

Hellenic Nomarchy: A Discourse on Freedom.
An Early 19th Century Greek Humanist Treatise

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1. Introduction

In 1806, while Greece was under Turkish occupation, an anonymous Greek merchant privately published in Italy the pamphlet: *Hellenic Nomarchy: A Discourse on Freedom**. The purpose of this discourse was twofold. The first, as its title suggests, was to awake the revolutionary spirit of the Greeks against their tyrants. Its second purpose was to schedule the principles of governance under fair laws on behalf of the poor and the oppressed. The pamphlet proved very influential in regard to its first point, while its humanitarian ideas and suggestions, mainly about equality of treatment by the government, a more equalitarian distribution of wealth, etc., were ignored by the governments of the Kingdom of Greece in the 19th century and later academic economists.

The main purpose of the present article is to inform the international community of the historians of economics about some humanitarian economic ideas developed by a Greek author at the beginning of the 19th century. A by-product of the analysis will be to reveal any influence, implicit and/or explicit, upon that author by European thinkers such as Montesquieu, Rousseau, etc.

* We want to thank the anonymous *referee* of this journal for his/her valuable comments and useful suggestions offered on an earlier draft of this paper.

¹ The biographical questions surrounding the name and birthplace of the anonymous author do not concern us here. Many efforts, by both old and modern historians and scholars of the literature, have been made to throw light on such questions. The most probable name of the author of the pamphlet is John Paschalis Donas, a retail trader probably born in Epiros (see Valetas 1957, p. ix). In 1806 the pamphlet was published in Greek in Livorno or Bologna (Italy) by an unknown publishing house supported by a "society" of Greek merchants. In such places, a strong Greek movement for the independence of Greece had developed in the very early years of the 19th century.

2. Economic background and political principles

The economic environment in Greece until the last years of the 18th century was characterised by a feudal agricultural system in which the land belonged to the Ottoman ruler (the Sultan) who granted it for productive use to some Turkish and Greek landlords, some Ottoman church institutions (see Inalcik 1969, p. 135) and the Greek clergy². Also functioning was a small industrial production employing 40-50 thousand labourers with a rate of profit ranging between 12% and 30%. Approximately 90% of the main industrial investment was concentrated in certain areas of central Greece (e.g. Tirnavos, Ampelakia, Pilio) producing various kinds of textiles (see Katsoulis, Nikolinakos and Filias 1987, vol. I, pp. 124-125; Urquhart 1833, pp. 53-54; Stoianovich 1960, pp. 300-301). Also, various goods for daily use were produced under a penal guild system (see Baer 1970, pp. 28-50; Sugar 1993, pp. 77-86). Almost 1/3 of the industrial production was consumed by the Ottoman State and the rest by the Turkish and Greek landlords who enjoyed a luxurious standard of living. The economic surplus was then spent in luxury consumption or hoarded in the form of precious metals and coins. Industrial investments and land improvements were at a very low rate, while trade capital released a profit rate above 50% (Katsoulis, Nikolinakos and Filias 1987). The gross income of central Greece in 1804 was produced by trade activities (12%), agriculture (59%), stock-raising (19%) and the rest by industry (Houmanidis 1990, vol. n, pp. 89-90).

During the last decades of the 18th century, agricultural property in rural Greek areas was concentrated in the hands of a few landlords and the clergy. The peasants and craftsmen were obliged to work for very small reward while usury was oppressive. On the other hand, maritime trade had been increased in some Greek islands, mainly after the famous treaty of Kujuk Kaynarca (1774, see Dakin 1972, pp. 16-19), but the accumulated capital was not invested in industrial or agricultural productive activities. Therefore, the rate of economic growth in the early years of the 19th century was very slow, while the distribution of property and wealth was extremely unequal.

The scope of *Hellenic Nomarchy* was to show that the sole power and authority of the "law" could be established only through democracy. In such spirit, the author was following the principles stressed by the an-

² For the productive activities of the inhabitants of the Greek area, the preferential treatment of the Orthodox clergy and the distribution of agricultural production, see Moutaftchieva (1988), Houmanidis (1990, vol. II, pp. 43-45, 65-80), Papadopoulos (1952, p. 32), Pantazopoulos (1967).

cient Greeks concerning this subject. The meaning of the pamphlet is based upon such sources and proclaims that society must be governed by laws established by the common agreement of the people and attempts to persuade the Greeks to have no other leader than their own laws³. This principle follows from the writings of Rigas Velenstinlis (or Feraios) (1757-1798) who stressed in his *Revolutionary Manifesto* (1797, articles 9-11, p. 370) that law is the supreme master of men⁴.

The anonymous author praised democracy as the most perfect system of government (Anonymous 1806, p. 55)⁵. Following Rousseau (1754, pp. 117-119), he accepted that human beings differ due to the following causes: *a*) natural characteristics and powers, *b*) education and nurture, and *c*) the influence of chance (Anonymous 1806, pp. 60-61). Only if a democratic law system prevails in a society is it possible to terminate social conflict and replace it with harmony. The laws, as the author proclaimed, are "the antidote" to corruption and injustice and the only solution for the convergence of inequalities (*ibid.*, p. 62)⁶.

