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Economic Anthropology (Chapter Two of Portrayals of Economic Exchange in the Book of Kings)

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CHAPTER TWO

ECONOMIC ANTHROPOLOGY

Before examining the biblical texts through the lens of Karl Polanyi's paradigm of exchange, a review of the intellectual history of economic anthropology before the publication of *The Great Transformation* (1944) will help contextualize his methodological framework.¹ Specifically, an awareness of two aspects of his theoretical development can facilitate its application to ancient Israel. First, Polanyi represents a seminal point in the midst of a long intellectual dialogue about political economy that goes back to Adam Smith. For over two centuries, this debate has been so spirited and intertwined that each scholar stands entangled with all of his or her opponents, supporters and revisionists. Simply stated, one can hardly understand Weber, without also understanding Ricardo, Mill, Marx and so forth. Second, many of the key figures throughout the development of economic theory, including Polanyi, did not develop their theories with any intent to explain the economies of antiquity. For Polanyi, the political climate of the Eastern European fascism motivated him to explore the connections between political systems and their economic activities. His earlier theories had a clear agenda in that he wanted to understand the trajectory of history that led to the present state of Hungary and the rest of Europe. Polanyi sought to apply his theories to the ancient world as a mere validation for the universality of his model. A more thorough review of the development of economic anthropology can highlight both of these aspects, and ultimately help to nuance the application of Polanyi's paradigm to ancient Israel.

Understanding the intellectual history will also help to evoke a consciousness of a heuristic model, in that Polanyi's paradigm only serves to illuminate a particular culture. As with all social scientific applications to biblical studies, the model provides a framework, with an assumption that other cultures may indeed offer insight to the biblical era. But these social scientific approaches still remain models and nothing more. They function as abstract constructs, which allow scholars to contextualize

¹ Karl Polanyi, *The Great Transformation*.

interpretations. With the paucity of data from antiquity, scholars cannot subject these models to the rigorous empirical testing as modern economic theory requires. Consequently, the use of Polanyi's paradigm can serve as a methodological control, but without any intention to developing a singular consensus application for ancient economies. In order to utilize Polanyi's paradigm of exchange, this chapter examines this model in the context of the intellectual history of economic anthropology.

2.1. *Theories of Political Economy*

2.1.a. *Classical Political Economy*

A look at the intellectual history behind the development of Polanyi's substantivist theory must begin with a brief review of classical political economy, which symbolically begins with the publication of Adam Smith's *An Inquiry into the Nature and Causes of the Wealth of Nations* in 1776.² This treatise promotes a central theme that a free market can self-regulate by making sound decisions on allocation of production, consumption and distribution based on collective supply-and-demand. According to Smith, these forces make a much greater contribution to civilized society than any political institution. Because such a free market effectively determines distribution through profit maximization, Smith saw that individual selfish interests lead to the common good. Such a position was counterintuitive in eighteenth century England, which considered private gain as antisocial by nature. To contest such sentiment, Smith famously argued, "It is not from the benevolence of the butcher, brewer, or the baker, that we expect our dinner, but from regard to their own interest."³ By pursuing private interests, each of these craftsmen harmonizes their individual

² The actual birth of political economy is often attributed to Cantillon, Quesnay or Turgot, though none of these authors had the magnitude of Smith's treatise; Adam Smith, *An Inquiry into the Nature and Causes of the Wealth of Nations* (New York: Modern Library, 1937). The neglect of economic studies by biblical scholars is especially ironic when one reads the text and subtext of Smith's hugely influential work and its profoundly religious overtones. The title, "Wealth of Nations," likely comes from the Isa 61:6; 66:12. The concept of the "Invisible Hand" fits closely with the idea of a deity. Smith's own religious views are unknown, though he likely had a Protestant upbringing; see Peter Minowitz, *Profits, Priests and Princes: Adam Smith's Emancipation of Economics from Politics and Religion* (Stanford: Stanford University Press, 1993); Jacob Viner, "Adam Smith and Laissez Faire," in *The Long View and the Short: Studies in Economic Theory and Policy* (Glencoe: Free Press, 1958), 213–245.

³ Smith, *The Wealth of Nations*, I, 82.

desires to a common benefit. This intrinsic quality of free economy to self-regulate is so astonishingly efficient and hidden, that Smith famously described an “invisible hand,” guiding the economic decision-making for the collective benefit.⁴

In recognizing the benefits of such individual desires, Smith described a primary distinction of classical political economy: the division of economy from the political sphere. For Smith, nonpolitical life needs to organize and sustain itself independently of political decision-making. Thus economic laws must restrain the politicians, whom Smith disparagingly regarded as “crafty.”⁵ In turn, these politicians need to restrict themselves to caretaker roles that preserve access to economic freedoms, particularly maintenance of property rights, national defense and certain public works. But Smith wanted to privatize even these common projects whenever possible. For example, Smith advocated for toll fares to fund public highways and bridges. Left to themselves, the laws of supply-and-demand naturally bring self-regulation to an economy with access and information, ultimately working for the common good.

Scholars quickly realized that such growth could not grow unchecked. Demographic issues confronted the optimism of the *Wealth of Nations*, beginning with Thomas Malthus’ theory of population growth and its dependence on a limited food supply.⁶ David Ricardo’s theory of rent elaborates on the theoretical foundation of Malthusian population control through his influential “corn model.” Ricardo argued that economic growth inevitably sputters at some point due to the fixed quantity of natural resources.⁷ Specifically, when an agricultural society expands, the real rents on the prime land increase in proportion to the addition of lower quality land to meet production demand. With higher real rents, profits from wheat decline. Ricardo’s theory of rent intends to show that the landlord’s gain is counterproductive to capitalist interests to the point of equilibrium, when the incremental increase of rent is greater than the price of corn and production can no longer expand. In more general terms, when the quantity of a production factor (labor) increases, while

⁴ Interestingly, Smith only uses the emblematic term “invisible hand,” only once in the entire treatise; Smith, *The Wealth of Nations*, IV, 477.

⁵ Smith, *The Wealth of Nations*, IV, 435.

⁶ Thomas Malthus, *An Essay on the Principle of Population* (London: J. Johnson, 1798).

⁷ David Ricardo, *On the Principles of Political Economy and Taxation* (London: John Murray, 1817).

the other factors remain fixed (land), marginal productivity declines.⁸ Whereas Ricardo admittedly assumed a fixed wage for his models, more recent economists have formulated a Ricardian growth model with variable-wage assumptions.⁹ Within such a model, the wage rate increases until it equals the natural rate, that is, when the marginal cost of production equals the required wage labor for such production.

Aside from the theory of rent, Ricardo formulated the Law of Comparative Costs. Using the simplistic example of a two-nation (England and Portugal), two-commodity economy (cloth and wine), Ricardo demonstrated that marginal advantages in production (rather than absolute advantages) provide an incentive for the countries to trade. Although seemingly obvious to today's economist, one must remember that Ricardo was the first to advocate for a theory of international trade against a theory of intra-national trade based on relative immobility of capital between polities. This was a crucial point in that absolute advantage has limits, whereas marginal advantage is ubiquitous within all macroeconomic structures.¹⁰

Ricardo's theories of comparative costs convincingly demonstrates the benefits of international divisions of production, and his successor, John Stuart Mill, outlined the mechanism of price determination of such a system.¹¹ Specifically, Mill determined formulas to quantify the relative

⁸ For more detailed exposition on Ricardo's corn model, see Mark Blaug, *Economic Theory in Retrospect* (Cambridge: Cambridge University Press, 1997), 30–34; Takuo Dome, *History of Economic Theory* (Brookfield, Vt.: Edward Elgar, 1994), 85–106.

⁹ John Hicks and Samuel Hollander, "Mr. Ricardo and the Moderns," *Quarterly Journal of Economics* 91 (1977): 351–369; Carlo Casarosa, "The New View of the Ricardian Theory of Distribution and Economic Growth," in *Advances in Economic Theory*, ed. M. Baranzini (Oxford: Blackwell, 1982), 45–58; Casarosa, "A New Formulation of the Ricardian System," *Oxford Economic Papers* 30 (1978): 38–63.

¹⁰ Egyptologist David Warburton draws on the issue of tin-importation in Anatolia to affirm Ricardo's "Theory of Comparative Advantage," Warburton, *State and Economy in Ancient Egypt*, 104. But Warburton extrapolates too much from the limited data of Anatolia. Although they began to specialize, this does not definitely point to significant market presence. Anatolia clearly had the resources to produce both silver and tin, during the second millennium BCE, tin production ceased and Anatolian polities began to import it. The Hittites and Hurrians chose to divert their energy to concentrate on silver production, where they held comparative advantage. Similar examples can arise from almost every periods of the Near East, such as the specialization of olive oil in seventh century Ekron or the shipping industry of the Phoenician city-states. Therefore, although Ricardo first elucidated this concept into a workable economic model, the intrinsic understanding of comparative advantage dates from antiquity.

¹¹ John Stuart Mill, *Principles of Political Economy with Some of Their Application to Social Philosophy* (London: Longmans, Green and Co., 1848); This theory of rent openly disclosed a conflict between the landlord and the producer. Such a basis would later develop into a Marxist perspective on economies.

prices of Ricardo's two-commodity world. This provided a computational model to determine the rate of benefit for countries in free trade. In such computations, Mill recognized certain situations of "imperfect specialization" in which one country does not necessarily benefit, but continues to trade based on mutual demand. In quantifying the price, Mill proved the possibility of one of the two countries not specializing in production, or imperfect specialization.

Continued modifications to classical political economy spawned multiple theories from the mid-nineteenth to the early twentieth centuries. In the Western world, the most lasting and influential of these theories are Neo-Classical and Keynesian economics. Neo-Classicism, associated with Carl Menger and William Stanley Jevons, advances the primacy of marginality as a powerful conceptual tool alongside the classical measures of growth, distribution and labor theory of value.¹² Most importantly, this period saw the development of the Law of Diminishing Marginal Utility. With marginality at the forefront, Neo-Classicism adds elements of human logic into the sterile parameters of material production. Keynesian economics also modified classical political economy by confronting the inevitable shortcomings of the market economy.¹³ With the empirical evidence of the Great Depression, the Keynesian critique argues that inability to make good decisions on production can lead to a systemic failure of the market system to assure adequate purchasing power. These failures necessitate government intervention designed to assure stable processes of production and employment.¹⁴

Although classical economic models have significantly developed since Adam Smith, they essentially maintain the same Hobbesian assumptions, that is, people make rational economic decisions based on profit models. Even with the revisions of Neo-Classicism and Keynesian economics, the core of *homo economicus* remained intact: (1) people act selfishly; (2) people inherently exchange for maximizing; (3) universal scarcities

¹² William Stanley Jevons, *The Theory of Political Economy* (New York: MacMillan and Co, 1871), Carl Menger, *Principles of Economics* (Auburn: Ludwig von Mises, 1871, 1976).

¹³ John M. Keynes actually used ancient Egypt as an illustration for his notion of multiplier; John M. Keynes, *The General Theory of Employment, Interest, and Money*. (London: Macmillan, 1936). Recently, Warburton tries to apply Keynesian economics to New Kingdom structures. Unfortunately, most economists do not consider Keynesian theory as valid for even the Depression era, much less any economy of antiquity; Warburton, *Macroeconomics from the Beginning*.

¹⁴ For a succinct review of the precepts of Neo-Classicism and Keynesian economics, see James A. Caporaso, David P. Levine, *Theories of Political Economy* (Cambridge: Cambridge University Press, 1992), 79–125.

of needs / wants drive economic decisions; (4) when people are rational (have knowledge), they maximize and strategize; and (5) the individual serves as the unit of analysis. These economic assumptions remain so fundamentally intrinsic to Western thought that most historical treatments of antiquity make these assumptions, yet they rarely state them explicitly. In fact, the systematic defense of an Adam Smith economy in the ancient Near East under the rubric of the “modernist” or “formalist” only began to appear in response to competing economic theories. Although these formalist scholars vary in their use of corpora and time periods, they all essentially assess the maximization of profits as a universal character of society. Many of these arguments base themselves on epigraphic evidence, assessing seemingly capitalistic activity such as interest-bearing loans, receipts and partnerships in ancient economics. Chapter Five will explore these issues in greater detail, but for now, one must understand that the extant economic texts are not completely revealing of the greater system. Both market-exchange and administered-exchange can produce similar corpora. As a result, the issue of proper evaluation of such evidence remains the primary challenge to the formalists.

