HEICHELHEIM, ANCIENT ECONOMIC HISTORY

P. 95 ECONOMIC PATTERN OF THE EARLY PLANTER, ANIMAL BREEDER, AND PEASANT CULTURES (NEOLITHIC)

Last ‘townless period’

The ethical aims of Neolithic peasant economy were universal and directed to promote the welfare of larger or smaller family groups. P 95

…the number of inhabitants of the new agricultural territories remained almost stationary…p 95

In spite of trends which usually led to the formation of upper classes, the Neolithic peasant cultures were essentially democratic. There was a professional division of labour; but it was still weak, unstable, and remained connected with agriculture as the main profession. P 95

The soil and other means of production were usually the property of a tribe or, by special grant, of a noble family father. P 95

The exchange of goods, by trade and warfare, moved only a very small part of the general production. P 95

Never in the later city civilizations was there such a well balanced and nevertheless effective economic pattern in every sphere of social life, as we find in prehistoric peasant cultures. P 95 96

CHAPTER 4 THE CITY CIVILIZATIONS OF THE ANCIENT ORIENT

1 THE CHANGE IN THE CAPITAL FACTOR AND ITS ECONOMIC AND SOCIAL CONSEQUENCES

Eight large separate regions of city civilizations are known to us – Crete to Turkestan – begin near 3600 bc and continue throughout the Bronze Age – elucidated by numerous documents and various written records p 96

Town civilizations p 96

Contemporary remainder of their World which remained in the townless stage, and the later Iron Age civilizations up to the present time. Certain principles of state organization, religion, society, and economics are integrated… p 96

The wonderful and artistic Minoan culture of Crete … formed a spiritual centre of the AO type which influenced Southern Greece and the Aegean islands where some Greeks had settled. Before 1600 bc Greeks held sway in Crete also… p 97

AO cities of East – Turkestan, Turan, Iran, Armenia, Northwest India p 97

WIKI: The **Indus Valley Civilization** (**IVC**) was a [Bronze Age](https://en.wikipedia.org/wiki/Bronze_Age) [civilization](https://en.wikipedia.org/wiki/Civilization) (3300–1300 BCE; mature period 2600–1900 BCE) extending from what today is northeast [Afghanistan](https://en.wikipedia.org/wiki/Afghanistan) to [Pakistan](https://en.wikipedia.org/wiki/Pakistan) and northwest [India](https://en.wikipedia.org/wiki/India) (see map).[[1]](https://en.wikipedia.org/wiki/Indus_Valley_Civilization#cite_note-FOOTNOTEWright20091-1) Along with [Ancient Egypt](https://en.wikipedia.org/wiki/Ancient_Egypt) and [Mesopotamia](https://en.wikipedia.org/wiki/Mesopotamia) it was one of three early civilizations of the [Old World](https://en.wikipedia.org/wiki/Old_World), and of the three the most widespread.[[2]](https://en.wikipedia.org/wiki/Indus_Valley_Civilization#cite_note-FOOTNOTEWright2010-2) It flourished in the basins of the [Indus River](https://en.wikipedia.org/wiki/Indus_River), one of the major rivers of [Asia](https://en.wikipedia.org/wiki/Asia), and the [Ghaggar-Hakra River](https://en.wikipedia.org/wiki/Ghaggar-Hakra_River), which once coursed through northwest India and eastern Pakistan.[[3]](https://en.wikipedia.org/wiki/Indus_Valley_Civilization#cite_note-FOOTNOTEWright20101-3)also known as the **Harappan Civilization**, after [Harappa](https://en.wikipedia.org/wiki/Harappa), the first of its sites to be excavated in the 1920s. The greater Indus region was home to the largest of the [four ancient urban civilizations](http://www.harappa.com/indus2/oldworld.html) of Egypt, Mesopotamia, South Asia and China. It was not discovered until the 1920's. Most of its ruins, even its major cities, remain to be excavated. The ancient [Indus Civilization script](http://www.harappa.com/script/index.html) has not been deciphered. Many questions about the [Indus people](http://www.harappa.com/har/aryan-invasion.html) who created this highly complex culture remain unanswered, but other aspects of their society can be answered through various types of archaeological studies. [Harappa](http://www.harappa.com/walk/) was a city in the Indus civilization that flourished around 2600 to 1700 BCE in the western part of South Asia.