3. Ethics and economics

The author of the treatise blended ethics with economics following the line of approach introduced by the ancient Greeks, although he considered the methodological approach - where rationality is based on empirical data - «to be the main cornerstone of truth» (*ibid.*, p. 54). He was a humanist who wanted the principles of justice and freedom to govern all human beings and particularly his fellow countrymen. He blamed not only the strategy of foreign occupation, but also the slavery of coloured men (*ibid.*, p. 158, ft.). In addition, he stressed "friendship" to be the most important human means for the attainment of a general welfare (*ibid.*, pp. 100-101), as Plato had proposed long before (see Karayiannis 1990).

³ This does not mean that the author of the treatise was ignorant of the European enlightenment. He knew Italian and French and he had read many works of the period which had a revolutionary style, such as Rousseau's writings, Alfieri's *Delia Tirannide*, Beccaria's *Dei Delitti e delle Pene*, etc.

⁴ For Rigas Velenstinlis (Feraios), see Stavrianos (1958, p. 279), and Dakin (1972, pp. 20-24).

⁵ The strategy of the anonymous author was to persuade the Greeks to rebel against the Turks, depending upon their own powers. Also, he commented against the behaviour of churchmen who wanted to keep their economic and political influence and authority (granted by the Turks) over the Greek people (Anonymous 1806, pp. 123-124).

⁶ It seems that the author was accepting Rigas Velenstinlis' argument (1797, article 2; see also Spentzas 1994, p. 697) that the equality among citizens, independent of their colour, economic power, etc., is a "natural right".

The author considered that the main economic problem of the Greeks was the enormously unequal distribution of property and wealth and its consequence, which, as Montesquieu (1748, pp. 108-109) proclaimed, was the luxurious living of the few. The anonymous author, perhaps following and/or adopting the ideas of the Utopian socialists Mably, Babeuf, etc., turned against the inequality of pleasure and well-being among people and attributed it mainly to the unequal distribution of property⁷. He did not oppose private property which, according to Rigas Velenstinlis (1797, article 16), was a natural right based upon human industry and intelligence⁸. Neither did he ask for State intervention in the economic activities of individuals⁹. Rigas Velenstinlis (*ibid.*, article 17) had already argued against State intervention in terms of permission and/or prohibition for citizens to follow any legal economic activity they wanted¹⁰. Therefore, the basis of economic liberalism which was adopted later on by the majority of Greek economists, such as Soutsos and Economos, had been put forward by the end of the 18th century¹¹.

The treatise in question condemned the feudal behaviour of the Greek churchmen and tried to schedule the transition to a new economic structure based upon small agricultural producers and craftsmen. By applying the physiocratic principles, he argued that peasants were the main bone of society's corpus, or "the column of society", but because of external causes (feudalism, State intervention, etc.), they had a very low living standard¹². The anonymous author was emphatically against the feudal system which he characterised in the darkest terms (Anonymous 1806, pp. 135-139). He also observed that craftsmen had the same low living standard as the peasants. These two

⁷ For the economic ideas and arguments of these Utopian socialists, see Gide and Rist (1917, pp. 200-201).

Rigas Velenstinlis was a defender of private property, arguing against the occupation of private property by the State without its prior evaluation and payment by the State (1797, article 16). Private property rights are guaranteed by the first Greek assembly in Astros in 1823, and included in the *First Greek Democratic Constitution* in Trizina (1827, article 12).

⁹ In the *First Greek Democratic Constitution* in Trizina, a fundamental article (n. 20) allowed the establishment of private enterprise and association by all Greeks. Also, according to article 85, the State was obliged to protect the economic activities of its citizens and also the patent rights, not only of inventions and innovations, but also of literature and fine arts.

¹⁰ Rigas Velenstinlis may be considered to be a liberal in regard to the State's economic intervention; however, he insisted on a public educational system (1797, article 22).

¹¹ On Soutsos' and Economos' ideas, see respectively Ithakissios (1992), and Psalidopoulos (1996).

¹² The anonymous author (1806, p. 56), following Montesquieu's *Spirit of Laws*, described the first stage of growth as that of natural living in which freedom prevailed and everyone was able to provide for his own existence.

economic classes of society, while producing everything in the State, were living at a low standard in order that the clergy and the rich merchants could enjoy a level of affluent consumption (see also Papadopoulos 1952, pp. 44, 48-60, 139-149). By adopting Montesquieu's (1748, pp. 110-111) and Rousseau's (1758, p. 152) arguments that economic inequality produced luxury consumption and ethical corruption, he turned against such consumption standards (Anonymous 1806, pp. 139-140)¹³. Thus, he opposed the economic distinction among classes and questioned how the rich were able to enjoy an affluent lifestyle without working very hard while, at the same time, the poor, although working very hard, rarely enjoyed "a good life" (*ibid.*, pp. 116-118). He, like Rousseau (1754, p. 134), considered that the inequality of wealth produces harmful social effects.