Whereas classical political economy continues to dominate the Western constructs of social order, other trajectories from Adam Smith completely overturn his capitalist assumptions on economic life. Specifically, Karl Marx also recognized the separability of economics from political order, but he took the concept much farther, making economic activities the driving force behind societal progression.

2.1.b. *Karl Marx*

Although Karl Marx died during the nascent beginnings of Assyriology, his basic ideas on economy have been hugely influential in the field of ancient Near Eastern studies. Marx reacted ambivalently to classical political economy. He viewed capitalism as a decisive stage within a grand progression, but a stage with ideological limits, which prevents further advancement. Specifically, Marx saw a capitalist system as non-benevolent, even anarchic, as it inevitably leads to crises among producers. Marx interpreted a Darwinian struggle among capitalists in a drive to accumulate more and more surplus, until lesser capitalists struggle and even fade away. This distinction between the capitalists and the workers progressively becomes more pronounced and thereby creates distinct classes. This class consciousness inevitably leads to conflict as individuals commit themselves to pursue collective interests (contra *homo*

economicus) thereby catalyzing major societal changes via “class struggle.” In Marx’s grand scheme, the progression of human evolution consists of five major stages: primitive-communal, slave, feudal, capitalist and communist modes of production. Each mode distinguishes itself by the access to these means of production, and the transfer between stages arises from internal dynamics.¹⁵

This herein becomes the fundamental contribution of Marx to ancient Near Eastern economies, the emphasis on the relations of production. For antiquity, the ownership of land is the primary means to production, and thus, access to land defined class structures. But in most periods and regions of the ancient Near East, one cannot easily identify such distinct classes. One can also question the idea of a pervasive class consciousness among the exploited that propelled any major societal change. Historically, the ancient Near East (and Far East) went through vast periods of time without much progress along any grand dialectical continuum.

For these reasons, Marx and Engels modify their theoretical application to the Eastern world through their concept of the Asiatic Mode of Production.¹⁶ In order to explain the lack of dialectical progression in Oriental society, Marx and Engels drew on the works of British political economists such as John Stuart Mill.¹⁷ They characterized the Oriental world as despotic centralized states dominating over small peasant communities. Such a centralized state prevents individual property holdings thereby negating any accumulation of capital and concomitant progression along any Marxist continuum. The central government coordinates large-scale irrigation projects and collects rents from the villages, leaving autarkic villages with little possibility for trade and surplus. Economic autonomy makes these societies particularly vulnerable to stagnation. Whereas European modes of production clearly followed a deliberate progression, Eastern countries remained sluggish for long periods of time. Because Marx and Engels

¹⁵ For a review of the Marxist critique on classical political economy, see Caporaso, *Theories of Political Economy*, 55–78; Prabhat Patnaik, “Notes on Marx’s Critique of Classical Political Economy,” *Social Scientist* 30 (2002): 59–67.

¹⁶ For treatments on the development of the Asiatic Mode of Production within the Marxian corpus, see Stephen Dunn, *The Fall and Rise of the Asiatic Mode of Production* (London: Routledge, 1982); Lawrence Krader, *The Asiatic Mode of Production* (Van Gorcum, 1975), Brendan O’Leary, *The Asiatic Mode of Production* (Oxford: Basil Blackwell, 1989).

¹⁷ Brendan O’Leary explains the connections between British political economy and the Asiatic Mode in *The Asiatic Mode of Production: Oriental Despotism, Historical Materialism and Indian History* (Oxford: Basil Blackwell, 1989), 73.

primarily theorized on European economies, they left the concept of the Asiatic Mode largely undeveloped.

After the death of Marx, the discussions over the Asiatic Mode of Production reached major impasse among both theorists and political figures. The political transitions within China and Japan further complicated the development of the Asiatic Mode. Ironically, while Chinese and Japanese scholars began to seriously discuss the viability of the Asiatic Mode, Soviet scholars aggressively discredited it.¹⁸ Sergei Dubrovskii saw feudalism, rather than any Asiatic Mode, as a more precise descriptor with the implicit hierarchy of suzerain and vassal.¹⁹ It may have had variations on medieval European feudalism, but it certainly was not distinguishable as a mode of production to itself.²⁰ Eastern European opponents turned to political arguments saying that the concept of an Asiatic Mode could undermine the Soviet policy.²¹ Specifically, Stalin wanted to control Chinese movements, and needed a theoretical policy that would not be geographically distinct, and would justify alliance between him and the Chinese Kuomintang. Others turned to ideological arguments, claiming that supporters of the Asiatic Mode distorted the writings of Marx and Engels.²² Marxist historian Leszek Kolalowski identified three particular contradictions between the Asiatic Mode and basic Marxist theory: (1) Marxism emphasizes production rather than geography; (2) Marxism highlights progress over stagnation; (3) Marxism sees this progress as universal and not limited to a Western phenomena.²³ The emphasis on the Asiatic mode of feudalism moved to an emphasis on slavery. In a 1933 lecture, V.V. Struve saw feudalism as a poor descriptor, and argued that most economies were driven by slave production.²⁴ Eventually, Stalin, himself, denounced the Asiatic Mode in the 1930s so that by 1938, he did not

¹⁸ Joshua Fogel, "The Debates over the Asiatic Mode of Production in Soviet Russia, China, and Japan," *American Historical Review* 93 (1988): 56–79.

¹⁹ Dunn, *The Fall and Rise of the Asiatic Mode of Production*, 60; Fogel, "The Debates over the Asiatic Mode of Production."

²⁰ This eventually viewpoint became quite influential particularly in studies of Ugaritic economies.

²¹ Dunn, *The Fall and Rise of the Asiatic Mode of Production*, 61, 75; Fogel, "The Debates over the Asiatic Mode of Production."

²² Dunn, *The Fall and Rise of the Asiatic Mode of Production*, 18–30.

²³ Leszek Kolalowski, *Main Currents of Marxism*, 3 vols., vol. 1 (Oxford: Oxford University Press, 1978), 350.

²⁴ Vasilii V. Struve, "The Problem of the Genesis, Development and Disintegration of the Slave Societies in the Ancient Orient," in *Ancient Mesopotamia: Socio-Economic History*, ed. Igor Diakonoff (Moscow: Nauka, 1969), 17–69.

recognize the existence of an Asiatic mode among the five standard modes, effectively silencing the discussion. This viewpoint remained dominant until the death of Stalin in 1953.

The succeeding years of de-Stalinization saw a revival of the concept of the Asiatic Mode of Production. For a brief time, it eventually evolved into a well-accepted theory during the 1960s largely as a result of Karl Wittfogel's *Oriental Despotism: A Comparative Study of Total Power* (1957).²⁵ Though Wittfogel originally served the German Communist party, after his move to the United States, he supported a vociferous anti-Marxist policy, criticizing both the theoretical underpinnings of the Asiatic mode, as well the totalitarianism of the Stalin regime.²⁶ Both the Soviet Union and the People's Republic of China very much fell into such stagnation that inevitably resulted in absolute power over hydraulic resources. He hoped to find a valid analogy in ancient economies to theorize on the relationship between power and control of irrigation, drawing on evidence from Mesopotamia. Eventually, his theory fell out of favor due to the lack of Hegelian progression in Mesopotamian irrigation history, but Wittfogel at least rekindled the discussions of the Asiatic Mode in the ancient Near East, particularly with the "Leningrad School."²⁷

The "Leningrad School," associated with Igor M. Diakonoff, Muhammed Dandamaev, Michael Heltzer, and Western advocates in Mario Liverani, Carlos Zaccagnini and Roland Boer, created a hybrid version of the Asiatic Mode for application to the ancient Near East. These scholars espoused a "two-sector" model in that not all economic players were propertyless slaves, or feudal serfs. To a degree, Diakonoff aligned himself with Struuve in that he characterized the two-sector model as an early type of slave mode, contending for the presence of a substantial group of "free sector" outside of the official royal and temple state sector.²⁸ In more explicit

²⁵ Karl Wittfogel, *Oriental Despotism: A Comparative Study of Total Power* (New Haven: Yale University Press, 1957).

²⁶ Wittfogel, *Oriental Despotism*, 375–378.

²⁷ The actual pattern of irrigation control fluctuates quite severely, with peaks during the beginning of the Old Babylonian reign and again during the Sassanians from the third to seventh centuries CE; Robert McC. Adams, "Die Rolle des Bewässerungsbodenbaus bei der Entwicklung von Institutionen in der Altmesopotamischen Gesellschaft," in *Produktivkräfte und Gesellschaftsformationen in Vorkapitalistischer Zeit*, eds. J. Hermann and I. Sellnow (Berlin: Akademie, 1982), 119–140.

²⁸ Diakonoff was reacting to the feudalism models for ancient Near Eastern economic society. In line with Marxist grand historical progression, Diakonoff saw feudalism as a single stage in historical materialism. Igor Diakonoff, "The Structure of Near Eastern Society before the Middle of the Second Millennium B.C.," *Oikumene* 3 (1982): 7–100.

Marxian terms, the “non-free” sector did not own the means of production and essentially existed as a slave class, whereas the “free” sector owned some of the means of production and functioned as relatively independent proprietors working their own ancestral lands. Diakonoff argued from his philological understanding of the native terms for the two classes in Old Babylonian texts, as described in the ideological Code of Hammurapi: the “free” (*mar awilu*), and the “non-free” (*mar muškenu*). Various cuneiform administrative texts list the former term as using patronyms and extending from larger kin-based familial units, whereas the latter term is typically listed by profession and comes from smaller households without social nets, thereby requiring state protection. Diakonoff relied heavily on Middle Assyrian and Nuzi documents to describe the more specific structures of this free class whose land belonged to communal kin and not the state, though his interpretation has been heavily criticized.²⁹

Diakonoff's student, Heltzer took much of the theoretical basis of the two-sector model and applied it directly to the Late Bronze Age Northern Levant.³⁰ Heltzer interpreted the Ugaritic textual data as including the distinct group of rural communities of the kingdom, the free “sons of Ugarit” (*bn 'ugrt*) and the non-free “royal servants” (*'bd mlk*). The limited nature of the king is further highlighted by texts of royal land purchase suggesting the restriction of absolute land seizure. Heltzer was one of the most prolific writers on Levantine economic systems and has brought attention to many of the crucial issues. For one, he was working against long held traditional understandings of ancient Near Eastern rulers as despotic in every aspect, a characteristic clearly now rejected. But his works have been attacked on both his arbitrary selectivity of evidence, and lack of philological sophistication.³¹ Essentially, the terminology in the Ugaritic

²⁹ Leemans protests the identification of a significant extended family and rural community unit in Old Babylonia. W.F. Leemans, “The Family in the Economic Life of the Old Babylonian Period,” *Oikumene* 5 (1986): 15–22; Leemans, “Trouve-t-on des ‘Communautés Rurales’ dans l’Ancienne Mésopotamie?,” in *Les Communautés Rurales II: Antiquité* (Paris: Dessain et Tolra, 1983), 43–106. J.N. Postgate makes the same objection on the basis of Middle Assyrian texts; J.N. Postgate, “*Ilku* and Land Tenure in the Middle Assyrian Kingdom—a Second Attempt,” in *Societies and Languages of the Ancient Near East: Studies in Honour of I.M. Diakonoff*, ed. M.A. Dandamaev (Warminster: Aris and Phillips, 1982), 304–313.

³⁰ Michael Heltzer, *The Internal Organization of the Kingdom of Ugarit* (Wiesbaden: Ludwig Reichert, 1982), Heltzer, *Goods, Prices and the Organization of Trade in Ugarit* (Wiesbaden: Reichert, 1975).

