

THE ECONOMY OF ANCIENT GREECE



The Ancient Greeks had their own currency called the drachma (δραχμή) with an Athenian monetary system set up: 6 obols = 1 drachma. Modern Greece used this currency until 2001 when it was replaced by the Euros.

The Greeks had nothing like industry on a modern scale, but they did have workshops, skilled workers earned a drachma a day, which is the same as soldiers, whilst unskilled workers only earned 3 obols. Roughly 8 drachmas can buy a pair of shoes.



Athens (capital of Greece) had an international port and clearing houses which allowed visitors to trade or for tourism. The shipbuilding and the small-scale manufacture of Athens relied on imported raw materials, and there were few exports to balance the enormous import bill. Athens solely relied on the 'invisible exports' of trade and tourism.

Athenian farmers grew barley instead of wheat, meaning that it will not be enough to feed the entire population of 300,000, this means that Athens relied on the rich wheat fields of the Ukraine and Crimea. And this was called 'The grain trade', which was treated separately for tax purposes and overseen by a special board of grain commissioners.

Athenians also had the concept of money lending, they might make loans up to 2000 drachmas to finance people daring enough to purchase a cargo and risk a voyage.

Ancient Greece had local open air markets with stalls normally owned by citizens and metics (foreigners). The market consisted of retailers, barbers, fishmongers and even bankers. The bankers were normally metics who provided services such as money changing, insurance and lending money at an interest rate of 12%.

The metics had to pay tax, whereas Athenians did not. But they did not like to pay direct taxes, and so there are compulsory state duties for both the citizens and metics who owned over a fixed amount of wealth. Duties such as financing, selecting and training for a festival, or paying the expenses of a delegation to a non-Athenian festival (i.e. the Olympic games), or providing a feast for a tribe, or they could be ordered to look after a trireme (Greek Warship) for a year.