts. From the last mentioned source almost all that is known of ancient Babylonian law practice has been derived.⁸ Even if the Hammurabi Code and previous Law Codes were lost we should still have enough documentation to show that Babylonian Law was very highly developed.⁹

As stone was expensive in Babylonia, having to be imported, it was reserved for official proclamations of major importance. We have many such inscriptions in stone, made by Babylonian and Assyrian kings, on steles, statues, and palace walls, and also on the Kassite boundary stones called kudurru.

⁶ Edwards, p. 2.

⁷ Cuq, p. 15.

⁸ Johns, p. 4.

⁹ S. Nicolo, p. 106.

The Sumerian temple records (Baš) the temple records of Nippur etc. are very extensive... The vast majority of our legal documents, however, occur in the form of clay tablets baked either in the sun or in ovens. These inform us of general or local customs, of the applications of the law, and the forms of procedure, mainly about the time of the first dynasty of Babylon.¹⁰ These "contracts" are binding agreements, sealed and witnessed. They were drawn up by professional scribes, who were members of a corporation. In external form, most of them consist of small pillow shaped or rectangular cakes of clay. In many cases, these were enclosed in an envelope, also of clay, powdered clay being inserted to prevent the envelope adhering. The envelope was inscribed with a duplicate of the text. The deeds were often preserved in private houses usually in some room or hiding place below ground. It seems certain that, as a rule, all deeds were executed in duplicate, each party receiving a copy. The scribes often appears to have kept another. At one time, copies were also deposited in the public archives, most probably the city temple, or the governor's palace.¹¹

The habit of committing legal transactions to writing was widespread in Babylonia. Even transactions of apparently slight importance were so written. Whether it was a question of naming an heir, or of renting for a few days the services of a mercenary, of selling a piece of land, or entrusting a child to a nurse, a proper legal title in due form was demanded. As the writing of cuneiform was a difficult art, requiring a long apprenticeship, the work was undertaken by a member of the corporation of scribes. Each contract is drawn up on the same, uni-

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Nicolo, S., p. 119.

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Guq, p. 15.

form, pattern. The object of the transaction, the names of the parties, the nature of the transaction, are always recorded; then follow clauses varying with circumstances. The style is precise and the formulae used recur unchanged over surprisingly long periods of time.¹²

These characteristics provoke one authority to an almost lyrical outburst of enthusiasm. San Nicolo¹³ speaks of the "ueberraschende-Bestaendigkeit" (astonishing persistence) of the legal formulae. The language used is conservative and non-technical; and its simplicity and unity persist for centuries without noticeable change. "Babylonian Commercial Law, already fully developed at the beginning of the second millenium, continues for 2,000 years almost unchanged. We find that the laws relating to purchase, loans, hiring, renting are the same during the Persian period as they were under Hammurabi; whereas the laws relating to e.g. marriage or to administration undergo extensive transformations during the same period."

Finally, we may reflect with San Nicolo, that if our knowledge of legal documents extends to far more remote periods in Mesopotamia than in other parts of the world this is because of the "fortunate coincidence of two circumstances. On the one hand, there was the Sumerian practice of committing business contracts to writing, and, on the other, their choice of an unusually enduring material - clay- for this purpose."¹⁴

¹² Guq, p. 16

¹³ Nicolo, S., p. 253

¹⁴ Ibid., p. 254

2. Historical and Geographical Background.

The territory between the southern Tigris and the southern Euphrates was anciently known as Babylonia, taking its name from the city of Babylon. Though detailed considerations of time and place are not pertinent here, some broad account of the chronology is necessary. It cannot be said that this is yet established with equal certainty over the whole stretch of time. The dates assigned to Hammurabi, 6th King of the First Dynasty of Babylon, are still advancing. Thus San Nicolo in the end paper of his "Beitraege" (1931) assigns 1914 B.C. as the date of the Code whereas more recently, Professor W.F. Albright,¹⁵ dates it at 1690 B.C.

A safe general account (based largely on G.A. Barton:¹⁶) would run as follows: During the third millennium B.C., Babylonia was divided into the Northern area of Akkad, occupied by people of Semitic race; and the Southern half, occupied by non-semitic (and non-aryan) Sumerians. Hammurabi belonged to the Semitic race and during his 43 year reign, he conquered not merely Sumer in the south, but also Assyria in the north.

The reign of Hammurabi inaugurates what is known as the Early Babylonian Period. On his death, the country was invaded by the Hittites, and then for many centuries, fell under Kassite rule (who founded the third dynasty of Babylon.). The Assyrians then conquered the city and governed it for most of a century (729-625).

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Archaeology and the Religion of Israel, p. 31. Baltimore, 1946.

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Barton, G.A., Archaeology and the Bible, Part I, Chapt. 2, 1927.

From 625 - 538, the Neo-Babylonian or Chaldean Empire flourished, one well known ruler being the Nebuchadnezzar of the Bible. The country was then successively under Persian, Greek, and Parthian domination. But, through all these vicissitudes, Babylonian culture survived and persisted almost up to the Christian Era.

One comment is appropriate here as it is relevant to our economic study. San N¹⁷icolo observes admiringly that in spite of these enormous changes of government, Babylonian commercial law persists through the centuries in undying freshness and vitality. This stability and immobility, he remarks, are not due to fossilisation; on the contrary, they constitute both a sign and a proof of the inner strength, and outstanding fitness, of the legal concepts used, which must have been marvellously well adapted to survive such cataclysmic upheavals. The influence of Babylonian law and culture spread far and wide beyond Mesopotamia itself and can be traced through pre-hellenistic times to the Roman Empire itself. As we have said, Babylonia comprised the territory between the Southern Tigris and the Southern Euphrates, and took its name from the city of Babylon itself. Babylon is the Greek form of the native semitic name and means "Gate of the Gods." In the East, the gateway of a city was not merely the entrance but a place of assembly where court was held and public business was transacted. Hence the name "Babylon" could best be rendered today by some such phrase as "Meeting place of the Gods."¹⁸

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Nicolo, San, *op. cit.*, p. 255 et seq.