END WIKI

AO + TOWNLESS Bronze and Iron Ages of Europe, Asia, and Africa

Last period of AO – futile attempts to maintain power over the whole known world, and then finally a last period, which is characterized by a vain endeavor to defend the traditional social and economic pattern against the now invincible advance of Iron Age nations. 98

Wherever our century shows some attempt to achieve, not personal liberty, but widespread control, it has strong affinity still to the planned city life of the kings of kings of Mesopotamia and Asia Minor, the rule of the Pharaohs in Egypt, the early Chinese Emperors, and related forms of rule. P 99 100

For it was in the AO East that the foundations of all human city life were laid. P 100

For the first time in world history we find human societies of considerable culture and wealth, which settle in highly populated narrow spaces according to a plan, are differentiated from the peasant civilizations of the Neolithic and Cuprolithic Ages, and have created numerous jobs and occupations which are separate and even independent from primary production. P 100

But I think that we must definitely reject the argument that the natural wealth of a region was a primary cause that peasant cultures were replaced by cities in these territories. P 100

…in Central Asia…earlier than in Mesopotamia and Egypt, in regions poor and unfavourably placed, the first cities seem to have arisen without the advantages of a great river system. P 101

In addition to Nature the origin of the phenomenon city has been ascribed to…a ruling class of conquerors is supposed to have arisen in peasant times…gained the leisure for a small minority which was required for the higher development towards town culture….but in actual fact, the economic position of the peasantry and other dependent classes was vastly improved in AO p 101

As additional proof we have ethnological parallels and the subsequent history, up to modern times, of regions where townless peasant cultures of a more or less Neolithic pattern were ruled by conquering upper classes….cities were not a consequence… p 101

The organizing force of absolute monarchy…in my opinion an unlikely basis for the economic impetus towards city culture in AO p 101

The gradual technical refinement during the Cuprolithic and Bronze Ages was hardly anything, but a favourable opportunity for city civ; but should not, in my opinion, be considered as its economic cause. … The AO city cultures did not, as far as we can see, make any great addition to the number of tools used by man…P 102

Therefore I think it most probable, if not certain, from the evidence we have excavated that the revolutionary change from townless to town civilization was mainly produced by the factor capital…there is a sudden transition from village to city to be observed practically everywhere, not a slow growth. P 103

The oldest genuine city structures which superseded the primitive village huts with one stroke are often stronger and mightier than the buildings of later town levels … no traces of any gradual improvement in technique and culture leading up to this stage. P 103

There must have been some specific period when capital gave an unusual impetus to the men of these regions for the first time, changing their culture and their social and political life completely. P 104

Capital = goods for further production p 4

The townless civs from the Palaeolithic to the Iron Ages require that the representation of the subject take a particular form. It has only been possible here to outline the economic development by comparing our evidence with modern primitive conditions and folklore collections. P 6

The main handicap is in this case that even the Hieroglyphic, the Akkadian, and especially the Sumerian documents… cannot at present (published 1958) be better understood than a Sixth Form boy of our own time is able to translate Latin and Greek. An uninterrupted tradition like that of the humanists is missing for the Ancient Oriental language analysis unfortunately. P 7

Little may be learnt about the economic patterns of the townless civilizations from the Palaeolithic to the pre-Roman Iron Ages if we discard such carefully tested conclusions arrived at by a comparison of sociological analysis and ethnological materials. P 7

\* \* \*

AO LOANS

One economic characteristic in most pertinent documents, which was an innovation compared with the townless civilizations and practically of no use for these, is the general and skilled adoption of usury. P 104

… development of capital interest during the AO millennia and the many materials which could be used for such business purposes…. Footnote 16 p 432

For literary evidence according to which AO thinking connected the practice of interest loans closely with the process of procreation fn 16 p 432

From H. Frankfort, BEFORE PHILOSOPHY (1949):

“The world appears to primitive man neither inanimate not empty but redundant with life; and life has individuality, in man and beast and plant, and in every phenomenon which confronts man - the thunderclap, the sudden shadow, the eerie and unknown clearing in the wood, the stone which suddenly hurts him when he stumbles while on a hunting trip. Any phenomenon may at any time face him, not as 'it', but as 'Thou'. In this confrontation, 'Thou' is not contemplated with intellectual detachment; it is experienced as life confronting life, involving every faculty of man in reciprocal relationship. Thoughts, no less than acts and feelings, are subordinated to this experience" <http://forums.philosophyforums.com/threads/before-philosophy-58222.html>

