

THE HISTORY OF ECONOMIC THOUGHT:

ANCIENTS

The main sociological aspects:

- slaves did not constitute a primary productive force of society, production of wealth in agriculture and craft engaged people are considered free;
- the land was not in private, in public or public-community property;
- between government and community members, farmers have developed relationships *poddannichestva* - no rights under unconditional bearing obligations to the state;
- state of the East has become a form of "oriental despotism", complete powerlessness in the face of citizens of the state;
- communities characterized resistance that was associated with the need to establish and maintain in proper condition of irrigation farming.

Philosophical aspects:

- The ancient world - it's time to birth of statehood and political ideas on the grounds of religious mythology
- Typical form of government was of oriental despotism.
- Personality is not regarded as a separate value. She was considered a particle organic whole-society and state.
- Major thinkers (philosophers) - have sought to idealize and to keep forever slavery and subsistence farming as the main conditions of the "natural" order
- Proof of the ideologues of the ancient world were based primarily on the categories of morality, ethics

Code of King Hammurabi

- the slaves were equated to the property of slave owners;
- encroachment on private property was punishable by death and return to slavery;
- kingship cared about protecting the interests of communities and small producers. The laws of Hammurabi influenced the development of commodity-money relations, actions that contributed to the expansion of commercial transactions.



Confucianism - the teachings created Confucius (551-479 BC)

- The basis of social order - a divine beginning;
- division of society into „noble“ that make up the upper class and the „common people“ („low“);
- Confucius urged to bring up "trust" slaves to the exploiters, advised the „noble“ to achieve fidelity of slaves;
- Confucius sought ways to achieve social „equality“ while maintaining the slave orders

Aristotle (384 – 322 BC)

- Politics
- „Man is by nature a political animal“
- In transactions, Aristotle used the labels of „natural“ and „unnatural“.
- external goods have a limit, like any other instrument, and all things useful are of such a nature that where there is too much of them they must either do harm, or at any rate be of no use, to their possessors
- and some interpret this as capturing a concept of diminishing marginal utility, thought there has been marked disagreement about the development and rôle of marginal utility considerations in Aristotle's value theory. Certainly this book formulates an ordinal hierarchy of values, which later appeared in Maslow's contribution to motivation theory.



Plato (427-347 BC)

- „Until philosophers rule as kings or those who are now called kings and leading men genuinely and adequately philosophise, that is, until political power and philosophy entirely coincide, while the many natures who at present pursue either one exclusively are forcibly prevented from doing so, cities will have no rest from evils,... nor, I think, will the human race.“
- the most famous doctrines are contained in the Republic during his middle period, as well as in the Laws and the Statesman
- The body parts symbolize the castes of society.
- Productive, Which represents the abdomen. (Workers)
- Protective, Which represents the chest. (Warriors or Guardians)
- Governing, Which represents the head. (Rulers or Philosopher Kings)
- These correspond to the "reason" part of the soul and are very few.
- philosopher king image was used by many after Plato to justify their personal political beliefs

Xenophon (430-355 BC)

- Oeconomicus, biography of Cyrus the Great, Cyropaedia, Hiero, and Ways and Means.
- Hero is a minor work which includes discussion of leaders stimulating private production and technology through various means including public recognition and prizes.
- uses the example of a horse, which may be of no use to a person who does not know how to handle it, but still has exchange value.
- In Cyropaedia Xenophon presents what in hindsight can be seen as the foundation for a theory of fair exchange in the market.
- concept of division of labor, referencing specialized cooks and workers in a shoemaking shop.