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Edwards, C., p. 6

In ancient times, the present Delta was nonexistent. The Persian Gulf extended more deeply into the land than at present and the two rivers each entered it by a separate mouth. Twice a year the land is flooded. The bigger flood begins with the melting of the snows in the mountains and lasts from April to June. When the waters receded, an unbearably hot sun dries the clay hard. The shorter flood occurs through November and December. ¹⁹ Babylonia thus consists of alluvial land.

During the dry season the land is baked hard and without irrigation would be unusable. Thanks, however, to the early control of the flood waters, the land was made highly fruitful. The fertility of the soil is spoke of with exaggerated enthusiasm by the Hellenes visiting the country from the barren land of Greece. Herodotus, Theophrastus, and Strabo are loud in their praises of Babylonian agriculture. Barley and dates were the staple crops.

3. The Economy.

The economy was powerfully influenced by the nature of the environment. This fruitful land was carefully exploited by the authorities, especially in the reign of Hammurabi, whose numerous ordinances reflect his watchful diligence. Like Egypt, Babylonia was dependent for its very existence on the utilization of the flood waters.

But whereas Egypt was an isolated culture, shut off from its neighbors through centuries, Babylonia was always open to outside influences. Also Babylonia was not, like Egypt, surrounded by uncultured peoples. On the contrary, the bordering peoples had their own culture,

similar to that of Babylonia and influenced by it. Some of them, too, were organized in cities, each under its priest-prince.

In Mesopotamia, stone, wood, and minerals (including the precious metals) had all to be acquired from outside; grain sesame oil, and wood were available in exchange.

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Schwenzner following Weissner, gives a strikingly modern description of what he conceives to have been the consequent economic state of ancient Babylonia:

"Whereas Egypt, being isolated, could secure its imports only by royal expeditions, Babylonia could rely on peaceful trade. This ever expanding trade, with its constant influx of foreigners, as shippers, sailors, etc., inevitably made for a freer and more decentralized economy than in Egypt. The vast economic development of Babylonia was due primarily to its central position, which made it the natural entrepot between the hilly North and the steppes and deserts of the South ... Trade routes of immemorial antiquity traversed the land bringing great benefits ... Trade in extent and cultural significance compared favorably with the business undertakings of later centuries... "

Such evidence as we possess is far from supporting such an estimate. As we shall see later, temple records for the pre-Hammurabi periods, contain no record of revenues from foreign trade. The tankar transactions, which figure frequently in the Hammurabi Code itself, negative the supposition that there was a free flow of foreigners as

as shippers, sailors, etc., for these transactions would rather appear to have involved expeditionary enterprises, conducted under the close watch and supervision of the Palace or Temple authorities.

4. Administrative Institutions.

Let us look first at the Sumerian cities before the reign of Hammurabi. The country, as we have already noted, had a number of cities, each ruled over by its own god. Our authority here is Fr. A. Deimel. A. Schneider's interpretations, based on his work, will also be drawn upon.

The exact dates are, as we have seen, not yet susceptible of final determination, but present authorities agree that we are here concerned with the middle of the 3rd millenium B.C. (2520 B.C.)

Deimel's texts originate from the archives of the temple of the goddess Bau, of the city of Lagash. The temple organization seems to have comprised about 1,200 people. Our material is thus drawn from a single city, but Deimel considers we are justified in drawing inferences about conditions in the rest of Sumeria.

Each city had a principal temple and a number of smaller ones. Some 20 temples existed in Lagash itself. The city state of Lagash contained 6 cities, of which Lagash was the most important.

The Patesi (prince or governor) appears to have exercised some kind of central control over all the temple administrations in his area. Each of the smaller temples was administered by a head priest. The Patesi probably administered the principal temple himself. He represented the city-god of Lagash, Nigirsu; his wife represented the city-

goddess Bau. Their family held the more important temple posts.

There appears to be evidence that, in the course of time, the Patesi of a given area would usurp the possession and revenue supposedly belonging to the god, and would secularise them for his own purposes. One city often became more prominent than the others and would subjugate them. Thus, in the period of our study, Lagash was under the Patesi named Urukagina, who in turn, was controlled by the ruler of the neighboring city of Kish. Later we find Sargon of Agade making an end of the Sumerian high chief, Lugalzaggisi, who had defeated Urukagina, and uniting the whole of Sumer under the leadership of Akkad. Finally, of course, we have Hammurabi dominating the cities of all Babylonia. It is interesting to recall that the Biblical Tower of Babel, now utterly destroyed, was the temple of the city of Babylon itself.²¹

The relations between the ruler of the Palace, the Patesi, and the Temple, remain tantalisingly obscure but one central fact seems assured. The Babylonian temple, with the vast wealth at its disposal constituted the richest agricultural, industrial, commercial, and financial, single unit within the community. It was a well organized and efficiently run corporation controlling extensive tracts of land, enormous quantities of raw material, large flocks of cattle and sheep, sizable amounts of precious metal, and a large number of servants."²²

²¹ Woolley, L. The Sumerians. p. 142.

²² Mendelsohn, I., p. 99.

5. Agricultural Economy.

At the time of Urukagina, there would appear to have been no private property in land. All land belonged to the temple and the gods. There were three kinds of land.

1. Temple land proper, which was cultivated exclusively for the needs of the temple personnel. This land was cultivated by laborers, maintained by the temple, and required to serve in the army.
2. Allotted land. This land was allotted to the rest of the citizens and frequently, if not annually, reallocated. It would seem that most of the temple employees belonged to the military colony, being obliged to render military service, when called on, in return for being allowed this land. The lots were of different size according to the importance of the person to whom they were allocated.
3. There was, finally, rented or tenanted land. The rent of this was paid mainly in kind but partly also in silver.

6. Agricultural techniques.

Ploughing was done at the end of November after the ground had been softened by the rains. The seed corn, the plows, the harness and other implements were obtained from the temple stores. Barley was the main crop sown.

