

Economic Development in Antiquity: The Greek World, 800-300 BCE

Comments: Jonathan Rodden

November 17, 2022

Overview

- On Efflorescences
- Two interlocking claims about growth in classical Greece:
 - 1) Ecology of competitive city-states with no central government
 - 2) Inclusive, citizen-oriented institutions
- Federalism and the centrality of military competition
- Democracy and growth
- Main question: what can we learn from Ober about "efflorescences"?

Definition of efflorescence

- Goldstone was trying to differentiate between “modern” and “pre-modern” growth and make a point about the importance of the steam engine
- But this led to an interesting characterization of “pre-modern” periods of growth
- But does classical Greece fit the bill?
 - 500 years > three generations
 - In Ober’s account, did not fall prey to internal rent-seeking, but rather, external conquest

Explanation #1: Ecology of City States

- Ecology of competitive city states, no central authority, no hegemon (anarchy)
- In the paper, sounds remarkably similar to Weingast's market-preserving federalism.
- In the book, the competition is clearly driven not by economics, but by military security
- Intense military competition forced states to choose high-functioning institutions
 - Sparta and Athens

Military competition and citizen participation

- Aristotle's claim that military mobilization -> wider franchise
- Large literature in which the need to fight wars creates limited government:
 - The need to raise revenue from elites
 - The expansion of franchise after WWI
- Herodotus' claim that democracy -> military success
- New research suggesting that democracies are much better at war than autocracies (Reiter and Stam 2002).

Ecology of competitive city-states and efflorescence

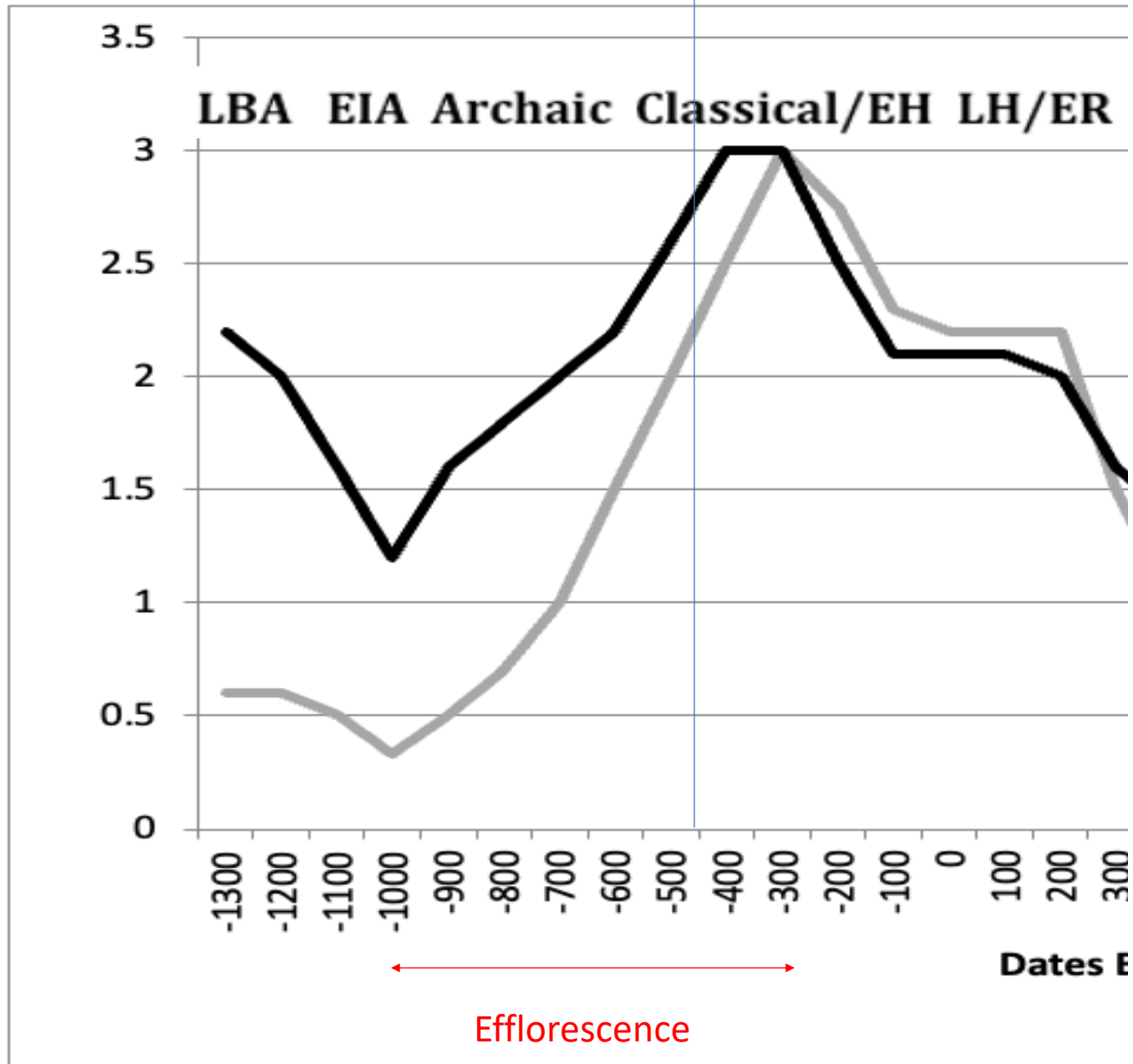
- Perhaps this is a common thread in several other episodes:
 - City states of Northern Italy (see Paola Sapienza's work on this)
 - Etruscans
 - The case emphasized by Goldstone: The Dutch "golden age"

But how can this ecology be maintained?

- Madison and Hamilton had a dim view of Greek federalism
 - Lack of cooperation, anarchy led to the end of the efflorescence
- Fundamental question posed by Barry Weingast: how to achieve federal “balance.”
- Why did this decentralized ecology last so long?
 - Did they simply get lucky that for centuries, no city-state was large enough to dominate, and Persia and other external enemies were not strong enough?

Explanation #2: Institutions within City-States

- Institutions of limited government, norms of inclusion and fairness *caused* growth
- Josh: “correlated with and partially explained by”
- I have some questions:
 - Time series
 - Cross-section
 - Case studies



Institutions and growth

- Josh provides lots of examples of sustained growth without citizen participation or any of these nice institutions
 - Palace-based Minoan culture of Crete
 - Most of the efflorescence period in Athens and especially Syracuse
 - Not "god-like kings," but still very much palace-based model
- How are we supposed to understand Sparta?
- Classic question:
 - Does democracy cause growth?
 - Or vice-versa?
 - Or are both caused by some third variable (in this context, military competition)?

A research agenda on efflorescence?

- Is there anything approaching a consensus on the universe of episodes?
- Is there evidence for Ober's hypotheses elsewhere?