For the almost mystical belief of the Cuneiform nations in a world in which everything is alive. E.W. Andrae fn 17 p 433

Not only the Greeks and Italics, but also the Iranians and the Israelites of the Iron Age with their more individualistic and egocentric ways of life and religions were in opposition to the just outlined fundamentals of AO philosophy and theology. Their writings make that abundantly clear, even by attacking the AO way of life and thinking expressly. Fn p 434

Diodor. I, 79 informs us that there was a seisachtheia and an interest maximum introduced into Egypt as late as under Pharaoh Bocchoris during the 8th century bc. Fn 20 p 435

\* \* \*

Astle

Law #7 of Hammurabi: If a man has bought or received on deposit from a minor or a slave, either silver, gold, male or female slave, ox, ass, or sheep, or anything else, except by consent of elders, or power of attorney, he shall be put to death for theft. <http://www.commonlaw.com/Hammurabi.html>

Some evidence of the knowledge and previous existence of such practice of issuance of false receipts as against supposed valuables on deposit for safe-keeping clearly exists in the *Law No. 7 of the great Hammurabai*, which same law was undoubtedly intended as a preventative to this sickness in society, which, even at that day, may very well have been the cancer that destroyed much that has been before. Astle Chapter 1 <http://www.bibliotecapleyades.net/sociopolitica/babylonian_woe/babylonianwoe01.htm>

The severity of the penalty required by this Law Number 7 of the Code of Hammurabai, exercised by a strong and dedicated ruler, would have been an absolute deterrent to such practice that since that time, and more especially in modern times since the 16th Century A.D., has become so indurated to a fixture... Its results are to be seen on every hand, not to speak of the final result which though not yet arrived, else this book would not be in existence, is clear.

The [*Laws of Hammurabai*](http://www.bibliotecapleyades.net/sociopolitica/sociopol_globalbanking39a.htm), King of Babylon, just the same as those more ancient codes of which they were revision, were directed towards the regulation of life of nobleman, as well as freeman, merchant, or slave, and no special concessions were given to either of these stations in life, even if such stations in life were accepted as integral part of the structure of the state life.

Euphemistic and misleading words such as "businessman" or "financier" had not yet, it seems, been planted in the vocabulary. By and large, the king still ruled in absolute, and his law giving justice to all was carved in stone, and placed in the market place for the highest or the lowest to understand clearly the rules by which he must live...

Merchants were unequivocally described as such, and law ruthlessly prescribed severe penalties for their corrupt conduct. They were kept in place as a caste, not of the highest order, and, it would appear, somewhat similar to the Hindu system, they served the priesthood and nobility, and were conceded a place in life as an instrument whereby the people generally might live a better life.

The *Code of Hammurabai*, revision of more ancient codes as it was, does not reveal any particular regard towards this caste of persons. However, as by the time of its promulgation, both privet property and privately issued money seem to have been well established, it is to be assumed that the ignorant of noble caste or otherwise, were already deferring to that magic known as money, in much the same manner as they did at all times through latter history when faced with the necessity of compromise with privet money creative power, whose activities had been permitted by foolish kings, and to whom such kings had even committed the finances of the realm.

Such was most clearly illustrated during the last four hundred years in England; perhaps more so than at any other time in recorded history.

 Astle chapter 1

In the time of Hammurabai, King of Babylon, matters were by no means as desperate as they are today. Merchandising was by no means regarded as an end in itself, and a means whereby it was the right of ignoble men to proffer any corruption to the people so long as it made "profit" for them, and "interest" for the so-called barker who supplied the original "finances" out of his secret and costless money- creative processes.

Money lending and merchandising as it is known, still had not come to be a means whereby man-hating and therefore corrupt secret societies might seek to overturn the tree of life itself by way of sowing the seeds of decay in that true and natural order of life which had been ordained from time immemorial.

Private money creators and the merchants their satellites, had at that time by no means arrived at that point when they might conspire to present complete defiance to the gods and their appointed, and as a small matter in the way of their business, install jackasses, or whatever might be, in the places of the mighty, as too often was the case in the latter days.

Astle Chapter 1

 \* \* \*

The severity of the penalty and the placing of the law so high in the code leaves little doubt that it was directed against an evil that was by no means new, and, who knows, may have been one of the deep seated causes of the invasions that devastated Ur, both from the Gutim, 15 the Elamites, the Amorites, and the Hittites; for no doubt of old, just as today, Money Power was as busy arming the enemies of the people amongst whom it sojourned, as that people themselves.