Numerous canals were built and governed by stringent regulations relating e.g. to the closing of sluices at ebb-tide, repairing of walls,

payment of dues, etc.

Temple employees were under obligation to perform the work of irrigation, though it must be noted that the temple paid for the work done. Similarly, harvesting on the rented land was done by military coloni return for their keep. The products were then stored. The damp, hot climate made storage a matter of extreme importance. According to L.W. King²³ the storage room in Lagash would appear to have been built first; the temple having been added later. The walls (inner and outer) were asphalted and built over the storage chambers.

Vegetables were usually grown in the field, not in gardens. Large quantities of onions (especially garlic), radishes, etc., appear to have been consumed. Cattle, sheep, goats, were also reared, though we find no mention of fowl. The water courses being numerous, much fishing was carried on.

7. Temple Offerings.

On feast days, presents and offerings were made by other temples and the people. These donations may be looked on as feast day contributions by the well-to-do employees and administrators for the delectation and enjoyment of the temple family. The priests, singers, musicians, temple prostitutes would all receive gifts. In later times, these posts would appear to have become lionable and even inheritable.

We possess lists showing payments made to the military coloni and to slaves. On the whole, it would seem that there were few slaves. The work was done for the most part by persons giving service on behalf

of the temple and drawing their living from it.

Fr. Deimel points out that the temple records of Bau show no trace of revenues from, or expenditures on, trade or commerce. Apparently then, there was at this period no private property in land and no foreign trade. (Cf. A. Schneider's cases of tambar trading for the wife of the Patesi.)

8. Development to Hammurabi's reign.

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A. Schneider maintains that in the course of time, the Patesi gradually secured some of the temple land as his own property. Max Weber²⁵ had maintained the opposite. According to him, the land first belonged to the Patesi and only later to the temple.

At a period we can no longer precisely determine, money slowly emerges. Silver was increasingly substituted for corn in payment of dues to temple or palace.

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Schneider claims that the temple accounts, even before Hammurabi, enable us to distinguish private transactions from temple transactions.

"There was, in fact a twofold circulation of goods in Sumer ... one consisting of goods paid into the Temple by the people and later reallocated to temple workers, ~~at prices which were conventional and invariable, and the other, consisting of goods paid into the Temple by the people and later reallocated to temple workers, at prices which were~~

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Schneider, A., Op. Cit., p. 27.

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Weber, Max, Wirtschaftsgeschichte, p. 227.

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Schneider, A., Op. Cit., p. 68.

conventional and invariable, and the other, consisting of goods exchanged between individuals at prices which varied at the will of parties."²⁷

If this were so, we could speak of the economy at this time as comprising both re-distributive and exchange elements. However, this interpretation would appear to be highly personal and conjectural and is mentioned here merely to indicate one trend of thought. Until further evidence is forthcoming it would be rash to speak with any confidence concerning trade between individuals in Babylonia.

At all events, when King Hammurabi was successful in subjecting the entire country to his rule, the separate Patesi economies would seem to have been merged under his administration. The Patesi became his nominees.

9. The Code of Hammurabi.

In trying to gain light on economic conditions in Babylonia at the time of Hammurabi, we need to remember that the "Code" of Hammurabi omits treatment of certain important items of civil and criminal law, e.g. purchase, murder, etc.²⁸ Presumably, already existing older laws continued to apply to such topics.²⁹

The introduction and epilogue show that Hammurabi desired to introduce uniformity in the two hitherto divided parts of his kingdom: viz, the Semitic North and the Sumerian South.³⁰

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Schneider, A., p. 70.

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Guq, p. 14.

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San Nicolo, p. 73.

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San Nicolo, p. 75.

Fortunately we have plenty of material, as already stated, in the shape of court decisions, contracts, and other commercial documents, which greatly assist us in our work of interpretation. We know, further, that Babylonian culture was extraordinarily stable through centuries so that a certain amount of extrapolation with other periods will not involve anachronism. Ancient Rome, medieval Rome, modern Rome are three essentially different cities, agreeing only in site, but Babylon showed no such breaks in continuity.

Perhaps a word on Hammurabi himself will not be out of place, and excuse this lengthy quotation:

"Hammurabi was the real founder of Babylon's greatness. To his military achievements he added a genius for administrative detail, and his letters and despatches, which have been recovered, reveal him as in active control of even subordinate officials stationed in distant cities of his empire. We see him investigating quite trivial complaints and disputes among the humbler classes of his subjects and even sending back a case for re-trial or for further report. In fact, Hammurabi's fame will always rest on his achievements as a lawgiver, and the great legal Code which he drew up for use throughout his empire. It is true that this elaborate system of laws, which deal in detail with every class of the population, from the noble to the slave, was not the creative work of Hammurabi himself ... It was governed strictly by precedent, and where it did not incorporate earlier collections of law it was based on careful consideration of established custom. Hammurabi's great achievement was the codification of this mass of legal enactments and the rigid enforcement of the provisions of the resulting Code throughout the

whole territory of Babylonia. Its provisions reflect that king's own enthusiasm, of which his letters give independent proof, in the cause of his humbler and more oppressed subjects. Numerous legal and commercial documents also attest the manner in which its provisions were carried out; and we have evidence that the legislative system so established remained in practical force during subsequent periods." ³¹

The interpretations which follow, then, are those arrived at by authorities using as material: the Code itself, court decisions, contracts (relating especially to buying and selling, hiring and renting) and, finally, letters of private individuals and kings. Particularly interesting are the letters of King Hammurabi himself giving his decisions to his various administrators concerning the proper use of the land. M. Thureau-Dangin has given an extremely interesting edition of 67 of these letters in Tome VII of the Textes Cuneiformes in the Louvre, Paris.

10. Conditions Under Hammurabi.

Social Classes.