³¹ Michael Astour, review of Michael Heltzer, *The Rural Community in Ancient Ugarit*, *JNES* 39 (1980): 163–167; Dennis Pardee, “Ugaritic Studies at the End of the Twentieth Century,” *BASOR* 320 (2000): 49–86; Péter Vargyas, “Stratification Sociale À Ugarit,” in *Society*

administrative texts does not necessarily translate into rigid social classes as Heltzer interprets.³² Regarding land grants, although members of the royal family may purchase land, the language of these contracts is almost verbatim in any other type of transaction. David Schloen notes that in the entire corpus of texts from Ugarit, the king, himself, never makes a single land purchase.³³ Rather than such a two-class sector, Schloen sees that most of the households had worked for both their own kinship land, while also involved with labor devoted to the royal sector.³⁴

Some Western scholars have adopted basic precepts of the Leningrad school. Although Diakonoff never explicitly used the term “Asiatic Mode of Production” likely due to the political climate of Stalin and the promotion of Marxist orthodoxy, Zaccagnini specifically identifies the two-sector model of antiquity with the Asiatic Mode.³⁵ Liverani also utilizes the two-sector model, attempting to incorporate hard data from the abundant economic texts of Ugarit in regards to royal farms.³⁶ He determines that the epigraphic evidence shows the king exploiting the peripheral agricultural communities, wreaking havoc in countryside production. Such unchecked redistribution eventually made the Levantine coast vulnerable to the Sea Peoples’ attack, which signaled the end of the Bronze Age. For a long time, the two-sector model was a chief paradigm for the Late Bronze Age

and Economy in the Eastern Mediterranean (c. 1500–1000 B.C.), eds. Michael Heltzer and Edward Lipiński (Leuven: Peeters, 1988), 111–123.

³² For example, Heltzer supports his two-sector model with a Hittite royal edict (RS 17.238) promises to extradite any Ugarit peoples among the *‘apiru*. Heltzer suggests that the juxtaposed terms “son of a servant of the king of Ugarit,” (IR₃ LUGAL kur u₂-ga-ri-it) and “son of Ugarit,” (DUMU kur u₂-ga-ri-it) suggest native terminology for the two-sectors. In contrast, Schloen argues that the Hittite edict has little need to mention two classes, but rather acts to include everyone in Ugarit regardless of class. This wider understanding is more sensible in light of other written evidence of these phrases; see Schloen, *The House of the Father*, 221–222.

³³ Schloen further argues that even if such a text existed, it would not necessarily reflect the limited royal power on the land, but rather a compensatory act of the king to the previous holders of that land. Of course, such an assessment depends on the language and form of any such hypothetical document, though the biblical texts themselves would suggest limited royal power in regards to royal lands; Schloen, *House of the Father*, 230.

³⁴ Schloen, *House of the Father*, 224.

³⁵ Carlos Zaccagnini, “Asiatic Mode of Production and Ancient Near East: Towards a Discussion,” in *Production and Consumption in the Ancient Near East*, ed. C. Zaccagnini (Budapest: University of Budapest, 1989), 1–126, though Dunn refutes this in *The Fall and Rise of the Asiatic Mode of Production*, 35–36.

³⁶ Mario Liverani, “Economy of Ugaritic Royal Farms,” in *Production and Consumption in the Ancient Near East*, ed. C. Zaccagnini (Budapest: University of Budapest, 1989), 127–168.

Levant, largely out of default.³⁷ Boer sees the Asiatic Mode as useful not for its explanation of stagnation, but rather for its attention to the deeply complex and integrated understanding of economy.³⁸ Boer highlights the multiple nodal centers of economy and declares that the sacred aspects of these centers allows for the activities of allocation and extraction.

Currently, most applications of Marxist economic theory arise from Immanuel Wallerstein, who suggests a world-system, in which resources from the periphery move to the centralized state.³⁹ Wallerstein argues that technological advance coupled with capitalism make supply-and-demand powerful forces to economic life. As these forces grow, they produce a division of labor that allows for continued exploitation, analogous to Marx's dichotomy of exploited proletariat and the capitalist bourgeoisie. Market exchange, more than ideology or coercion, has the ability to maintain such exploitation. Wallerstein emphasizes that this social dichotomy extends beyond local political borders, thus the model advocates a world-system. Wallerstein explains:

Note the hyphen in world-systems and its two subcategories, world-economies and world-empires. Putting the hyphen was intended to underlines that we are talking not about systems, economies, empires *of the* (whole) world, but about systems, economies, empires *that are* a world (but

³⁷ For much of the 1970s and 1980s, the two-sector model was the only alternative to the theoretical approach of feudalism to the Late Bronze Age Levant. During the 1950s and 1960s, several scholars saw medieval feudalism as a sensible Weberian ideal type for Ugaritic society. These scholars quickly became enamored with this superimposition of a medieval feudal model over Late Bronze Age Ugarit. See John Gray, "Feudalism in Ugarit and Early Israel," *ZAW* 64 (1952): 49–55; Anson Rainey, "The Social Stratification of Ugarit" (Ph.D. diss., Brandeis University, 1962). Cf. Albrecht Alt, *Die Landnahme der Israeliten in Palästina* (Leipzig: Werkgemeinschaft, 1925). The *maryannu* "charioteers" as Indo-European nobility seemed to provide a perfect analogy with European knights. These "charioteers" stood at the top of most profession lists, and tended to receive the greatest payments in distribution. The language of many of the vassal treaties had certain correlation to the contracts of feudal lords. Both medieval Europe and the Bronze Age appear to have a rather large class of propertyless workers, or "serfs." The *KTU* 4 corpus often names people by skilled profession, somewhat akin to the guilds of feudalism. But this dependence on a Weberian feudal ideal type was problematic. First, the vassals of Ugarit did not have the freedom of medieval Europe. Second, the textual evidence of the Late Bronze Age does not unambiguously support the presence of devoted guilds. Third, the only true connection between the *maryannu* and the medieval knights were the horses. Thus, the Marxist "two-sector" model of the Leningrad School quickly replaced the ideal of feudalism.

³⁸ Roland Boer, "The Sacred Economy of Ancient 'Israel,'" *SJOT* 21 (2007): 29–48.

³⁹ Immanuel Wallerstein, *The Modern World-System: Capitalist Agriculture and the Origins of the European World Economy in the Sixteenth Century* (New York: Academic Press, 1974).

quite possibly, and indeed usually, not encompassing the entire globe) [italics, parenthetical expressions original].⁴⁰

Technology catalyzes this world-system. By the late fifteenth century, Europeans mastered the technology to ship bulk commodities over long distances. Once this technology arrives, it transforms the social structure of the world, allowing for core-periphery exploitation without explicit political control. The technology of this world-system could then maintain such an exploitative relationship for extended periods.

Although Wallerstein initially denied that such a “world-system” applies to the pre-capitalist periods, this system has developed into an extremely popular paradigm for ancient Near Eastern economies for its explicit integration of multiple aspects (political, economic, social, ideological) in defining the complexity of ancient societies.⁴¹ Phil Kohl challenges the exclusivity of the world system to modern Europe, and applies this system to the Bronze Age periods with the major modification of multiple cores and a pre-capitalist setting.⁴² Other ancient Near Eastern scholars quickly followed and suggested a world-system paradigm with the prime modification of its ability to maintain itself in the absence of capitalist systems.⁴³ Wallerstein eventually recognized the flexibility of his own model and its potential as an analytical model for pre-capitalist periods.⁴⁴

But historical evidence suggests that the world systems paradigm is either inapplicable to the ancient Near East, or it requires so much modification that it loses any merit as a theoretical framework. Gil Stein has

⁴⁰ Wallerstein, *World-System Analysis: An Introduction* (Durham: Duke University Press, 2004), 16–17.

⁴¹ Gil J. Stein, “World System Theory and Alternative Modes of Interaction in the Archaeology of Culture Contact,” in *Studies in Culture Contact: Interaction, Cultural Change, and Archaeological Investigations, Occasional Paper No. 25.*, ed. J.G. Cusick (Carbondale, Ill.: Southern Illinois University, 1998), 224.

⁴² Phil Kohl, “The Ancient Economy, Transferable Technologies and the Bronze Age World-System: A View from the Northeastern Frontier of the Ancient Near East,” in *Centre and Periphery in the Ancient World*, eds. M. Rowlands et al. (Cambridge: Cambridge University Press, 1987), 13–24. Jane Schneider made the first attempt to situate world systems to an earlier period; Schneider, “Was There a Pre-Capitalist World-System?” *Peasant Studies* 6 (1977): 20–29.

⁴³ Guillermo Algaze, *The Uruk World System: The Dynamics of Expansion of Early Mesopotamian Civilizations* (Chicago: University of Chicago, 2005), Andre Gunder Frank et al., “Bronze Age World Systems Cycles (and Comments and Reply),” *Current Anthropology* 34 (1993): 383–429.

⁴⁴ “There was in this way of formulating the unit of analysis a further link to older ideas.” Wallerstein ties his model to Polanyian categories, recognizing earlier historical contexts for a world system; Wallerstein, *World-System Analysis: An Introduction*, 17.

outlined some serious difficulties with the application of Wallerstein to these ancient Near Eastern economies.⁴⁵ Stein argues that vast distances have a leveling affect, thereby preventing any single polity to economically exploit vast amounts of territory. Stein looks to the metal-rich Anatolian periphery as evidence against such exploitation, as they exported highly-advanced finished goods, rather than pure materials as Wallerstein theorized. The only core-peripheral exploitation was military in nature, in which the periphery would send goods but only through the motivation of military coercion and not market developments, thereby refuting the very heart of Wallerstein's model. Schloen argues that those who revise the model also strip it of any analytical usefulness.⁴⁶ Despite these criticisms, many world-systems apologists continue to advocate this paradigm.

In addition to theoretical explanations of ancient Near Eastern economies, Marxism has had a significant impact on economic topics within biblical studies in two other ways. First, Marxist theorists developed a conceptual framework on formation of the Israelite state through the peasant-revolt theory of George Mendenhall and Norman Gottwald.⁴⁷ This model explains the settlement of the Israelite nation as a group of oppressed peasants, banding together and forming an egalitarian polity in early Israel. Although both archaeologists and philologists have largely discredited such theories, the peasant-revolt theory provided an alternative to the maximalist interpretation of Israelite settlement in the wake of Kenyon's Jericho and other attacks on biblical historiography.⁴⁸ Most importantly, the peasant-revolt theory instigated the usage of social scientific theory in historical reconstructions. Such an interpretation underscores the socially distinct character of economic structures apart from the despotic rulers of the ancient Near East.

⁴⁵ Stein, "World System Theory," 220–255; Stein, *Rethinking World-Systems: Diasporas, Colonies, and Interaction in Uruk Mesopotamia* (Tucson: University of Arizona Press, 1999).

⁴⁶ Schloen, *The House of the Father*, 85–89.

⁴⁷ Norman K. Gottwald, *The Tribes of Yahweh: A Sociology of the Religion of Liberated Israel, 1250–1050 B.C.E.* (Maryknoll, N.Y.: Orbis Books, 1979); George E. Mendenhall, "The Hebrew Conquest of Palestine," *BA* 25 (1962): 66–87.

⁴⁸ For examples of criticism against the peasant revolt theory, see Anson Rainey, review of Norman Gottwald, *The Tribes of Yahweh: A Sociology of the Religion of Liberated Israel (1250–1050 B.C.E.)*, *JAOS* 107 (1987): 541–543; Lawrence Stager, "Forging an Identity: The Emergence of Ancient Israel," in *The Oxford History of the Biblical World*, ed. M.D. Coogan (Oxford: Oxford University Press, 1998), 90–131.

Second, Marxist interpretation has found legitimacy among the crowded field of post-colonial hermeneutics.⁴⁹ The influential liberation theologians used material poverty and class conflict as a starting-point for expressing their theological agenda with the main difference of the salvific construct of liberation rather than class conflict in ultimately bringing social change—a radical modification from Marxist atheism! Positively, Marxist interpretation forces a view of theory that must explicitly grapple with economic issues though the focus of these studies tend to be more theological and ideological rather than historical. These Marxist hermeneutic studies can benefit greatly from a deliberate study of the economic structures presumed within the biblical texts.

2.1.1.c. *Max Weber*

Until recently, most scholars have dismissed any conceptual points of contact between Marx and Max Weber.⁵⁰ Marx centered his theories around exploitation and class consciousness, yet Weber never explicitly developed any such concept of exploitation. Marx built a fiercely anti-capitalist model, whereas Weber taught economics from the vantage point of a member of the German Historical School, accepting many of the rationalist positions of Neo-Classicism.⁵¹ But under a wider perspective, both attempted to deal with the seemingly obvious challenges to classical political economy. Whereas Marx finds a starting point in empathy for the oppressed, Weber's view of ancient economies embodies his holistic, anti-positivist account of society. Weber believed that analysis of societies must go beyond mere external signs and seek underlying paradigms and values that govern social behavior.