While the scholars do not appear to have paid any special attention to this particular law, or to have attached to it any special significance, its true intent and purpose is clear to anyone conversant with the origins of private money issuance in modern times, as indicated by the familiar story of the goldsmith's multiple receipts... 16

If a man buys silver or gold or slave, or slave girl, or ox or .sheep or ass or anything else whatsoever from a [free] man's son or a free man's slave or has received them for safe custody without witness or contract, that man is a thief: he shall be put to death. 17

The requisite of witnesses and contract attesting to the true facts of valuables on deposit, would to some extent obviate the danger of the goldsmiths, silversmiths or traders, involved in a transaction, creating receipts for valuables that did not exist, in safe custody or otherwise. It was equally possible in ancient times as much as in modern times to circulate such receipts as money lawfully instituted.

**Provided a corrupted priesthood turned a blind eye to this practice and loaned their sanction thereto, such fraudulent money or, in the misleading euphemism of a corrupted world, "credit", would be equally effective in foreign markets as in the home markets**, if not more so because of the greater danger of exposure of the criminal nature of this activity that would undoubtedly exist in the home market.

Astle Chapter 1

\* \* \*

But usury was, as yet, in townless civilizations something which was allowed for a few types of investment only, whenever Nature made such transactions self-evident. Otherwise it was not used. p 104

**The main AO innovation was in this field that inorganic materials were treated as if they were living organisms with the means for reproduction. Loans were made regularly by many for the purpose of gain…..This custom was originally inspired by the animal loans of the townless civilizations, which had not been too important for the general life of the people. It is significant that the Sumerians used the same word ‘mas’ for both calves and interest…… exactly as if these objects were life cattle or plant seeds. p 105**

How the oldest cities of the world came to use this abstract method, which was definitely of a revolutionary character, can be explained, in my opinion, from AO theology. The whole world was animate in all its parts…All separate agglomerations of matter were alive and able to influence and modify each other in a way which could be explored with the help of mathematics … p 105

With the acceptance, in some townless cultures of Mesopotamia or perhaps Central Asia, of a religion which taught the general harmony of a living world consisting of animate parts exclusively, ….revolutionary economic change… without which the transition to early city life would have been impossible at all. emerged the concepts of a centrally planning world monarchy… with certainty to general usury. p 105

**For the second time the appearance of the economic factor capital and the uses to which that factor was put revolutionized civilization.**

**unlimited usury p 105**

**…all “exchangeable goods”, to use the correct term, achieved for the first time the status they have today, that is to say they were regarded as capital rather than stored provisions … p 106**

**this capital was used as money in all its forms and to the fullest extent, that is that all capital was used as a technical means of valuation and exchange, with a definite rate of exchange. p 106**

**Metals like gold, silver, lead, bronze, and copper were used for this novel form of usury p106**

\Simuilarly cattle was still loaned out as it had been earlier, but now as a proper investment. p 106

In addition, other “exchangeable goods” were found which were scarcely used any longer as money in the subsequent Iron Age civilizations, … honey, sesame, reeds, garlic, oil, wine, beer, brancy, sticks, wood…. p 106

It is quite true that every “exchangeable” article or material which was used by these peoples was, in law, negotiable as money. p 106

**… not always paid out in natura, but often, for simplification’s sake, only added and subtracted in long accounts extending over many transactions, where only the remainder was actually paid in kind. p 107**

It is significant for the pattern of this economic stage that the states exercised a strict control, so that the circulation of all types of money was assured and frauds made difficult. p 107

But principally AO money consisted of “exchangeable” materials which could be measured out, or of metals and other “exchangeable” goods which could be weighed. .. form for money as metal varied widely – cakes rings spirals wire grains lumps etc. p 107

the more primitive tool and shell money are characteristic for Bronze Age Europe … where townless peasant civilizations survived. … not used for usury in the heart of the European Continent … … the value of money was and is usually stabilized by the state, at least to that extent that only some private agio or disagio is permitted if one type of money has to be exchanged into another p 108

every form of exchangeable goods could be used as money. They could be loaned out on interest and exchanged easily with the other moneys of a similar type. p 111

lists of official valuation p 111

helped the rich against the poor… p 111

compelled the states to make some attempt at stabilizing definite rates of exchange for all exchangeable goods p 111