It would seem that there were three classes of men in Hammurabi's Babylon, viz, free men, a class known as "muskenu", and slaves. By comparison with free men, the goods of the muskenu were privileged (Arts#8, 15, 16 of the Code) but their person was less valued (#196-216 and #215-240). Injuries to the muskenu were fined at a lower rate than injuries to free men. (The word "muskenu" later came to mean "beggar")

or "outcast" and seems to have designated a despised category; it gave rise to the modern French and Italian words "mesquin" and "meschino" meaning "contemptible, petty".)

So far as the number of slaves is concerned, E. Mendelsohn concludes, after a careful discussion: "With the exception of the state and the temple slaves, the proportion of the unfree population at almost any time was insignificant in relation to the free population. The number of slaves owned by private persons averaged from one to four ... On the whole, slaves were used primarily in domestic service. Slavery was chiefly the result of poverty. The slave was of the same race as the owner and lived and worked shoulder to shoulder with his master. The transition from freedom to slavery and vice versa was fluid ... Further, the Hammurabi Code recognized (#175) as legally binding a marriage contracted between slave and freeborn woman and the children of such a marriage were free. Again, the children of a union between master and female slave were freed after the father's death. (#171)." (Slavery in ancient near East).³²

The same author claims³³ that "Babylonian and Assyrian craftsmanship was a product of free labor. The Hammurabi Code estimated the value of a slave as 20 shekels of silver, which was the same value as that of an ox. The average wage paid to hired labor in the Hammurabi period was 6 shekels of silver per year (in addition to his keep). If the average price of a slave was about 20 shekels, his price was the equivalent of 3 - 4 years of wages for a hired laborer. Considering

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Mendelsohn, I., Slavery in Ancient Near East, p. 121.

33. Mendelsohn, I., Ibid., p. 116.

that a slave had to be taken care of, if sick, old, or if times were slack, it would appear that it was cheaper to hire help on a monthly or seasonal basis rather than to own a slave. This conclusion is confirmed by the number of slaves owned. The typical wealthy Sumerian family owned but one or two slaves. This was the case also during the First Dynasty of Babylon. Many estates were without any slaves at all." (As against this, we must bear in mind that the records of the Bau temple, aforementioned, show that a considerable number of slaves was in existence in earlier times.)

11. The Land.

As before, there would appear to have been three categories of land, viz, temple land, fiefed land, and leased land. Articles 27-34 make clear the existence of fiefed land. Arts. 35-37 make it clear that a soldier's land is not for sale. The tamkarum (who, we shall see, acts as a temple or palace official or public broker) is authorized to ransom captured soldiers and to restore their land to them on their return home. (#32).

Leased land, and temple land, is treated in arts. #42-66 which concern penalties for bad cultivation, failure to irrigate, repair dike walls, etc.

There is no mention in the Code of private property in land. On the other hand, contracts and other private documents show that houses were objects of private ownership.

To say, however, with Cuq³⁴ that "such documents prove the existence of private property in land" would appear somewhat rash for closer

³³ Schneider, A., p. 77.

³⁴ Cuq, p. 78.

examination shows that it is usually some temple official that is engaged in the transaction - possibly as representing the temple. Thus a priestess of Samas and her sister buy a garden at Halikum. The parties swear to respect their pledged word.³⁵ Again, another document shows a priestess buying a house from three brothers and sisters and paying for it with the tithes due to her office.³⁶

P. Koschaker sums up:³⁷ "Houses and gardens were privately owned but not tilled lands. The population, organized in castes according to trades, lived largely for and through the state; state economy was predominant and with it a vast bureaucracy which also managed the public storehouses."

Similarly, M. Rostovtseff³⁸ "In practice, the authorities owned all the land ...".

12. Commercial Transactions.

Though there is frequent mention in the Code of debts, loans, deposits, contracts, we have to be on our guard against imagining that Babylonian Commercial Law was the same as modern law.

In particular, references to "trade" in commentaries on Babylonian economics need to be treated with extreme caution. In modern economic thought, there is a strong tendency to look on all transactions as exchanges of goods or services, or which buying and selling constitute

³⁵ Ungnad: Ham Gesetze, p. 380.

³⁶ Ranko, Bab Bus and Legal Docs., p. 13.

³⁷ Koschaker, P. Law: Cuneiform in Ency. Soc. Scs. Vol 5, p. 217.

³⁸ Rostovtseff, M., Hist. Ancient World, Vol I., p. 81.

the prototype, differing only in the objects or subject-matter exchanged. The attention of each of the contracting parties, in a modern market, is directed to the price at which the exchange is to take place; once a suitable price has been "struck," the exchange takes place. Price is the regulator and the main, if not the sole, criterion and each party seeks to modify it in his own favor. Since, in the modern world, all economic dealings are market events, it is perilously easy to commit the anachronism of considering commercial transactions of bygone societies to take the same form, and mentally to identify "trade" with "market trade" depending on prices. If we bear in mind however that Ancient Babylonia did not have the transportation, credit, and market facilities of modern times, we shall be prepared for the view that such "trade" or "acquiring of goods" as they found it necessary to indulge in, could not have taken modern forms. In particular, their foreign trade was of the non-market or expeditionary type.

In short, we have to bear constantly in mind that the acquiring of goods from outside is one thing; whereas the acquiring of goods through the particular institution of the market, which is what we today understand by "trade" is quite another.

Thus, P. Koschaker³⁹ remarks: "The widespread acceptance of the idea that the Babylonians were a trading people requires some reservations... It is scarcely true of the Sumerian and Early Babylonian Periods. This does not mean that there was no trade; but most of the trading was in the hands of the State and the *tankarum* so often encountered for this period was not a private merchant but a semi-governmental functionary."

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Koschaker, P.: *op cit* p. 217

Numerous articles in the Hammurabi Code refer to the tankarum. We have already referred to #32 which shows the tankarum his capacity of ransom eventually indemnified by temple or palace. He is mentioned as a lender in 40,49,51,66, 89-96, and as commissioning trade in 100-107. Articles 113-119 shows him in the capacity of creditor constraining creditors. E. Huber, after examining many loan texts, observes: "It is probable that the loangiver in all texts is a temple officer."