Rather than assuming the universalism of *homo economicus*, Weber identified formalist economic behavior as a limited ideal type (*Verstehendes*).⁵² Weber explicitly pointed out that such a concept of *homo economicus* was

⁴⁹ For a summary bibliography on Marxist hermeneutics, see Fernando F. Segovia, "Reading the Bible Ideologically: Socioeconomic Criticism," in *To Each Its Own Meaning*, eds. Steven L. McKenzie, Stephen R. Haynes (Louisville: Westminster John Knox, 1999), 283–306.

⁵⁰ For recent studies on the relationship of Marx and Weber, see Erik Olin Wright, "The Shadow of Exploitation in Weber's Class Analysis," *American Sociological Review* 67 (2002): 832–853.

⁵¹ Richard Swedberg, "Max Weber as an Economist and as a Sociologist: Towards a Fuller Understanding of Weber's View of Economics," *American Journal of Economics and Sociology* 58 (1999): 561–582.

⁵² Swedberg, "Weber as an Economist," 564.

unique to Western peoples and their actions, but one cannot straitjacket such a presumption on every economy through time. Modern economic theory inevitably projects a particular setting, that is, perfect economic knowledge, perfect decision-making (economic rationality) and tireless devotion to self-gain. Weber argued that a rationalist ideal type does not account for the non-economic motivations of decision-makers. In reacting against such rationality, Weber declared, "Economics is not a science of nature and its qualities, but of people and their needs."⁵³ Whereas classical economics can have merit in certain settings, Weber acknowledged the presence of non-rational behavior in the greater economic structure, particularly in non-Western cultures.

The assumption of economic rationality as an ideal type allowed Weber to disregard *homo economicus* assumptions for the ancient Near East in favor of specific ideal types to describe the economic conditions. Most prominently, he argued that the concept of patrimonialism served as the most informative ideal type for the ancient Near East.⁵⁴ Essentially, the larger governing structures, such as the royal court and the temple, pattern themselves after family households. Patrimonialism was a much more accurate description of many governing systems of the ancient Near East, rather than a more rational impersonal bureaucracy. Patriarchy drove the governance of individual households, and planted the foundation for a rule by patrimonialism, the governance of a polity or chiefdom.⁵⁵

Several scholars apply this concept of patrimonialism to the Near East, and recent years have seen a major revival of Weber's patrimonialism on ancient economic systems. Schloen's work on the patrimonial structure of Late Bronze Age Ugarit provides an attractive option to the dominant two-sector model.⁵⁶ Schloen argues that despite all of its diversity in topography and cultural contacts, all Bronze Age systems display a uniformity that strongly aligns with a patrimonial model. The basic household model was adapted into larger social structures and became the dominant governing mechanism. The model also provides enough flexibility in its broad application without suffering from reductionism. This non-rational

⁵³ Max Weber, *The Agrarian Society of Ancient Civilizations*, trans. R.I. Frank (London: NLB Press, 1976), 32.

⁵⁴ Several have criticized Weber's association of patrimonialism with medieval European feudalism, though it is evident that Weber himself recognized this difference. See Schloen, *The House of the Father*, 52. A feudal vassal had the legal rights of a free man and was not a member of the feudal lord's household.

⁵⁵ Max Weber, *Economy and Society* (Stanford: Stanford University Press, 2005).

⁵⁶ Schloen, *The House of the Father*.

economic system was disrupted by the string of “world empires” beginning with the Neo-Assyrians, which began to create economic structure that included elements of rationality. Although critics have challenged the universality of patrimonialism as an ideal type during the Late Bronze Age, Schloen makes a convincing case of its presence on every level of ancient society.⁵⁷

This and other ideal types serve a distinct methodological function—they were somewhat artificially dichotomous, but they acknowledged the integrated nature of social understandings.⁵⁸ This recognition is the hallmark of Weber’s lasting influence on the humanities, and fundamentally in contention with classical political economy. The sterile theories of economic formalism leave little room for cultural and social influences on economic decisions. Behavioral decisions based on prestige and etiquette are not only impossible to quantify, they are often contrarian to maximizing behavior. Thus, studies of the ancient Near East require more holistic thinking and analysis beyond rational economics.

This anti-positivist attitude influenced Weber’s understanding of the ancient Israel through his work, *Ancient Judaism* and again in a chapter on Israel in *Agrarian Societies*.⁵⁹ For Weber, the law codes provide the most reliable sources for ancient Israelite society. These codes, specifically the Book of the Covenant and Deuteronomy, permit the scholar to move from the theoretical ideal type to see a glimpse of the historical Israel.⁶⁰ In studying this law, Weber deduced several characteristics of the Israelite economy. The laws assume a money economy based on regulations on loans and deposits. The biblical laws make no mention of any sort of collective ownership, rather property initially fell within the control of a family. Most importantly, the Israelite nation distinguishes itself from

⁵⁷ For criticism, see Daniel E. Fleming, “Schloen’s Patrimonial Pyramid: Explaining Bronze Age Society,” *BASOR* 328 (2002): 73–80; Christopher Mountfort Monroe, review of J. David Schloen, *The House of the Father as Fact and Symbol: Patrimonialism in Ugarit and the Ancient Near East*,” *JAOS* 122 (2002): 904–907.

⁵⁸ In addition to patrimonialism, the “ancient city” is another Weberian ideal type placed on Mesopotamian society. For Weber, the Mesopotamian city was oppressively despotic compared the “ancient city” of classical Greece, which encouraged freedom and forms of democracy, deliberately providing legal status to its citizenry. This underlying value made the Mesopotamian “ancient city” a net consumer of goods, collecting in-kind payments from the periphery; see Max Weber, *The City: Non-Legitimate Domination*, trans. Claus Wittich, 2 vols. (Berkeley: University of California Press, 1973); see critique by Marc van de Mieroop, *The Ancient Mesopotamian City* (Oxford: Oxford University Press, 1999).

⁵⁹ Weber, *The Agrarian Society of Ancient Civilizations*, 137; Max Weber, *Ancient Judaism*, trans. Hans H. Gerth and Don Martindale (New York: The Free Press, 1952), 32.

⁶⁰ Weber, *Ancient Judaism*, 61–89.

neighboring cultures by their commitment to covenant in regulating their economic structure. Whereas many cultures displayed a relatively unified religious cult among the peoples, Israel's religion focuses on a conception of direct agreement between the people and the deity. YHWH is more than a mere witness to the covenant pledge, but rather a fully-involved participant. Consequently, the divine intimacy demands that the Israelite people abide by mechanisms to maintain a high egalitarian ethos within the economic structure. With the transformation from loose tribal structure to monarchy, the covenant continues to regulate the distributive process of ancient Israel. Through deep valleys and high plateaus, the topography of Israel makes despotic centralized control impossible. Thus, the concept of covenant regulates the distributive process of ancient Israel to maintain fairness and access. This egalitarian spirit contrasts with neighboring Mesopotamia, which went through periods of full-fledged despotic regimes.⁶¹

Both Marxism and Weber's anti-positivist school provided legitimate intellectual challenges to many of the formulations of classical political economy. But such challenges did not make much of a pervasive impact on ancient economic history by the time of Weber's death in 1920. In the Western world, the advocacy for free markets and fewer constraints was too strong of a force. At the beginning of the twentieth century, Mill's textbook was still standard in many British and American university economic departments. Only the devastation of World War I and its drawn out recovery could shatter the optimism of classical political economy as well as many of the social sciences. The ensuing decade would be formative for the development of the field, and consequently, to our own understanding of economic anthropology as it applies to the ancient Near East.

2.2. *The Pioneering Economic Anthropologists*

Despite alternative theoretical tracks from Marx and Weber, by the end of World War I, the precepts of classical political economy of *homo economicus* still drove most Western scholarship. Cultural considerations played little role, not only in understanding economic decisions, but in the entire humanities field. More significantly, ethnocentrism perme-

⁶¹ Unlike Marx, Weber had access to primary ancient Near Eastern sources. In making his assessment of Mesopotamia, Weber claims that 200,000 cuneiform documents had already been translated; Weber, *The Agrarian Society of Ancient Civilizations*, 103–104.

ated the social sciences. A 1930 synopsis of the burgeoning field of economic anthropology speculates on the acceptance of *homo economicus* as universally axiomatic:

Until recently most students believed that primitive men had no economic life worth studying. Economists were not interested in them: for were not these folk savages? They possessed only a small amount of material goods, had little private property, and often no money, tolerated no great amount of free enterprise, and did not produce for a market.⁶²

To many scholars of the time, it was inconceivable how such a primitive culture could offer anything of observable value to Western advanced societies.

Within this context, substantivist economic anthropology symbolically emerged with the studies of Bronislaw Malinowski. In an attempt to better contextualize his scholarship, he lived among a Melanesian tribe and learned their native languages.⁶³ Although Malinowski was trained in the theories of classical political economy, he quickly began to realize the shortcomings of these theories in his study of the Trobriand Islanders, particularly in regards to the exchange patterns in the *kula* ring. Malinowski outlined three major spheres of exchange: subsistence, prestige, *kula*. In the subsistence sphere, the islanders send yams to the village chief, who must allocate them for public feasting. The prestige sphere has different items for women and men. The women exchange non-commercial products made from banana leaves for occasions such as marriage and funerary arrangements. These banana leaves provide protective magic against sorcery as well as symbols of strength to the community. The male prestige sphere involves axe blades, clay pots, yams, tusks and canoes, and men exchange these items as dowry, compensation for murder and prizes. The *kula* ring includes armshells and necklaces around a seven hundred mile chain of islands. Alongside this ceremonial exchange, this trade system maintains a parallel secondary trade in utilitarian items (foodstuffs, raw materials, manufactures, etc.). Within the context of cultural immersion,

⁶² Maurice G. Smith, "Review of Primitive Economics of the New Zealand Maori by Raymond Firth," *American Anthropologist* 32 (1930): 548.

⁶³ This in itself was a huge turning point in anthropological research. Until Malinowski and Phil Boaz, most anthropologists spent an extremely limited amount of time in the field. Malinowski's immersion in the Micronesian culture begat high-quality field reports and detailed observations; Bronislaw Malinowski, *Argonauts of the Western Pacific; an Account of Native Enterprise and Adventure in the Archipelagoes of Melanesian New Guinea* (London: Routledge, 1932).

Malinowski quickly recognized Trobriand economic activity defying the construct of *homo economicus*.

Malinowski's observations of the Trobriand Island economy forced a new understanding of economic rules, governed by the a new set of economic assumptions, now playfully termed as *homo reciprocans*.⁶⁴ Consequently, Malinowski set up his own principles to articulate how classical political economy is not universal: (1) people are socially-motivated and inherently cooperative (2) people inherently change for the community; (3) in primitive (non-tainted) societies, needs and wants are largely met; (4) the Trobriand Islander is not out to maximize, but rather he follows a complex set of traditional forces: duties and obligations, beliefs and magic, social ambition and vanities; and (5) the larger family or tribe makes the primary economic decisions, and thus serves as the unit of analysis.

homo economicus

- (1) People act selfishly.
- (2) People inherently exchange for maximizing.
- (3) Universal scarcities of needs/wants drive economic decisions.
- (4) When people are rational (have knowledge), they maximize and strategize.
- (5) The individual serves as the unit of analysis.

homo reciprocans

- (1) People are socially-motivated and inherently cooperative.
- (2) People inherently exchange for the community.
- (3) Needs/wants are largely met.
- (4) People follow a complex set of traditional forces: duties and obligations, beliefs and magic, social ambition and vanities.
- (5) The larger family or tribe serves as the unit of analysis.

In other words, Malinowski determined that the Trobriand Islander acts in a way antithetical to *homo economicus*, directly confronting the ethnocentrism of rational economics. With the lingering effects of a post-enlightenment climate, Malinowski arose as a true forerunner of post-modernity. Unsurprisingly, the academic response was quite passionate. Many decried Malinowski as too relativistic and intellectually dishonest.

⁶⁴ The term *homo reciprocans* was coined by Samuel Bowles, "Social Organization and the Evolution of Norms," in *Sante Fe Institute Science Board Symposium* (1999).

But others followed Malinowski to solidify the cultural sensitivity to economic theory. Their overall goal was to develop a grand theory of economics that applied to both Western and non-Western systems. These anthropologists sought to sift through classic political economy and adjust it to a more universal paradigm. Many of the basic outlines of *homo economicus* were not completely discarded, but modified. Everyone had basic wants, but these wants were culturally-determined. For example, non-monetary economies did not value gold as highly as monetary economies.

