Economic thought in ancient Greece

(Aristotle)

Prof. Dr. Moustafa El-Abdallah Al Kafry

Contents

Economic thought in ancient Greece

(Aristotle)

Prof. Dr. Moustafa El-Abdallah Al Kafry

The economic thought of the Greeks was not clear, distinct or independent, but subordinate. Indeed, in the philosophy of Socrates, Plato and Aristotle, and sometimes even in the poems of Homer, we find some economic ideas, albeit brief. But in order to present their economic ideas, the ancient Greeks did not cease to resort to formulas, images or examples derived from philosophy, anatomy and sometimes even literature and poetry. It is really difficult to talk about economic ideas through literature, anatomy, poetry and philosophy. But below we will try to discuss the economic ideas of one of the Greek philosophers (Aristotle).

The Greek philosopher Aristotle (384-322 BC) tried to take an analytical stand in the face of certain economic problems and phenomena. Aristotle is therefore one of the first ancient thinkers to give us what can be called the "seeds of an economic theory" based on the analysis of phenomena and problems related to economic activity. That is, it pushed the economy forward in order for the economy to become a distinctive, independent and integrated science, although it was not able to make it an independent science.[1]

I - Differences between the thought of the teacher Plato and his disciple Aristotle:

We note that Aristotle disagrees on a number of matters with his mentor Plato, and Aristotle considers Plato's republic to be unworkable, inhumane or happy, especially with regard to some of the principles advocated by Plato such as: the commonality of women and property for the ruling class and soldiers, the sharp division of society into classes, the sacrifices that society was asking of every citizen. Aristotle tries to emphasize the general conditions that ensure the proper functioning of the city, rather than imposing

---

(1) - Dr. Labib Choucair, History of Economic Thought, Nahdet Misr Printing and Publishing House in Cairo, quoting Dr. Ahmed Dargham, History of Economic Thought, Economic Doctrines, Damascus University 1982, pp. 18-19.

a precise and specific political system as Plato does. Aristotle seeks to establish more than a just city similar to Plato, he seeks to establish a just and happy city. (He holds that happiness lies in the full exercise of virtue.)

As for the general conditions set by Aristotle to ensure the proper functioning of the city and make it happy: a moderate extension, lands that are so limited that they are easy to defend, where all the people can know each other, and a geographical situation close to the sea to secure transportation and its ease. These conditions change with the changing pattern of the state: minority rule needs a castle, and democracy fits into flat plains and large areas. [2]

Aristotle remained within the circle of traditional formulas brought about by his predecessors of Greek philosophers. Through: his advocacy and advocacy of the limited (shrinked) city, and that the free citizen remains completely free from all other manual occupations (physical labor) or commercial, and the only works that Aristotle admired are deliberation and justice, the army or religion, and he rejects excessive tyranny and imperfect property, and here he links the political subject with the social one.

II - Plato is an imaginary and poetic philosopher, Aristotle was logical, systematic and practical:

While Plato was an imaginary and poetic philosopher who confused politics and morality, Aristotle was logical, systematic, and practical in his views, researches, and theories. We can explain the difference between the teacher Plato and his disciple Aristotle according to the following: [3]

- Plato made ethics a fundamental science and considered politics a branch of it, Aristotle reversed it and viewed politics as the science of science, while ethics and economics

([2]) - See: Jean Toshar, History of Political Ideas, translated by Dr. Naji Al, Darwasha, Ministry of Culture, Damascus 1984, vol. 1, p. 70.71.
([3]) - See: Dr. Youssef Jamil Naissa, History of Political Thought, Damascus University, Riyadh Press, Damascus 1982, p. 114.116.

were branches of politics aimed at the happiness of the human community.

- Plato believed in the rule of a minority characterized by the transcendence of its perceptions and ownership of wealth, while Aristotle determined that the best types of states were those whose members were actively involved in the management of their country's affairs when they could.

- Aristotle denied the rule that the laws of the state are obeyed if the interests of individuals agree, and advocated that the laws of the state must be obeyed whether or not they encounter a whim in the same individual. Because man is civil by nature. The state is a natural and necessary system.

- (Right and justice exist naturally. The function of the State is to apply these two naturals "right and justice" forces to suit the different needs of individuals, sometimes amending their general rules so as to prevent injustice against them and achieve fairness among them.) [4]

- Plato advocated natural equality between men and women, while Aristotle saw this equality as unrealistic because women themselves are less than men.

- Plato tried to neglect the role of the family, but Aristotle glorifies the family and sees in it a simple society in which civic virtues are learned and acquired.