In short, the tankarum is a kind of civil servant, (possibly a member of a gild or corporation of traders), living from the produce of his allotted land, and acting on behalf of Temple or Palace. His livelihood was not primarily dependent on the commercial transactions he supervised but was, instead, secured on the revenue accruing to his status and derived, principally or entirely, from landed property.

G. Maspero says: "The commerce of the chief cities was almost entirely concentrated in the temples. The large quantities of metals and cereals constantly brought to the god either as part of the fixed temple revenue or as daily offerings accumulated so rapidly that they would have overflowed the storehouses had not a means been devised of utilizing them quickly." His further remark that "the priests therefore treated them as articles of commerce and made a profit out of them" would need considerable reservations. There is no evidence that the temple was a profitmaking corporation at all. It would be safer to speak of the temples as treating the goods as articles of "re-distribution" rather than as articles of "commerce."

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Huber E. : p. 219

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Maspero G. : The Dawn of Civilization, p. 750

It would further seem that the much needed imports of wood, metal stone etc. would be brought in by centrally organized expeditionary trade involving much time and labor to organize and not exempt from the danger of enemy attacks whilst on the road. The tawkerum was in charge of this "trade" (Articles 100-107 which are concerned, inter alia, with losses incurred from enemy attack.)

We have strong confirmation of this view from Prof. W.S. Albright⁴² who observes: "In Accadian, for instance, no distinction is made between trading expeditions and military adventures; both are called "kharramu" and 'gerru'."

13. Legal Forms

The subject of Babylonian commercial law is a difficult one and it cannot yet be said that we have absolute certainty for our interpretations; but the researches of V. Scheil, J. Kohler, San Nicolo and P. Koschaker represent authoritative findings in this field and are here reproduced in substance.

Two fundamental principles govern cuneiform commercial law, especially in the early Babylonian period which we have under consideration.

1. Fungible goods i.e. goods, any specimen of which can serve for, or be replaced by, any other item of the same nature contracted for viz standardized agricultural products or raw materials such as wool, metals, bricks, timber, etc. Roman law defines them as goods "quae numero, pondere ac mensura consistant" i.e. as non-specific, non-identifiable goods handled by number, weight, measure are sharply differentiated from specific, or identifiable, goods, exactly as in Egypt.

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Albright, W.S.: Archaeology and the Religion of Israel
1946; p. 138

2. All purchase transactions are construed as, in principle, acts of barter i.e. no debts or obligations can originate from them. It would seem that debts and obligations were restricted to status obligations as witness the articles regulating fines for injuries etc. Economic transactions did not give rise to obligations. "All transactions are for immediate delivery. People did not think of selling for future payment."⁴³

"The transaction consists in delivery and counterdelivery and cannot give rise to obligations."⁴⁴

The application of these principles to the commoner types of transactions, viz: purchase, sale, hiring, renting or leasing and loaning will now be considered.

14. Economic Transactions.

1. Contracts of purchases or sale concern only specific or identifiable goods viz: land, cattle, boats, temple offices or benefices, slaves. Never do such contracts cover fungibles. Article 7 of the Code enacts the death penalty for anyone buying or selling (without witness and in due form) to dependents, minors or servants.

2. All such contracts are construed as being acts of barter, or for immediate payment i.e. each transaction is final and complete in itself and cannot give rise to claims or debts. The transaction consists in the mutual exchange act and the contracts usually contain some mark or phrases (e.g. 'He put his hand on it.')

whereby the buyer attested that he had received the goods and the seller that he had received the price.

(Koschaker: art. cited.)

⁴³

Kohler, J.: *Phil of Law*, 1921, p. 169

⁴⁴

San Nicolo: p. 205

Yet credit transactions, we know, were frequent. Counter delivery or immediate payment was postponed especially in transactions done for speculation. Babylonian law met this need for credit without giving up the appearance of sanctioning only cash transactions. Where goods were sent before payment was received, the buyer was treated as paying the price constructively. The transaction was thus complete. Simultaneously, though, and as an unconnected transaction, the seller was conceived as making a deposit (of the, as yet unpaid, price) with the buyer.⁴⁵ This procedure brought the seller a double advantage in that (a) he could insist on payment at any time convenient to himself and (b) the buyer exposed himself to paying double the price should he refuse payment (cp Art 124 of the Code.)

3. Fungibles were treated differently from specific goods.

(a) The small scale exchange of fungibles was an unwritten transaction, not covered by documents and hence not specifically treated in the Code.

(b) The large scale exchange of fungibles is looked on as entirely different from purchase and sale. "According to the concepts of cuneiform law, the sale of bulk commodities such as grain or wool was not a sale at all but took the form of a loan."⁴⁶ The claim to payment is looked on as an entirely separate transaction from the actual transfer of goods.

This conception, so strange to our modern way of thinking, invites conjecture. It certainly calls for explanation.

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Cuq 192 3. Nicolo 206 Koschaker 217

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Koschaker: p. 217 op. cit.

Can it be that it represents a lingering remnant of some ancient prejudice against, or taboo on, transactions in foods? May it be the case that staples were looked on as "extra commercium"?

4. Free labor was treated in the same fashion as fungibles.

Where free labor was needed (for bringing in e.g. the harvest, or for housebuilding, boat repairing, sheepguarding, pressing oil from sesame, the preparation of drinks tilafixing etc.) the materials used by the worker may have been regarded as temporarily loaned to him because in his custody. The loan character of the transaction was more clearly defined where payment for the services required was made in advance or where the worker was regarded as entitled to the bye products or residue of raw materials left over from the work.⁴⁷

Was there also a traditional taboo on transactions in labor? If so, this would explain why demand for labor-services was disguised as a claim for raw materials loaned.

5. The hiring of moveables (e.g. ships, draft animals, unfree labor) was regarded as a third type of transaction differing both from the handling of fungibles and of specific goods. Art. 257, 258, 273, 274 of the Code deal with the pay of laborers; arts 268-272 with draft animals; 276-277 with the hiring of boats. The worker here was clearly regarded as hiring out his person i.e. payment for his services is looked on as a kind of rent or hire payment rather than as a wage. He hired his person out exactly as a boat or an animal.