Two scholars in particular made lasting contributions to economic anthropology, by simultaneously expanding and refuting Malinowski's observations. First, Malinowski's student, Raymond Firth, studied economic patterns of the Maori tribes of his native New Zealand.⁶⁵ Under Malinowski's direction, Firth recognized complexity in exchange as well as forces of prestige and honor triumphing supply-and-demand. Firth determined that Western people operate under Western economic law, while Maori people operate under Maori economic law. All cultures have powerful notions of needs and wants. But sometimes they want prestige more than commodities and thus act accordingly. In this way, Firth actually laid a foundation for later formalists by asserting supply-and-demand actually as universal, by commodifying prestige, like silver or grain.

Second, Marcel Mauss challenged Malinowski's notion of reciprocity.⁶⁶ Malinowski observed the Trobriand islander as a very independent actor within a greater structure. But Mauss emphasized the dominance of kinship relations, which in turn fuels relations and obligations within the group. Thus, a simple act of exchange serves as a complex expression of peoples, objects and their social relations with each other, thus they are fundamentally different from commodities. Gifts dominate the exchange patterns in Malinowski's Melanesia and Firth's New Zealand, while commodities dominate industrial societies. Gifts do not have utilitarian function as a commodity, but rather, they maintain and uproot social relations. Thus, any study of gift exchange must seek to understand not only the commodity, but the social network of the giver and receiver. Though later scholars understood the potential for both gifts and commodities to exist in a single society, Mauss openly dismissed the idea of

⁶⁵ Raymond Firth, *Primitive Economics of the New Zealand Maori* (London: George Routledge, 1929).

⁶⁶ Marcel Mauss, *The Gift: Forms and Functions of Exchange in Archaic Societies*, trans. Ian Cunnison (Glencoe: Free Press, 1954).

any disinterested trading within the *kula* ring.⁶⁷ It appears, however, that the traditional reciprocal exchange of the *kula* ring facilitated utilitarian market exchange.

Significantly, one must recognize the settings of these pioneering thoughts on economic anthropology. A disproportionate amount of these theories emerged from observations on the Trobriand Islanders of the *kula* ring, and the Maori tribes of New Zealand. Although ancient Near Eastern research sometimes quote from these anthropologists, one must remember the enormous differences between these island communities and the historical settings for the biblical texts. The Trobriand Islands exist in a very spacious, rain-driven agricultural community with its main commodities consisting of tarot, bananas, fish and coconut. The *kula* ring would give large caravans to other neighboring communities that had relatively similar geo-political climates. With such homogeneity, one would not expect many of the marginal benefits to apply to inter-island trade of the *kula* ring. Thus, formalist economic theory asserts that rational people would not trade nor transport coconuts from hundreds of miles away when they were available from the local village. In this sense, the island community of Micronesia is a sharp contrast to the geological diversity of the Southern Levant in the Iron Age. If the homogenous Trobriand islanders still integrated utilitarian trade into their socially-embedded network, one must certainly anticipate a degree of utilitarian trade in the topographically diverse Southern Levant.

Malinowski revealed the shortcomings of the *homo economicus* model in a more forceful way than any previous scholarship. Both Marx and Weber derived their models from theoretical abstract formulations, later supported by evidence from other cultures. But the pioneering economic anthropologists tended to work in an opposite direction. They began with observations and descriptions of a living social system, both non-Western and pre-capitalist. Most of the Malinowski's work was devoted to mere description of this system, then later he made more holistic observations on these systems, later refined by others who also had first-hand testimony of these non-tainted systems.

⁶⁷ James Carrier, "Gifts, Commodities, and Social Relations: A Maussian View of Exchange," *Sociological Forum* 6 (1991): 119–136.

2.3. Karl Polanyi

2.3.a. *The Great Transformation*

Although the early economic anthropologists recognized tribal economic behavior as aberrant in regards to classical political economy, they did not have the theoretical foundations to articulate a clear counter to capitalist formulations. But over time, their observations reached Karl Polanyi, who frequently quoted from these anthropologists to provide an empirical basis for his brilliant synthesis and expression of the mechanisms of exchange. Ironically, Polanyi never intended to impact the field of economic anthropology to such an extent. By education and trade, he was a lawyer, journalist, and economic historian with the aspirations of influencing modern social policy in his native Hungary. The concepts of socially-embedded economies provided a powerful tool for analysis of periods like the Great Depression and fascism. As Polanyi developed his own universal theory of exchange, he began to look to the ancient Near East, and primarily Old Babylonia, in order to validate his paradigm. His appointment at Columbia University and subsequent collaboration with Leo Oppenheim helped to disseminate his theories to Near Eastern scholars, primarily Assyriologists.

In the hugely influential *The Great Transformation*, Polanyi explained the emergence of the market economy, which arrived in England at the beginning of the nineteenth century, then subsequently spread to the rest of the industrial world.⁶⁸ Polanyi described this “Great Transformation” as creating an economy disembedded from social relations. The industrial economy streamlined economic processes to the standard of money, and set distributive decisions in terms of supply-and-demand. Essentially, Polanyi saw the development of the “Great Transformation” as an entrance into an economic world negotiated by Adam Smith. But unlike Smith, Polanyi thought that such a transformation had disastrous consequences. By allowing unregulated markets, nineteenth century England removed “The protective covering of cultural institutions,” allowing the people to, “perish from the effects of social exposure.”⁶⁹ Furthermore, Polanyi invoked Malthus to assert that free markets can never sustain

⁶⁸ Polanyi, *The Great Transformation*.

⁶⁹ Polanyi, *The Great Transformation*, 72–73.

themselves as they deplete all resources.⁷⁰ After the movement to a more capitalist society, countermeasures emerged to regulate the extent by which distribution could follow supply-and-demand. These countermeasures worked in that they partially re-embedded the economic structures, typically through socialism or the welfare state. Thus, despite their vast ideological differences, Polanyi observed the intra-war political movements of fascism, socialism and the New Deal as all attempting to repair the failures of an unregulated economy.⁷¹

The main problem with an unregulated free market centered on the unmitigated confidence in the construct of *homo economicus*. Polanyi insisted that all previous economic systems did not rely on such a standard. Implicitly referring to Malinowski's research on the Trobriand Islanders, Polanyi famously wrote:

The outstanding discovery of recent historical and anthropological research is that man's economy, as a rule, is submerged in his social relationships. He does not act to safeguard his individual interest in the possession of material goods; he acts so as to safeguard his social standing, his social claims, his social assets.⁷²

Many pre-capitalist societies may have had markets, but supply-and-demand did not regulate them. Of course, money existed, but true monetary transactions occurred within a very limited segment of the society.⁷³ Allocation of resources, particularly land, depended on kinship ties and the community. Thus, distribution of goods and services did not rely on price-setting markets, but rather on the economically robust mechanisms of reciprocity and redistribution.⁷⁴

⁷⁰ Polanyi, *The Great Transformation*, 76–77, for connection between Polanyi and Malthus, see Garreth Dale, *Karl Polanyi: The Limits of the Market* (Cambridge: Polity Press, 2010), 52–58.

⁷¹ W.L. Goldfrank interprets the “Great Transformation” to refer not to the inception of market economies, but the inception of these 1930s regimes that attempted to recapture the control over the failures of Adam Smith *laissez-faire*; W.L. Goldfrank, “Facism and *The Great Transformation*,” in *The Life and Work of Karl Polanyi*, ed. Kari Polanyi-Levitt (Montreal: Black Rose Books, 1990), 87.

⁷² Polanyi, *The Great Transformation*, 46.

⁷³ Polanyi recognized that money itself is a socially ambiguous device. Many non-capitalist societies had special-purpose money, which only circulated within specific parts of a society and did not serve as a universal standard of value. See Michel Panoff, “Marcel Mauss's “The Gift” Revisited,” *Man* 5 (1970): 66.

⁷⁴ Polanyi also had a fourth mechanism, “householding” that he outlined in *The Great Transformation* but never developed. This was production explicitly for one's own extended household in archaic states such as Dahomey in the eighteenth century. Polanyi, *The Great Transformation*, 53.

2.3.b. *Reciprocity*

In *The Great Transformation*, Polanyi adopted his view of reciprocity from Malinowski's research of *kula* ring exchange. The Trobriand islands maintain important symmetrical arrangements, which allow for individuals to exchange goods, not out of supply-and-demand, but rather to maintain social position within the larger group. Polanyi argued that a male head-of-household may send his finest crops to his sister's family without any immediate material reward as one would expect in a purely commercial transaction. But with such an act, the giver will increase in prestige, and his own family will materially benefit from the increased reputation. Eventually, the sister's family will compensate to maintain the symmetry. Further examination of the Micronesia society reveals that such symmetry is pervasive in other social spheres. A coastal village has an inland counterpart to enable both to take advantage of marginal utility. Individual participants of *kula* ring trade have distant partners on other islands to trade commodities under disjointed chronology, sometimes as long as years. Because of the social concern for maintaining symmetry, reciprocity serves as an extraordinary motivator and regulator of economic activity. In a direct attack against *homo economicus*, Polanyi proclaimed, "The economic system is, in effect, a mere function of social organization."⁷⁵ Whereas classical political economy separates the economic and political spheres, Polanyi amalgamated them back together. Polanyi even argued that the Trobriand Islander illustrates that reciprocity could manage such a complex exchange system much more efficiently than market forces.⁷⁶

Polanyi further articulated his mechanism of reciprocity in "The Economy as Instituted Process."⁷⁷ Here, Polanyi specifically ties reciprocal exchange as a reflection of a greater organized structure. In looking at non-capitalist societies, Polanyi concluded that these cohesive kinship groups, rather than aggregate individuals, serve as the fundamental core of the economic system. Such a system necessitates the mechanism of reciprocity as the dominant means of exchange with redistribution

⁷⁵ Polanyi, *The Great Transformation*, 49.

⁷⁶ "An intricate time-space-person system covering hundreds of miles and several decades, linking many hundreds of people in respect to thousands of strictly individual objects, is being handled here without any records of administration, but also without any motive of gain or truck," Polanyi, *The Great Transformation*, 50.

⁷⁷ Karl Polanyi, "The Economy as Instituted Process," in *Trade and Market in the Early Empires*, eds. Karl Polanyi, Conrad M. Arensberg and Harry W. Pearson (Glencoe, Ill.: Free Press, 1957), 239–270.

and market exchange taking subordinate roles. Thus, reciprocity occurs through taking turns to circulate goods. Also, reciprocity may occur via set equivalencies, though this does not necessarily change the social nature of the transaction. For these societies, all exchange mechanisms ultimately reflect the symmetrical nature of the social relationship of the economic players.⁷⁸

2.3.c. *Redistribution*

Whereas Polanyi emphasized the kinship structures of Micronesia to facilitate reciprocity, he connected the tribal chief to redistribution. But rather than symmetry, redistribution depends on centricity for its effectiveness. The tribal chief has the authority for collection and the capacity for storage. The communal center acts as the consistent locale for the actual redistribution of collected goods through festivals and ceremonial feasts. The tribal chief ultimately must maintain a division of labor, taxation for public works and defensive positions. Polanyi noted the extraordinary coordination required for the effectiveness of redistribution in Micronesia, particularly without the control of archives and written records. For example, a hunting tribe may go on an expedition, where productivity is extremely capricious, yet the centricity of the society through the tribal chief insures to socially protect those involved in the hunt, and to evenly compensate their families despite such irregularity in productivity.

Polanyi associated redistribution as a dominant exchange mechanism for the centralized polities of the ancient Near East, particularly Old Babylonia under Hammurapi and New Kingdom Egypt. Here, the influence of Leo Oppenheim is unmistakable. Polanyi suggested that the ruling government could centralize on an enormous scale, then redistribute on a graded scale, using “sharply differentiated rations.”⁷⁹ An intricate system of storehouses allows for the collection of all types of peasant surplus,

⁷⁸ Marshall Sahlins divided reciprocity into three types: (1) general reciprocity highlights generosity and allowed for unmitigated payment of obligation; (2) balanced reciprocity stresses the egalitarian nature of trade and made means for timely payment; and (3) negative reciprocity emphasizes the selfish act of the giver in gaining power. Even more so than Polanyi, Sahlins brought attention to the social nature of reciprocity, though in doing so, he neglected the utilitarian aspects. This will have important repercussions on studies of reciprocity and the Bible. Marshall Sahlins, *Stone Age Economics* (Chicago: Aldine-Atherton, 1972). Later, Ekkehard Stegemann and Wolfgang Stegemann add a fourth category of “familial reciprocity.” Ekkehard and Wolfgang Stegemann, *The Jesus Movement: A Social History of the First Century* (Minneapolis: Fortress, 1999), 36.