The anonymous author stressed that the individual's economic success should be attributed not to the "private treasure", but to his sole productive capabilities and, therefore, that the members of economic classes might change according to private qualities and capacities. He stressed that economic growth could take place only when the aristocratic prenatal criteria had been abolished and when the positive relationship between labour effort and economic reward had been established as a main ruling principle of society (Anonymous 1806, p. 69, ft.). Thus, following Montesquieu's argument (without mentioning his name), the anonymous author argued that the rate of economic growth is much higher in democracies than in other political systems (*ibid.*, p. 68).

He argued that «the rich man must not consider that his richness guarantees his wisdom, neither the poor must consider his lack of money as misfortune» (*ibid.*, p. 62). He advised that the rich man must not oppress the poor. When an economic oppressive situation prevails, a serious cause for social struggle has emerged. By considering the accumulation of wealth as a cause of social oppression and slavery, he proposed the distribution of wealth to the poor through almsgiving (*ibid.*, pp. 118-119, 148-149) - a proposal which draws its origins from the ideas and suggestions of the early Greek Fathers¹⁴.

Apart from the above general arguments for the economic structure of society, the author followed a typically Aristotelian line in regard to

¹³ Rigas Velenstinlis, in order to reduce the feudal structure of society and the economic oppression of people, in his article 35 (1797), proposed the abolition of loans after 5 years if the capital had already been paid. However, the rate of interest during the end of the 18th century in Greece was around 20% (see Kordatos 1974, p. 132).

¹⁴ On the redistribution of wealth according to the early Greek Fathers, see Karayiannis (1994).

the use of money¹⁵. He considered that money was first introduced mainly as a means of measuring value and then became a standard of exchange (*ibid.*, p. 155)¹⁶. He described clearly and adequately how, through money, the division of labour was extended, transactions were facilitated and thus the volume of production was increased (*ibid.*, pp. 156-157) - an idea analysed by Montesquieu (1748, pp. 215-217). Also, he considered that because of the extension of internal and external trade, the use of a paper money system became possible and thus money circulation increased, producing some positive economic effects such as an increase in production, wages, etc. (Anonymous 1806, pp. 155, ft. and 157, ft.).

By blending ethics with economics, the author considered that the existence of money and its function as a store of value produced social conflict, slavery and class distinction. Also, following Plato's argument, he noted that luxurious consumption was the first stage in the forthcoming ethical corruption of society (*ibid.*, pp. 158-159).

The economic self-interest principle and the accumulation of capital by unfair activities, according to the anonymous author, were a cause of social and ethical dissolution (*ibid.*, p. 161, ft.). He then tried to persuade those Greeks who were wealthy to help economically the rebellion against the Turks as, despite their own wealth, they were not free men (*ibid.*, pp. 188-189)¹⁷.

In regard to the fair distribution of wealth, the anonymous author proposed mainly an equality of economic opportunities among citizens (*ibid.*, pp. 160-161). However, he did not offer specific measures for establishing a redistribution of wealth as did Rigas Velenstinlis (1797, article 101; see also Spentzas, 1994, p. 707) who following Montesquieu (1748, pp. 78-79), and Rousseau (1758, pp. 139, 146, 148, 152-153)¹⁸, proposed an income and wealth proportional system of taxation according to the economic capabilities of citizens¹⁹.

^b However, he was an admirer of the Lycourgean State in which money was abolished (Anonymous 1806, pp. 154-155).

¹⁶ Montesquieu (1748, pp. 217,221) also described these two functions of money.

¹⁷ He called the people who accumulated capital for the sake of wealth "gold-lovers" (*chrysolatras*) (Anonymous 1806, p. 188).

¹⁸ Rigas Velenstinlis had translated the works of Montesquieu and Rousseau into Greek at the end of the 18th century, but he had not published these translations, see Vranousis (1958, pp. 35,40).

¹⁹ Rigas Velenstinlis (1797, article 21), went so far as to propose financial support by the State to those economically weak citizens who wanted to establish their own private enterprise.

4. Conclusions

The pamphlet *Hellenic Nomarchy*, widely read by the Greeks before their revolution, propagated the spirit of freedom, social justice and equality as the main principles of every well-governed society. In regard to the author's equalitarian economic ideas, he argued against: *a*) the extreme inequality of wealth, *b*) economic transactions aiming to profit by any and all means, and *c*) luxury consumption.

The main references in the pamphlet are to the ancient classical Greek philosophers' works, although the influence of European writers such as Rousseau, Montesquieu, Voltaire, etc., is obvious in the author's endeavour to describe a "fair and humane" society. Though some of his ideas and propositions influenced the way of thinking of many sympathetic individuals in Greece, their numbers were simply not enough to establish a system based on fair opportunity in the forthcoming Greek State.

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