Divergent interpretations are encountered here. P. Koschaker takes the view that only unfree labor was treated in this way. "The wage scales

⁴⁷
Nicolo, S.: 246

for the various classes of artisans in the Hammurabi Code show that the form of the labor contract was derived from that for the renting of slaves." ⁴⁸ San Nicolo agrees that labor was remunerated in the two ways mentioned. Either (a) the materials used, or the advanced payment made, were regarded as loaned to the worker, the whole transaction being assimilated to, or construed as, a loan, or (b) the person of the laborer was hired out just like other moveables. But San Nicolo claims that both methods could be applied even to free labor, there being no difference in the social connotation of the transactions.

Closely related to the hiring of labor is the pledging by a free man of his person to a creditor. The freeman could under take to work off a debt by pledging his person to the creditor. In exactly the same way we find fields being pledged to creditors, the latter being given ⁴⁹ the use of the field in lieu of interest payments.

6. Leasing.

Land was rented either on lease or on the share cropping (metayer) system. Arts 60-65 regulate the leasing of orchards and arts. 42-47 the leasing of other lands. Houses could also be leased. The landlord, under the share cropping system, received 2/3 of the annual produce for a date orchard; 1/3 in the case of other land, except that, as contracts show, where the landlord put in some work, his share could rise to 1/2.

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Koschaker, P., Art. Cit., p. 218.

49

cp arts 49 and 50 of the Code
Guq, E. op. cit., p. 312.

7. Deposit and Storage. (II 122-126)

"e have noted that sales on credit were treated as deposits - the thing sold figured as deposited with the buyer who could then be called on for restitution if the terms of the contract were not met. 50

Depositing seems to have been very important in Babylonia. The connection between storing and depositing is obviously close and the latter would naturally derive from the former. "According to inscriptions recently discovered the gild of temple builders had a deposit of silver in the city treasury on which the gild chief drew checks which were duly honored by the treasury when presented by the payee." 51 And again, "The deposit seems to have played in Babylonia a part like that of a bank deposit today. The recipient sometimes undertook to pay over the deposit to a third party named by the depositor, either within the city in which the contract was made, or to another city where the recipient had a correspondent. Business was greatly assisted thereby. Payments and receipts whether at home or abroad, could thus be effected by a mere bookkeeping entry." 52

One interesting example, given by the same author, follows: "A priestess of Samas at Sippar, deposited $8\frac{1}{2}$ minas of lead with a person who undertook to deliver an equivalent weight to a nominee (or messenger) of the depositor, which nominee lived in the city of Tupias, in a foreign country."

The temple appears to have thus fulfilled the function of a giro bank. According to Koschaker, 53 Art. 120 of the Hammurabi Code seems to

50 #124

51 Guq, p. 172.

52 Guq, p. 222

53 Koschaker, Rechtsvergleichende studien zur gesetzgebung Hammurabis, p. 67.

turn on a dispute concerning just such a process. "It looks as if the mentioned corn deposit is functioning like a modern bank deposit, i.e., the storehouse seems to be debiting the depositor with expenditures on his account, and credits him with any receipts."

8. Loans and Interest.

Loans were frequent in Babylonia. The temple made consumption loans without charging interest. These involved seed, silver, bricks.⁵⁴ We have already noted that the large scale transfer of fungible goods was treated as a loan.

According to Cuq⁵⁵ interest was never prohibited in Babylonia. Articles 89-96 of the Code concern interest. It must however be admitted that the whole subject of interest on loans offers difficulties of interpretation. Thus E. Huber who examined a large number of loan documents reports cases where the debtor either pays no "interest" at all, or actually seems to repay less, in barley, than he originally borrowed!⁵⁶

On this subject, extreme caution is required. We know that pledging was in existence i.e. a man could pledge his person, or his land, for a loan. This meant that the lender could use the thing loaned and this use of itself would already replace what today we would call interest. Thus a judge is mentioned by Cuq⁵⁷ as "lending" 9 units of

⁵⁴
Cuq, 228, 254.

⁵⁵
Cuq, p. 252.

⁵⁶
Huber, E., p. 194.

⁵⁷
Cuq, p. 233.

sesame on condition that a third of the oil was extracted and returned to him, the "borrower" being allowed to keep the remainder. The benefit, or "interest", (if one is entitled to speak of interest) secured by the lender would be simply the labor put into the work of extracting the oil. The service contract, already mentioned, is similar. To induce men to work as reapers at harvest time, each was made a "loan" i.e. each was pre-paid part of his wages. The "interest" on the loan would then be the actual services rendered by the reapers.

Articles 89 - 96 make it clear that there were two different rates of "interest". Loans of grain or seed were to be repaid at 33 1/3%; the rate on loans in silver was 20%.

"The rate on money loans was variable: that on corn was stable."⁵⁸

⁵⁹ Schneider therefore claims the fixed rate was that of temple: the variable rate on silver was for private transactions.

These rates of interest may appear high at first sight. "But they could not have appeared excessive to the inhabitants of Babylonia ... even today, in Mesopotamia, in spite of the backward state of agriculture, corn yields 80 to one, whereas in our own part of the world (i.e. France), it yields no more than 20 to 1."⁶⁰

Article 51 makes it clear that if a debtor is unable to repay in silver he can repay (the *tankarum*) in kind, at a rate determined by the law i.e. "the tariff of the king." Cuq believes that this permission was doubtless used by taxpayers.

⁵⁸ Huber, E., p. 217.

⁵⁹ Schneider, p. 41.

⁶⁰ Cuq, p. 257.

One is struck by the elasticity of the debt laws for, in addition to this facility already mentioned, one finds that, according to Art. #96, anyone borrowing from the tankarum, and unable to repay either in corn or in money can instead give "all that is in his hand" i.e. he can give any other possessions, presumably.