⁷⁹ Polanyi, *The Great Transformation*, 54.

whether from breeders, hunters, bakers, brewers, potters, weavers, etc. These products move from smaller, peripheral storehouses, until they made their way to the larger storehouses, recorded under the royal archival system.

Within the edited volume, Oppenheim wrote his own article further articulating the intricacies of redistribution in the ancient Near East.⁸⁰ He argued that Mesopotamian economics centered on redistribution as the most fundamental concept based on the importance of cereal agriculture and its concomitant need for irrigation, urbanization and temple economics. These factors are all prevalent in the Mesopotamian records, and they provide a basis for overturning anachronistic economic thinking and replacing it with a highly complex, yet efficient model of redistribution. Oppenheim writes that the benefits of such a redistributive economy are obvious:

It fosters the accumulation of staples in the royal or divine household, compelling it to evolve bureaucratic methods to deal with those accumulations by stock-taking, budgeting, and assigning income and expenditures on a large scale. An elaborate system of equivalencies was developed to manage in an efficient way the array of different foodstuffs, materials for manufacturing, payments in kind to personnel, etc. These techniques—especially the use of equivalences—influenced all contacts of the redistributive system with the outside world and developed into an important means of exercising the political power which is inherent in such an economic situation.⁸¹

Oppenheim acknowledged the development of international trade sometimes under organized bureaucracy, and sometimes under individual desire. But he argued that such developments are atypical in the economic structure.

Polanyi noted the social consequences of redistribution in that not all societies may embrace egalitarian ethos in patterns of redistribution. Interestingly, Polanyi emphasized that those controlling the redistribution, whether aristocratic family, or a monarch, wanted to increase their political power, rather than material accumulation.⁸² Such an interpretation

⁸⁰ A. Leo Oppenheim, "A Bird's Eye View of Mesopotamian Economic History," in *Trade and Market in the Early Empires*, eds. Karl Polanyi, Conrad M. Arensberg and Harry W. Pearson (Glencoe, Ill.: The Free Press, 1957), 27–37.

⁸¹ Oppenheim, "A Bird Eye's View," 31–32.

⁸² "Whether the redistributing is performed by an influential family or an outstanding individual, a ruling aristocracy or a group of bureaucrats, they will often attempt to increase their political power by the manner in which they redistribute the goods," Polanyi, *The Great Transformation*, 53.

allowed Polanyi to deal with the historical problem of people seemingly wanting more and more material goods within the cuneiform evidence. If Polanyi had acquiesced to the existence of material greed, then he would have undermined his own arguments against the universality of scarcity.

2.3.d. *Market Exchange*

Reciprocity and redistribution dominate Polanyi's understanding of the ancient Near East. Both mechanisms work in concert with the social matrices to maintain integration and regulate the greater economic structure. Similar to Malinowski, Polanyi recognized that reciprocal and redistributive mechanisms do not assume a simplistic economy. Rather, he noted the enormous complexity of the *kula* ring, and even questioned whether forces of supply-and-demand had the capacity to effectively regulate such intricate exchange.⁸³

The natural ensuing question concerns the place of market economy. Needing to reconcile his fierce anti-market polemic with some of the ancient textual evidence for long-distance trade, Polanyi categorized three main types of trade: gift trade, administered trade and market trade. Gift trade, as Polanyi described, seems indistinguishable from reciprocal exchange, particularly since he invoked the *kula* ring as an illustration of such trade.⁸⁴ Over vast distances, gift trade involves empires through presentation ceremonies, embassies and accompanying political dialogue with such trade. The gifts are elite goods and the frequency of exchange is quite limited, though it ultimately depends on sociological factors, such as the relative status of the two parties.

Government-controlled channels administered trade through formal treaty arrangements. Thus, heads-of-state specifically determined the crucial variables of the trading process: equivalency, ports, quality control, weighing, storage and safeguarding. In describing administered trade, Polanyi was careful not to mention any capitalist terminology, and if he did, he mentioned them in quotations (e.g. "rates," "payments").⁸⁵ Polanyi insisted that while polity leaders negotiate many of the variables, they do not negotiate over price in order to maintain the permanent trading bodies, whose treaties are protected by divine powers. To support the concept of administered trade, Polanyi cited from a variety of historical settings

⁸³ Polanyi, *The Great Transformation*, 50.

⁸⁴ Polanyi, "The Economy as Instituted Process," 262.

⁸⁵ Polanyi, "The Economy as Instituted Process," 262.

such as Aztec-Maya commerce in Mesoamerica, West Africa's Guinea coast in the eighteenth century and precolonial Asia along the Malabar coast of India. In the ancient Near East, Polanyi appealed to both independent city-states under the aegis of greater empires (Ugarit) and city-states that had their own advantage in naval superiority (Tyre).⁸⁶ In much of *The Great Transformation*, Polanyi defined market exchange quite rigidly in that all components of trade, including land, labor and currency were pure commodities without any barrier to a free flowing exchange.⁸⁷

Market trade is the most recent phenomenon and the creator of material wealth in the Western world. Supply-and-demand markets reduce economic acts from their social matrices and make exchange into an impersonal transaction. Unlike reciprocity and redistribution, market trade places a high value on the aggregate decision makers and the equivalencies that arise from these decisions. Market trade is unique in that it has the capacity to trade every single commodity, including the commodities involved in such trade (storage, transport, tolls, etc.). In the modern world, Polanyi pointed out that supply-and-demand were really separate forces that did not always end up in equilibrium as long as the market could accommodate them both. Here, Polanyi deliberately changes terminology from "equivalency" to "price" as the latter is now subject to massive fluctuation.

2.3.e. *The Problem of Terminology*

In keeping with Polanyi's economic anthropology, the ensuing chapters will use these rubrics to categorize biblical texts. At the same time, it is useful to consider two specific problems with Polanyi's terminology of reciprocity, redistribution and market exchange as applicable to these portrayals of economic exchange.

First, these terms carry a considerably wide semantic range within the field of economic anthropology. Sometimes, even Polanyi himself is inconsistent in usage of these terms. He has varying definitions of market exchange even within *The Great Transformation*. Garreth Dale describes one version of market exchange as identical to the capital markets of

⁸⁶ Karl Polanyi, "Ports of Trade in Early Societies," *The Journal of Economic History* 23 (1963), 38. For analysis, see Abraham Rotstein, "Karl Polanyi's Concept of Non-Market Trade," *The Journal of Economic History* 30 (1970): 117–126.

⁸⁷ Polanyi, *The Great Transformation*, 45, 72, 205; see Dale, *Karl Polanyi: The Limits of the Market*, 49.

Neo-Classicalism with commodification of all goods and services, leading to such economic characteristics as the creation of true money and credit.⁸⁸ The second version of market exchange relies on supply-and-demand, but only with inputs from governments and other agencies like the church, which owned the land. Thus, the major factor to production did not rely on the market. Dale observes that, “Polanyi rarely feels the need to clarify which of these uses he has in mind, although he is aware that different definitions are in play.”⁸⁹ Because of these restrictions, the study will explain alternative usages of reciprocity, redistribution and market exchange when applicable. For example, Chapter Three introduces alternative forms of reciprocity, such as Marshall Sahlins’ idea of asymmetrical reciprocity, Yunxiang Yan’s version of “vertical reciprocity” or Charles Stanish’s view of competitive feasting, or “deferred reciprocity”.⁹⁰ The following chapters must define the meaning and elucidate these ambiguities in the terminology.

A second, related concern is that the terms have presuppositions that do not necessarily reflect the specific conditions of the exchange. For example, Polanyi insisted that reciprocity is ultimately symmetrical, though this does not necessarily match the biblical portrayals of reciprocity such as the gift exchange with Sheba. As a corollary, Polanyian redistribution is asymmetrical and centric, but this does not adequately explain the feasting behind the Samaria Ostraca. Such an outcome naturally reflects the fact that Polanyi intended for his categories of exchange to help with modern economic policy, particularly for Eastern Europe and not as descriptors of ancient economies. As an anthropological theorist, Polanyi’s descriptions are often too overtly ideological to properly fit a specific historical context. This is most true with some of his descriptions on market exchange. In some instances, Polanyi describes this version of market exchange as a type of utopian vision in the framework of a Weberian ideal type.

But in line with the social scientific approach, the following chapters will demonstrate that despite these issues, Polanyi’s terms can still provide a helpful conceptual framework to categorize the portrayals of exchange. To directly confront problems of ambiguity, anachronism and preconceived

⁸⁸ Dale, *Karl Polanyi: The Limits of the Market*, 50–51.

⁸⁹ Dale, *Karl Polanyi: The Limits of the Market*, 73.

⁹⁰ Sahlins, *Stone Age Economics*; Yunxiang Yan, “The Gift and Gift Economy,” in *A Handbook of Economic Anthropology*, ed. James Carrier (Cheltenham: Edward Elgar, 2005), 246–261; Charles Stanish, *Ancient Titicaca: The Evolution of Complex Societies in Southern Peru and Northern Bolivia* (Berkeley: University of California Press, 2003).

ideology, the beginning of each of the chapters on portrayals of reciprocity, redistribution and market exchange will attempt to clarify the concepts of exchange both theoretically and through examples from ancient Near Eastern text and material culture, or even modern ethnography. The terminology will not dictate the discussion, but merely allow for contextualizing observations on economic activities within 1 and 2 Kings.

2.4. *Reactions to Polanyi*

The modern emergence of price-setting markets presumes their earlier absence during all periods of the ancient Near East, including Hellenistic times. Thus, the textual and material culture for trade was not really market-oriented, and any manifestation of money was more ceremonial and symbolic rather than utilitarian. This insistence brought some major criticism to Polanyi, which will be examined later. For now, suffice it to say, that Polanyi was forced into some difficult interpretations in order to maintain his marketless stance of Mesopotamia. For example, he translates *tamkāru* as a resident alien (rather than the more acceptable translation, “trader”), without the social network of a native, thus inclined to resort to anomalous economic behavior.⁹¹ Polanyi continued to soften his stance on markets throughout his career. As Johannes Renger first noted, one wonders about the authorial legitimacy of his final work, *The Livelihood of Man*, published posthumously in 1977, a full thirteen years after his death.⁹² In this work, he appeared to begin to accept the presence of supply-and-demand in pre-“Great Transformation” societies. Interestingly, in the years between his death and the more moderate views finally expressed in *The Livelihood of Man*, the formalist school arose to point out many of the shortcomings and deficiencies of Polanyi’s economic paradigm.

Anticipating the protest of his anti-market analysis, during the 1950s and 1960s, Polanyi and his anthropologist followers developed a set of concepts to lay down his argumentation against classical political economy,

⁹¹ Karl Polanyi, “Marketless Trading in Hammurabi’s Time,” in *Trade and Markets in the Early Empires*, eds. Karl Polanyi, Conrad M. Arensberg and Harry W. Pearson (Chicago: Regnery, 1957), 12–26.

⁹² Johannes M. Renger, “Patterns of Non-Institutional and Non-Commercial Exchange in Ancient Mesopotamia at the Beginning of the Second Millenium B.C.,” in *Circulation of Goods in Non-Palatial Context in the Ancient Near East*, ed. Alfonso Archi (Rome: 1984), 31–123.

that is the concept of the dual meanings of “economic,” the substantivist and the formal.⁹³ These two terms are mutually exclusive to one another. Substantivist emphasizes the interconnection of humans with their physical environment and social groups. In substantivist systems, interchange is natural and leads to satisfaction. These economies allocate goods and services primarily through reciprocal exchange and redistribution. Certain acephalous societies may not even have basic levels of redistribution, but exclusively use reciprocity for exchange. Substantivist economies also could have marketplaces, but these were not price-setting markets. Rather, these marketplaces have prearranged exchange agreements based on fixed cultural expectations. Money also could be misleading, and here the influence of the Trobriand Island community is spectacularly apparent. Just because the island community uses bundles for exchange, it does not signal a market economy. Rather, the bundles have no universal standard value, but served as special purpose money useable only within distinct kinship relations. In short, the presence of neither marketplace nor money does not necessarily equate to a capitalist market economy.