III - The slave, in Aristotle's thought:

Aristotle recognized the existence of slaves, because individuals are different in their mental and intellectual powers, so one team created a master and another team created a thin draft. (Whoever is distinguished by reason and the transcendence of perception is fit for judgment, while the rest of this team must carry out the orders of the rulers and obey their orders and instructions.) Aristotle also despised all professions related to the production of wealth and said: "They are among the most despicable functions of the family while

---

(4) - Source Previous AM116.

acknowledging their necessity." Slaves and foreigner's "non-Greek" were assigned to carry out these trades and professions. He also stressed that working in agriculture, animal husbandry and fishing on land and at sea is more honorable than working in trade. As for usury, "lending money at interest," Aristotle did not approve of it and promised it an act of injustice. In his view, "the distribution of wealth among individuals is an important factor influencing the form of government, their profession affects their adequacy and political plan, and revolutions are often bickering between those who have a lot of wealth and those who have little of it." [5]

IV - Monarchy in Aristotle's Thought:

Aristotle criticized the views that advocated the abolition of private property, and its replacement by the system of collective or communal property. This is because, in his view, the collective or communal system leads to disputes between individuals over the distribution of the goods and services they produce among themselves, and these disputes may lead the system to its dissolution and fall.

Aristotle prefers the system of private property, leaving everyone free to own money because this system depends on the love of each individual for himself, so each individual seeks to develop his ownership and production, but moral considerations must be introduced to strengthen the owners' sense of responsibility vis-à-vis non-owners so that they use some of their money to help those who do not own. "It is therefore good for property to be private and for the owners to be directed to use what they produce in a way that benefits everyone by imposing certain moral principles. [6]

V - Value in Aristotle's Thought:

Aristotle then came up with what we might call the starting point for the research of value theory that occupies a prominent place in political economy. Aristotle distinguished between two types of value for each commodity: use value and exchange value. He

---

[5] - Source Previous AM118.
[6] - Aristotle, Politics, Book III, Chapter 9.

explained that each commodity (e.g., a head of livestock) has a utilitarian value that results from the process of using that commodity to satisfy the human need for the product of this commodity. The commodity (cattle head) also has a reciprocal value, which is what we obtain from the goods we obtain in the market as a result of the exchange of the head of cattle for the goods needed by the owner of this commodity.

VI - Money in Aristotle's Thought:

An important topic discussed by Aristotle was the genesis of money, its functions and the basis on which it derives its acceptance among the people. In his view, people in the early stages of development resorted to bartering, in the process of swaping, to collect what they needed to meet their needs by exchanging the surplus of the goods they produced directly for goods that overflowed from the production of others (commodity for commodity, wheat for cloth). In order to facilitate the process of exchange and overcome the problems and difficulties faced by individuals in the barter process, a tendency was made to choose one of the commodities and make it an intermediary for exchange among them, thus creating money and that commodity that was chosen from metals and was weighed in each of the swaps to determine its weight. Money evolved and Aristotle realized that money had a primary function as an intermediary of exchange, a second function as a tool for measuring the values of different goods, and a third function, being a tool by which we keep our savings (the store of values). According to Aristotle, money is accepted among people because of the value of the material from which it is made. Aristotle decided that monopoly was unfair because it was based on the seller's exploitation of buyers. [7]

VII - The conditions advocated by Aristotle in the built city:

There has been no significant renewal in the "city" based on the conditions advocated by Aristotle compared to the city of Plato,

---

([7]) – See، Dr. Ahmed Dargham, History of Economic Thought, Economic Doctrines, Damascus University, 1982, pp. 26-27.

where we note that the city of Aristotle is described as follows: "There is a people of workers who feed an elite of citizens who are at the same time warriors and who make up the city alone. No special (constitution) has been proposed here." On the other hand, since it is agreed that no one citizen has superiority over others that gives him the right to be competent in power, what is important here is attention to eugenics, birth control, children's food and upbringing, and education. Aristotle therefore pays more attention to technique and ethics than to pure political advice.

VIII - Conclusion:

Economic thought in ancient Greece experienced a remarkable development in the fifth century AD, as a result of the economic and social transformations that took place in Athens, as a result of the great expansion that took place in Athens and the democratic political structure that prevailed at that stage (the democracy of the free population). This was what dominated the movement of ideas, both what the Athenians brought and what the foreigners they hosted came. In order to rebuild the ideology and economic system of the state of Athens, we find ourselves obliged to draw this from the works of Plato and Aristotle and the great philosophers and thinkers of Greek civilization, and sometimes even to return to Greek philosophy, poetry and literature. And organize these ideas about the most important economic phenomena and problems, effectiveness and economic activity of Greek society.

Prof. Dr. Moustafa El-Abdallah Al Kafry

Faculty of Economics - Damascus University