In this same connection, one may also refer to #117, to the effect that - where a debtor has pledged his wife, son, or daughter in repayment of his debt, the duration of such pledging or debt-bondage is not to exceed 3 years. Art. 91 further lays it down that a tankarum is forbidden to exceed the legal rates of interest already mentioned.

15. Money.

It is customary to distinguish four uses of money, viz. use as:
 1. means of exchange. 2. means of payment. 3. standard of value or unit of account. 4. minor use - as a means of hoarding. This we do not propose considering here.

That both barley, silver, oil and wool were used we know from references in the Code of Eshna as well as in the Code

1. Means of Exchange.

Fr A. Deimel's study of Sumeria would seem to show that even at the beginning of the 3rd millenium, silver was already in use, as well as barley. Part of the rent, it seems, could be paid in silver. Whether money actually circulated as a means of exchange is however by no means clear. Authorities agree, of course, that there was no coined money. Equally certain is the fact that silver was weighed. To give

only one example, from Hammurabi's reign, Art 59 of the Code enacts that a man who has cut down a tree (presumably belonging to the Palace or Temple) without authoris action shall "weigh a half mina (i.e. 30 shekels) of silver" as punishment.

In addition there are prices and salaries fixed in the Code and of which further mention will be made. Maspero ⁶¹ says: "To weigh was, in the ordinary language, the equivalent for payment in metal; whereas to measure denoted that the payment was in grain."

⁶² Schneider following Demiel maintains that as far back as Urukagina's time a2520 "documents prove that even employees of the lowest grade had silver" and further believes that there was extensive private trade using silver, the temple however adhering consistently to payments and receipts in barley.

⁶³ Finally, L. Woolley claims that "for local dealings values were generally reckoned in barley but for larger sums and for distant trade gold and silver were more workable standards." This appears to confuse the use of money as a means of exchange with the use of money as a standard of value or unit of account. There is no reason why the same standard should not be used for reckoning all values, whether in foreign trade or in domestic transactions. If so, that standard was in silver.

61

Maspero, Dawn of Civilization, p. 749.

62

Schneider, p. 39.

63

Woolley, L., p. 117.

2. Means of payment.

Here we are fortunately on firmer, safer, ground. The Code enumerates obligations which had to be discharged in silver thus proving that silver was used as a means of payment. We have already noted the articles relating to the double rates of "interest". Art. 108 is particularly interesting in this connection. It enacts that a date wine seller shall be summarily punished if she refuse to accept payment in corn and insists on payment in silver. P. Einzig⁶⁴ thinks that his article proves that barley was slipping out of use and that "intervention by the state was necessary to maintain the money role of barley." P. Cruveilhier, in his commentary on the same article, speaks similarly.

A. Schneider⁶⁵ maintains that "in the oldest period i.e. even before Hammurabi, documents show that silver was frequently used in payment; rarely, and then only as part payment, in field rent; never as payment for services. In the course of time, the use of silver increased. Payments in kind gradually dropped out."

E. Ranke⁶⁶ points out that according to the Code (Arts. 268-272) the wages of agricultural workers, shepherds and rent of chariots, cattle, donkeys, etc. were payable in grain; also, the salary of royal functionaries and even of judges. Cuq⁶⁷ claims that economy in kind prevailed mainly in the relations of the Temple and Palace to their employees. On the other hand, the salaries of ship repairers, day workers, brickmakers,

⁶⁴Einzig, P., p. 446.

⁶⁵Schneider, A., p. 39.

⁶⁶Ranke, E. Tab. Bus. and Legal Doc., VI, 2, p. 104.

⁶⁷Cuq, p. 164.

carpenters, and builders, the rent of a house, boat, etc. or the salaries of doctors, veterinarians, architects, and, finally, fines for certain crimes were all payable in silver.⁶⁸

Finally, the duality of the interest rates, already mentioned, and the fact that lenders could be compelled to accept in grain instead of in silver are accounted for by Cuq⁶⁹ as proving that silver had not yet supplanted staples as a means of payment.

It will be seen that these matters are still controversial. Fortunately, our conclusion need not be. It is incontestable that divers obligations had to be met by the handing over of the same types of units, which justify our initial statement that money was used as means of payment.

3. As a "Standard of Value", or unit of account.

We have already mentioned the deposit giro and clearing house functions of the temple. Vast supplies were stored there and their administration and bartering would inevitably involve questions of value.

Today, prices are said to be fixed by the interacting forces of supply and demand but in the absence of markets prices, would depend for their determination on the intervention of the authorities. "In ancient Sumeria, silver was the common denominator of all values. When a tankarum delivered ointment to the temple and received wool in exchange, payment was not evaluated in ointment against wool, but the value of both was calculated in silver though no payment in silver took place."⁷⁰

⁶⁸ Arts. 59, 198, 201, 203, 204, 207, 209, 241, 251, 259.

⁶⁹ Cuq, p. 165.

⁷⁰ Schneider, p. 70.

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An interesting parallel is cited by D. Cross⁷¹ a thousand years later. The Nuzi documents show that the "price" of oxen was kept stable at 10 shekels. In one contract, 40 shekels are equated in value with 2 oxen, one ass, 10 sheep; in another, 30 shekels are equated in value with one ox, one ass, 10 sheep.

Art. 51 of Hammurabi Code expressly says that a debtor who is unable to repay the tankarum in silver for a loan may repay in grain at a rate fixed by "the king's law (or tariff)". The tariffs for fines, wages, hiring charges, already mentioned, show similar authoritative regulation of prices.

This leads us finally to the consideration of such price equations in general.

16. Equivalencies.

Already in the First Dynasty of Lagash, and also later under Manistusu of Akkad, it was usual to give the value of natural products, raw materials, animals, slaves, etc. in weights of silver and this was also the case in the numerous temple accounts. Between silver and the principal articles of diet - barley, and dates - there was a fixed equivalency - 1 gur of barley for 1 shekel of silver.⁷²

In 1889 there was found at Sippar (the present Abue Habba) a stele whose two faces bear an inscription from the time of Manistusu who was king of Akkad about the middle of the third millennium B.C. On the stele, we find engraved a series of transactions concerning fields.