In contrast, formalist economy highlights the logical nature of material goals. This formalist nature does not derive from needs and wants, but rather from insufficiency of covering these needs and wants. Polanyi argued that formalist study of economies does not work for socially-embedded, or substantivist systems. This type of study only applies to price-setting market economies. These capitalist economies typically maintain all three mechanisms of exchange, though the commodity of money, and its accumulation tends to drive the major processes. This bifurcation between substantivist and formalist economic classification made the philosophical basis of Polanyi’s thought very apparent.⁹⁴ Most significantly, the dichotomous nature of economic systems set the stage for major attacks on the substantivist approach.

⁹³ “The simple recognition from which all such attempts must start is the fact that in referring to human activities the term economic is a compound of two meanings that have independent roots. We will call them the substantive and the formal meaning,” Polanyi, “The Economy as Instituted Process,” 243.

⁹⁴ Such an anti-positivist philosophical assumption is not surprising considering the influence from his younger brother, Michael Polanyi. See Lewis E. Hill and Eleanor T. von Ende, “Towards a Personal Knowledge of Economic History: Reflections on Our Intellectual Heritage from the Polanyi Brothers,” *American Journal of Economics and Sociology* 53 (1994): 17–26.

2.4.a. *Economic Anthropology*

Two years after Polanyi's death, Scott Cook's publication of "The Obsolete 'Anti-Market' Mentality: A Critique of the Substantivist Approach to Economic Anthropology," marks the official beginning of the formalist school's response to Polanyi's substantivism.⁹⁵ The formalists argue that microeconomic models are universal, and thus applicable to all societies, even those classified as socially-embedded. People can behave in similar enough ways to warrant the development of cross-cultural theoretical constructs. These formalist constructs assume the key concept of maximization in that all peoples wanted to maximize something, including non-economic commodities such as the quality of marriage partner or levels of prestige. Both of these items are non-traditional commodities, yet they are both bound by the rule of scarcity. Thus, only one tribal leader can have the most prestige and only one marriage partner can bring the maximum benefit to an extended family. This expansion of maximization to non-monetary goods was already recognized for some time, though Cook first used it within the context of the emerging formalist-substantivist debate.⁹⁶

Cook suggested that substantivist economic models may have merit for studies in primitive societies, but that economic anthropology did not care about these systems. Cook argued that these economies were rapidly disappearing due to the continuous invasion of market forces in these previously isolated states. Thus, future economic anthropology needed to concern itself with such development of these market economies.

⁹⁵ Of course, the initial publication of *The Great Transformation* immediately spawned criticism from both theoretical and historical perspectives during the life of Polanyi, but a more or less unified response under the name of "formalism" began with Scott Cook, "The 'Anti-Market' Mentality Re-Examined: A Further Critique of the Substantivist Approach to Economic Anthropology," *Southwestern Journal of Anthropology* 25 (1969): 378–406; Cook, "The Obsolete 'Anti-Market' Mentality: A Critique of the Substantivist Approach to Economic Anthropology," *American Anthropologist* 68 (1966): 323–345. Other formalist responses to Polanyi include Cook, "The 'Anti-Market' Mentality Re-Examined: A Further Critique of the Substantivist Approach to Economic Anthropology," *Southwestern Journal of Anthropology* 25 (1969): 378–406; Cook, "Maximization, Economic Theory, and Anthropology: A Reply to Cancian," *American Anthropologist* 68 (1966b): 1494–1498; Edward E. LeClair, Jr., Harold K. Schneider, *Economic Anthropology: Readings in Theory and Analysis* (New York: Holt, Rinehart & Co., 1968); Harold K. Schneider, *Economic Man* (New York: Free Press, 1974).

⁹⁶ "It does not affect the formal theory . . . in the least whether the individual maximizes wealth, religious piety, the annihilation of crooners or his waistline," George Stigler, *The Theory of Price* (New York: Macmillan, 1946), 63–64.

Interestingly, George Dalton, the symbolic leader of the Polanyi group after his death in 1964, acknowledged the use of substantivism as exclusively useful for archaic stateless societies.⁹⁷ This was particularly surprising as Polanyi always intended to create an economic paradigm with universal applicability.

Most significantly, the formalists argue on the philosophical unresolvability of the debate. Cook himself disparagingly wrote of the substantivists:

The Formalists . . . focus on abstractions unlimited by time and place . . . ; they are scientific in outlook and mathematical in inclination, favor the deductive mode of inquiry, and are basically analytical in methodology . . . The Romanticists focus on situations limited in time and space . . . they are humanistic in outlook and nonmathematical in inclination, favor the inductive mode of inquiry, and are basically synthetic in methodology.⁹⁸

Although this statement appears quite out of place in today's postmodern academic climate, it nonetheless signals the epistemological differences between the formalists and substantivists. Several scholars point out the dichotomies of the debate ran along common divisive issues in social sciences. Thomas Campbell lists five such divisions as reflected in the formalist-substantivist debate: (1) idealist-materialist; (2) descriptive-normative; (3) individualistic-holistic; (4) conflict-consensus; and (5) positivist-interpretative.⁹⁹ These tensions are not resolvable as they reveal fundamental philosophical differences in the formalist-substantivist discussion. The application to the ancient Near East goes back to question of

⁹⁷ "I think it is true Polanyi's theory is appropriate for an analysis of only three of what I regard as the five types of economy and historical time periods that comprise the subject: aboriginal economies in stateless societies; aboriginal economies in tribal kingdoms; and early traditional, pre-modern sub-sets of peasantries in states. The theory presented in *Trade and Markets* cannot analyze the bands, tribes, or peasantries studied by anthropologists as they changed under colonial rule or as they are presently changing in post-colonial development." George Dalton, "Writings That Clarify Theoretical Disputes over Karl Polanyi's Work," in *The Life and Work of Karl Polanyi*, ed. Kari Polanyi-Levitt (Montreal: Black Rose Books, 1990), 166–167. Interestingly, Dalton made these remarks before Karl Polanyi's daughter, Kari Polanyi-Levitt during a conference honoring his intellectual legacy. Yet by doing so, he confirmed the antiquated nature of Polanyian exchange in modern economic anthropology.

⁹⁸ Cook, "The Obsolete 'Anti-Market' Mentality," 327.

⁹⁹ Tom Campbell, *Seven Theories of Human Society* (Oxford: Oxford University Press, 1981); Elman Service recognizes eight tensions in anthropology; Service, "The Bifurcation of Method and Theory in Ethnology," in *Themes in Ethnology and Culture History: Essays in Honor of David F. Aberle*, ed. Leland Donald (Meerut, India: Folklore Institute, Archana Publications, 1987). Barry Isaac recognizes similar polarities in economics between institutionalists and conventional microeconomists. Barry L. Isaac, "Karl Polanyi," in *A Handbook of Economic Anthropology*, 20.

applicability of any social scientific theory to ancient societies. Any universally-accepted economic framework of the entire ancient Near East is impossible. Accordingly, today's scholars of the ancient economy must command fluency of their own assumptions as well as the assumptions of their dialogue partners.¹⁰⁰

Cook's article unleashed a torrent of formalist positions further attacking the substantivist theories.¹⁰¹ Whereas substantivist theory dominated the academy during the 1960s and 1970s when anthropology was both cross-temporal and cross-cultural, the formalist barrage took its toll, and the 1980s saw the re-emergence of the formalist school in economic anthropology. Significantly, Stuart Plattner's widely-used textbook *Economic Anthropology* devotes merely three pages to Polanyi.¹⁰² Dalton's statements certainly helped drive the demise, as well as some of the over-zealousness of Polanyi's anti-market mentality. For ancient Near Eastern studies, Assyriology played a major role in further dismantling, then reformulating the substantivist view of the ancient Near East.

2.4.b. Assyriology

Whereas the formalist scholars attack the theoretical foundations of substantivism, Assyriologists critique the philology behind Polanyi's empirical evidence from Mesopotamia. The Assyriological response to Polanyi primarily came at the direction of his regrettable article, "Marketless Trading in Hammurabi's Time," an easy target in that Polanyi revealed a limited sophistication of philological and historical matters.¹⁰³ In this article, Polanyi insisted on the lack of markets based several questionable strands of evidence. First, Herodotus said that the Persians had no Greek "marketplaces" (ἀγορά), and that the period of Old Babylonia was essentially analogous with the Persian period. Second, neither textual nor

¹⁰⁰ Much of the formalist-substantivist debate actually goes much further back than Polanyi. The late nineteenth century saw two related debates within European scholarship. One revolved over the concept of a Hegelian development to an economic system with ancient systems being the most primitive. Karl Bücher symbolically represented the primitivist view, and they were countered by the modernists (Eduard Meyer) who believed that ancient Greek and modern German economic systems were essentially equivalent in that they were both driven by capitalist motivations. Not surprisingly, Polanyi only quoted from the former. Karl Bücher, *Die Entstehung Der Volkswirtschaft* (Tübingen: H. Laupp'sche Buchhandlung, 1906); Eduard Meyer, *Kleine Schriften* (Halle: Niemeyer, 1924).

¹⁰¹ LeClair, *Economic Anthropology: Readings in Theory and Analysis*; Schneider, *Economic Man*; Cook, "Maximization, Economic Theory, and Anthropology."

¹⁰² Stuart Plattner, *Economic Anthropology* (Stanford: Stanford University Press, 1989).

¹⁰³ Polanyi, "Marketless Trading in Hammurabi's Time."

archaeological data reveals any evidence for markets. Third, Polanyi tried to refute the use of Old Assyrian caravan traders for the proof of long distance market exchange, categorizing this activity as administered trade. Thus, he saw traders as state agents, traveling these enormous distances from Assur to Anatolia under the protection of the Assyrian state and the directive to deliver textiles and return with copper. Thus, these traders did not face financial risks, and they were not in position to negotiate prices.

Ancient Near Eastern scholars, particularly Assyriologists, quickly discredited Polanyi's alleged empirical evidence. Concerning the textual evidence, Herodotus implicitly was more likely stating that the Persians did not cheat in comparison to the Greeks.¹⁰⁴ Because both ethnographic and philological evidence suggests that the markets were open-air settings often by the city gate, material culture does not easily reveal remains of physical markets. Wolfgang Röllig showed that Akkadian indeed had several terms for a market.¹⁰⁵ Most significantly, Assyriologists quickly demonstrated the shortcomings of Polanyi's interpretation of the Anatolian caravan trade.¹⁰⁶ In many instances, these Old Assyrians acted independent of the state. Financial losses were common and in fact, the texts often show that agents worried about such losses. Assur did not import copper, but only silver and gold, exclusively for the purpose of accumulating wealth.¹⁰⁷

Other Assyriologists attacked the substantivist view from different chronological periods. Alice Slotsky and Peter Temin both use Neo-Babylonian archives to show market forces at work, the former through philology and the latter through statistical analyses of astronomical texts that record commodity prices.¹⁰⁸ Daniel Snell cautiously suggests the presence of private dealings within a small, yet well-integrated corpus of Ur III

¹⁰⁴ Daniel C. Snell, *Life in the Ancient Near East* (New Haven and London: Yale University Press, 1997), 149–150.

¹⁰⁵ Wolfgang Röllig, "Der Altmesopotamische Markt," *WdO* 8 (1976): 286–295.

¹⁰⁶ Klaas R. Veenhof, *Aspects of the Old Assyrian Trade and Its Terminology* (Leiden: Brill, 1972); Veenhof, "Some Social Effects of the Old Assyrian Trade," *Iraq* 39 (1977): 109–118.

¹⁰⁷ John Gledhill and Morgens Larsen, "The Polanyi Paradigm and a Dynamic Analysis of Archaic States," in *Theory and Explanation in Archaeology: The Southampton Conference*, eds. Colin and M.J. Rowlands Renfrew, B.A. Segraves (New York: Academic Press, 1982), 197–229.