⁷¹ Cross, D. Moveable Property in the Nuzi Documents, 1937.

⁷² Schwenzner, W., Zum altbab wirtschaftsleben Leipzig, 1915, p. 11.

The price of each field is given first in barley and then in silver. In addition, the boundaries of each field and the names of the contracting parties are given.⁷³

In fact, such price equations are numerous. The sources in which they are found may be classified as follows:

(1) Proclamations - on steles e.g. of Manistusu, Hammurabi. Another example worth mentioning is the commemorative inscription of Singasid, King of Uruk,⁷⁴ a few years before Hammurabi conquered the city. The inscription reads as follows:

"During the reign of His Majesty, may one shekel of silver buy 3 gur of grain or 12 minas of wool or 10 minas of copper or 30 qa of vegetable oil! May his years be years of abundance!"⁷⁵

(2) Other Sources. These are found in (a) temple accounts; (b) private contracts, and in large numbers. B. Meissner⁷⁶ considers that the temple authorities varied the equations from time to time. Whereas, he states, "The Manistusu stele shows that one gur of barley equalled 300 sila and was equated in value with one shekel of silver; by Hammurabi's time, the gur, while still equal to one shekel of silver, now bought only 150 sila."⁷⁷ H.F. Lutz gives further figures purporting to show that the authorities deliberately varied the equations according to conditions of plenty or scarcity.

⁷³ Guq, p. 78.

⁷⁴ Smith, Transactions Soc. Bib. Archae. Vol. I, p. 44.

⁷⁵ Dangin, Thurqau: Inscriptions de Sumer et d'Accad, p. 314.

⁷⁶ Meissner, B., Warempreisen in Babylonien, p. 36.

⁷⁷ Lutz, H.F., Price Fluctuations, Etc., p. 335.

17. Significance of Equivalencies.

The exact meaning of these price equations is far from being known at the present time. A number of theories, however, can be, and have been, advanced to account for them and it may be of interest to consider the more plausible, in the hope of directing attention in this direction. Future research will certainly have to contend with this problem.

1. Prices found in private contracts differ markedly from those mentioned in the official proclamations.⁷⁸ Cuc therefore considers that the official equations merely represent pious wishes on the part of the authorities, the contracts showing those actually in force.

W. Schwenzner goes further in the same direction and claims that the authorities deliberately understated the prices actually prevailing! This is difficult to believe. Whom were they aiming to impress? Future historians?

2. On the other hand, Schneider⁷⁹ claims that the royal price equations are not to be looked on as setting maximum prices for trade (sic) in general; rather are they to be considered as applying only to the Temple storehouse. Like the sizes of the Temple weights and measures, so temple prices were varied, according to the King's regulations, whereas private trade was unaffected thereby."

3. R. Kaulla⁸⁰ points out that price fixing is not possible till exchange is frequent-bringing the possibility of unjust prices. In non-exchange economies, price fixing first emerges as an attempt to

⁷⁸ Cuc, p. 167.

⁷⁹ Schneider, p. 71.

⁸⁰ Kaulla, R., Theory of the Just Price, London, 1940, p. 10.

to regulate compensation for injury. Certainly, the penal sections of the Code (Arts #196 et seq) show that this phase of thought is represented. The lex talionis operates between freemen but where the status is unequal as where an inferior is injured by a superior the compensation is fixed in money.

81

Of considerable interest here is the contention of A.H. Quiggins that money originates in precisely this practice of regulating payments for injuries done. Not barter, but the establishment of definite scales of compensation for different injuries, brings money into existence.

4. The equivalencies may have been designed to facilitate payment. ⁸² Cuq considers that e.g. Art. #51 of the Code, which gives debtors the right to repay debts in corn (instead of in silver), at a rate determined by the King's tariff, was doubtless intended to facilitate the payment of dues to the Temple or Palace.

5. The price equations would also be of service to the Temple or Palace in their endeavors to balance accounts and draw up their "budget".

6. Finally, it may be that the fixing of price equations and especially their periodical variation by the authorities was intended to make transactions legal. There may have been some kind of taboo on, or suspicion of, trading transactions especially in food and staple commodities. Trade, even in modern times, has been looked on by some as a kind of warfare in which it is sought to take advantage of the

⁸¹ Quiggins, A.H., Survey of Primitive Money, 1949, p. 321.

⁸² Cuq, p. 238.

opposite party. To remove this connotation and to make peaceful trading ethical or legal, the price equations may have been intended to show the "just price", conformity to which would hallow, or at least bring within the law, exchange transactions. Speaking of customary fixed prices in Africa and elsewhere, E. Hoyt observes:

"The point is not necessarily that this arbitrary price is a good one, though it may be; but the feeling that they have a price, even though a poor one, gives primitives a sense of confidence and assurance in their dealings which is worth more to them than the fluctuating advantages of imperfect bargainings ... In protective customary prices we have the germ from which legal price setting grows."

If this be so, we are in the presence of an interesting parallel to the attempts to fix a "just price" in medieval Europe of which Adam Smith speaks:

"From the 25th of Edward III, to the beginning of the reign of Elizabeth, during the space of more than 200 years, six shillings and eight-pence, it appears from several different statutes, had continued to be considered as what is called the moderate and reasonable, that is, the ordinary or average price, of wheat. The quantity of silver, however, contained in what nominal sum was, during the course of this period, continually diminishing, in consequence of some alterations which were made in the coin.

83

Hoyt, E., Primitive Trade. London 1926. p. 147.

84

Smith, Adam, Wealth of Nations. Modern Library Edn. N.Y. 1937., p. 179.

But the increase of the value of silverhad, it seems so far compensated the diminution of the quantity of it contained in the same nominal sum, that the legislature did not think it worth while to attend to this circumstance."

And with these considerations on price equations, our study of the main economic institutions, and conditions in Ancient Babylonia may fittingly close.