¹⁰⁸ Alice Louise Slotsky, *The Bourse of Babylon: Market Quotations in the Astronomical Diaries of Babylon* (Bethesda: CDL Press, 1997); Peter Temin, *Price Behaviour in Ancient Babylon* (Tel Aviv: Research Center on Jewish Law and Economics, 2002).

silver accounts.¹⁰⁹ Even Leo Oppenheim began to distance himself from pure substantivism. In his 1970 paper on Mesopotamian trade, he omitted any reference to his own contribution to Polanyi's 1957 edited volume.¹¹⁰

Undoubtedly, all of these formalist arguments have merit as the textual data makes the existence of some measure of supply-and-demand irrefutable. To Polanyi's defense, he made such extreme claims when a modernist perspective dominated study of the ancient world. Although Polanyi tried to confront these anachronistic perceptions a bit overzealously, the Assyriologists refuted the substantivist assertions with commensurate vigor. More recently, Assyriologists continue to accept the fundamental tenets of Polanyi within a more moderate assessment of the formalist-substantivist discussion. Renger and Robert Englund independently argue that market forces, whereas undeniably present in the ancient Near East, played a subsidiary role to more socially-embedded exchange processes.¹¹¹ Other Assyriologists may be a bit more generous to the display of supply-and-demand, yet still emphasize the social nature of trade.¹¹²

2.4.c. *The Informal Economy*

In the 1970s, a new branch of economic anthropology arose in the spirit of Polanyi's substantivism. This subdiscipline, known as informal economy,

¹⁰⁹ Daniel C. Snell, *Ledgers and Prices: Early Mesopotamian Merchant Accounts* (New Haven and London: Yale University Press, 1982); Snell, "Marketless Trading in Our Time," *JESHO* 34 (1991): 129–141.

¹¹⁰ A. Leo Oppenheim, "Trade in the Ancient Near East," in *Vth International Congress of Economic History* (Moscow: Nauka, 1970), 1–37.

¹¹¹ In particular, see Johannes Renger, "Patterns of Non-Institutional and Non-Commercial Exchange,"; Renger, "Zu den Altbabylonischen Archiven aus Sippar," in *Cuneiform Archives and Libraries*, ed. Klaas R. Veenhof (Leiden: Brill, 1986), 96–15; also cf. Renger, "On Economic Structures in Ancient Mesopotamia," *Orientalia* 63 (1994): 157–208; Renger, "Probleme und Perspektive einer Wirtschaftsgeschichte Mesopotamiens," *Saeculum, Jahrbuch für Universalgeschichte* 40 (1989): 166–178; Robert K. Englund, "Hard Work—Where Will It Get You? Labor Management in Ur III Mesopotamia," *JESHO* 50 (1991): 255–280; Englund, *Organisation Und Verwaltung Der Ur III—Fischerei* (Berlin: Reimer, 1990). Renger remains the most staunch post-Polanyi substantivist. In confronting the Old Assyrian evidence, he concedes to the obvious profit motives in some of the texts, but declares that this was a particularly exceptional case; Renger, "On Economic Structures," 164, n. 12.

¹¹² Anne Goddeeris, *Economy and Society in Northern Babylonia in the Early Old Babylonian Period (ca. 2000–1800 BC)* (Leuven: Peeters, 2002); Marc van de Mieroop, *Cuneiform Texts and the Writing of History* (London: Routledge, 1999); van de Mieroop, *Society and Enterprise in Old Babylonian Ur* (Berlin: Raimer, 1992); Marvin Powell, "Wir Müssen unsere Nische Nutzen: Monies, Motives, and Methods in Babylonian Economics," in *Trade and Finance in Ancient Mesopotamia*, ed. Jan Gerrit Dercksen (Leiden-Istanbul: 1999), 5–24; Norman Yoffee, *Explaining Trade in Ancient Western Asia* (Malibu: Undena, 1981); Yoffee, *The Economic Role of the Crown in the Old Babylonian Period* (Malibu: Urdena, 1977).

focused on economic activity as “those activities that capture resources by (1) increasing private access to community resources beyond the normative allocation; and (2) partially or totally evading public monitoring or entry into the general accounts as well as any obligatory or reciprocal corporate assessment (that is, tax).”¹¹³ Although the informal sector certainly existed as long as economies existed, its emergence as a subject of study only occurred in the 1970s out of two main factors. First, the interest in economic development in Two-Thirds World countries revealed the existence of two interrelated spheres, the formal and the informal economy.¹¹⁴ Second, studies on the socialist state showed that illicit processes could overrun the most rigidly controlled economic systems.¹¹⁵ The informal economy presumes that many measurable parameters of activity are undetectable through conventional means.

The difficulties in measuring the informal economy in modern times suggest that detecting such activity in ancient times is virtually impossible. Yet the informal economy can present a helpful theoretical construct for this present study. The informal economy often represents an enormous sector of the overall economic system. The more the social matrix fails to adequately provide satisfaction, the more illicit mechanisms develop within the very same system. These activities often involve those disenfranchised from the economic protection of the official social system. Most importantly, acknowledging the existence of the informal economy forces one to think of its potential manifestations. If Esarhaddon collected tolls along the Arabian spice route in return for safe passage, then one must presume a sector of banditry and smuggling that simultaneously existed in Iron Age IIB. If Solomon’s forced labor was overly oppressive, then one needs to consider the existence of measures such as bribes to avoid these duties. Despite the lack of available evidence, such questioning adds to our comprehensive picture of ancient economies. The informal economy provides a suitable model for contextualizing some of the non-elite reciprocity in Chapter Three.

¹¹³ M. Estellie Smith, “The Informal Economy,” in *Economic Anthropology*, ed. Stuart Plattner (Stanford: Stanford University Press, 1989): 292–317.

¹¹⁴ Keith Hart, “Informal Income Opportunities and Urban Development in Ghana,” *Journal of Modern African Studies* 11 (1973): 61–89.

¹¹⁵ Joseph Berliner, *Factory and Manager in the USSR* (Cambridge: Harvard University Press, 1957); Dieter Cassel and Ulrich Cichy, “Explaining the Growing Shadow Economy in East and West: A Comparative Systems Approach,” *Comparative Economic Studies* 28 (1968): 34–47.

2.4.d. *Biblical Studies*

Recently, biblical studies have borrowed from Polanyi's paradigm to reconstruct the social world of the Bible. Particularly in the Hebrew Bible, scholars have embraced the Polanyian notion of reciprocity in relation to power displays and categories of honor and shame. Reciprocity also allows for Western scholars to make better sense of some of the cryptic giving patterns in Hebrew Bible narratives. Thus, Victor Matthews explains the reciprocal exchange between Jacob and Esau, longtime enemies, as a literary device to portray social tension.¹¹⁶ Gary Stansell examines the power of reciprocity to shift social relations in several passages of the DtrH.¹¹⁷ Menahem Herman departs from the traditional view of tithe as a tax, and interprets it more in line of partnership and covenant with God under the principles of reciprocity.¹¹⁸ Interestingly, all three of the above studies make little or no explicit reference to Polanyi, but rather rely on more developed reciprocal models of Mauss and Sahlins. This does not necessarily reflect the bibliographic deficiencies of these works, but more so the pervasive influence of Polanyi in that the concept of reciprocity is now a stock term in the academy.

Though Polanyi has explanatory power for many social relations of the Hebrew narratives, his contribution to studies on biblical economic structures remains minimal. Ronald Simkins summarizes, "Biblical studies has virtually ignored the developments in economic anthropology."¹¹⁹ In the only explicitly economic analysis of ancient Israel through a Polanyian model, Simkins determines that monarchic inequalities maintained themselves through the mode of patronage. But by his own admission, Simkins ultimately relies more on Marx than on Polanyi in tying the social structures to the crucial economic decisions of the day.¹²⁰

¹¹⁶ Matthews also uses reciprocity in the meeting of Jeroboam and the "man of Judah" in 1 Kings 13; Victor H. Matthews, "The Unwanted Gift: Implications of Obligatory Gift Giving in Ancient Israel," *Sem* 68 (1999): 91–104.

¹¹⁷ Gary Stansell, "The Gift in Ancient Israel," *Sem* 87 (1999): 65–90.

¹¹⁸ Menahem Herman, "Tithe as Gift: The Biblical Institution in Light of Mauss's "Prestationtheory," *AJSR* 18 (1993): 51–73.

¹¹⁹ Ronald A. Simkins, "Patronage and the Political Economy of Monarchic Israel," *Sem* 87 (1999), 125.

¹²⁰ Simkins builds on the theories of Rhoda Halperin, who was the first to draw out specific attachment between the ideas of Marx and Polanyi, a connection that many substantivists of the late 1970s and early 1980s vehemently denied; Simkins, "Patronage and the Political Economy," 124. See also Halperin, "Polanyi, Marx, and the Institutional Paradigm in Economic Anthropology" *Research in Economic Anthropology* 7 (1984): 339–368. Largely stimulated by Bruce Malina and the Context Group, New Testament scholars

2.5. Summary and Conclusions

This brief review of the intellectual history behind Polanyi's paradigm of exchange helps clarify his own positions. Like any social theory, Polanyi had a voice within a longstanding dialogue concerning political economy, spanning Smith, Marx, Weber and Malinowski. By clarifying the intellectual context, the paradigms of reciprocity, redistribution and market exchange emerge more clearly. The portrayals of exchange in 1 and 2 Kings are now more readily identifiable.

Although Polanyi did not meet his initial objective to influence modern economic policy in European states, he serendipitously had an enormous impact throughout the humanities.¹²¹ Aside from the threefold categories of exchange in reciprocity, redistribution and market exchange, Polanyi's work opened wide conversations in ancient Near Eastern and Classical studies regarding the nature of economies. Over a generation after the publication of *The Great Transformation*, the substantivist—formalist debate has emerged from bifurcation to a much more moderate discussion. Rarely does any ancient Near Eastern scholar advocate a completely substantivist or a completely formalist view of economic society.¹²²

utilize Polanyian reciprocity as an attractive tool to unpack the social nature of the gospels; Malina, *The New Testament World: Insights from Cultural Anthropology*, 3rd ed. (Louisville: Westminster John Knox, 2001); also see Zeba A. Crook, "Reciprocity—Covenantal Exchange as a Test Case," in *Ancient Israel: The Old Testament in Its Social Context*, ed. Philip Esler (Minneapolis: Fortress, 2006), 78–91; Crook, "Reflections on Culture and Social-Scientific Models," *JBL* 124 (2005): 515–532; Alan Kirk, "Karl Polanyi, Marshall Sahlins, and the Study of Ancient Social Relations," *JBL* 126 (2007): 182–191; Kirk, "'Love Your Enemies,' the Golden Rule, and Ancient Reciprocity (Luke 6:27–35)" *JBL* 122 (2003): 667–686; Douglas E. Oakman, "Money in the Moral Universe of the New Testament," in *The Social Settings of Jesus and the Gospels*, ed. Wolfgang W. Stegemann (Minneapolis: Fortress, 2002), 335–348.

¹²¹ Significantly, Polanyi has also had tremendous influence on two closely related fields, Classics and Egyptology. In the classics, Polanyi's understanding of socially-embedded economies found its way to Moses Finley, which has in turn catalyzed a renewal of the formalist-substantivist debate in the classical world; Finley, *The Ancient Economy*. Polanyi has made a large impact on Egyptology, via Janssen's seminal publication of in which he emphasizes the social order of the New Kingdom. In evaluating textual evidence at Deir el-Medineh, he determines that reciprocity and not market exchange is the primary mechanism for the economic structure of New Kingdom Egypt. J.J. Janssen, "Prolegomena to the Study of Egypt's Economic History During the New Kingdom," *Studien zur Altägyptischen Kultur* 3 (1975): 127–185; also see Edward Bleiberg, "The Economy of Ancient Egypt," in *CANE*, 1375. Recently, Polanyian interpretation of ancient Egypt has met challenge. See Warburton, *State and Economy in Ancient Egypt*, Barry Kemp, *Ancient Egypt*.

¹²² "It must be stressed that it is a question of the relative proportion of reciprocity, redistribution, and market exchange, and not their simple presence or absence." Schloen, *The House of the Father*, 81.

Consequently, this study does not seek to disprove the existence of any of these mechanisms, but rather to analyze them as viable categories in the study of the economic structures in 1 and 2 Kings. In embarking on this task, the prescient statement of Max Weber, from one hundred years ago appears more applicable than ever: "What has been sketched above indicates that somewhat complex economic institutions existed, but it is not now possible for us to judge the relative importance of these phenomena for the economic structure of Mesopotamia."¹²³ The last century of research has only confirmed the complexity of economies in the ancient Near East. With this task in mind, we can now turn to the biblical texts for its voice on this matter.

¹²³ Weber, *The Agrarian Society of Ancient Civilizations*, 103.