

III

The Byzantine collapse

While the western European half of the Roman Empire fell into poverty after the imperial capital was shifted to Constantinople in 396, the East Roman Byzantine half regained its economic momentum and prosperity by the 7th century. Grounded on the preservation of rural stability, imperial policy sought to avoid a relapse resulting from the corrosive effects of usury. For many centuries royal rulings, called Novels, prohibited mortgaging the land and its attendant monopolization by large landowners, on much the same rationale that had motivated Bronze Age rulers: a military one. Just as Babylonia's army three thousand years earlier had been recruited from the ranks of peasant freeholders, so was the Byzantine army - and so too were the best emperors.

Basil I (867-886), founder of the Macedonian dynasty, was the son of a peasant and had spent most of his life in modest circumstances before ascending quickly - and, surprisingly, unopposed - to reform Byzantium's fiscal and legal systems. He replenished the army's ranks by ordering that the vouchers of insolvent debtors be burned, and his lawbook, the *Epanagoge*, prohibited creditors from taking fields as collateral. To prevent rural instability from recurring, Basil banned agrarian lending at interest, save for the loophole of permitting the money of orphans and other minors to be lent out to provide an income for their support. His laws restricted alienation of the land "by giving the right of first refusal to the other members of the community, either individually or collectively" (Toynbee

1973:147). However, his successor Leo VI (886-912) permitted interest of 5% to be charged, claiming that the ban on rural mortgages burdened the economy. This and subsequent Novels opened the way for the large *dhyntoi* to re-appropriate the land. (Novel 114, for instance, removed the right of first refusal to local community members.)

What forced a reversal of Leo's "market oriented" philosophy was a wave of rural credit disasters and famine. The need to raise troops to defend the empire's eastern front entailed the domestic danger of empowering landlords and the armies under their command to become an autonomous force threatening palace rule. After a six-year turmoil following Leo's death, the imperial crown again passed to a man of lowly origin, Romanus Lecapenus (919-944). A soldier's son who had distinguished himself by his strength and bravery, he managed to surround himself with competent advisors.

Brehier (1977:111) describes Romanus as "the first emperor to take legislative measures to check the disturbing spread of large estates at the expense of smaller properties and to preserve the integrity of military properties, fundamental to the administration of the themes and the recruitment of an indigenous army." Toynbee (1973:153) paraphrases one of his novels, probably from the year 929 following Byzantium's victory on its eastern frontier. Famine had plagued the countryside during the winter of 927/8, forcing many peasants to mortgage their lands to wealthy creditors, who absorbed the properties into their own holdings and enserved the former freeholders. With the memory of the rural credit disasters under Leo VI still fresh, the emperor wrote a preamble avowing that: "We have left nothing undone to liberate districts and villages and cities from the enemy. . . . Now that we have achieved these magnificent successes in putting an end to the aggression of the foreign enemy, what about the domestic enemy in our own household? How can we refrain from dealing severely with him?" This question might apply just as well to Babylonia three thousand years earlier.

Romanus' novel of 934 "stigmatized the egoism of the powerful, and also, without actually ordering the general eviction of all proprietors who held properties belonging to the poor, annulled all transactions, gifts and legacies made after 922, and laid it down that any property which had been acquired for less than half the reasonable price should be handed back

without indemnity. On the other hand, if the purchase had been fair, the property could be redeemed within three years provided the money paid for it was refunded. "The small property" wrote the emperor, "is particularly useful for the payment of taxes and the performance of military service. Everything would be imperilled if it disappeared." Romanus, who was himself the son of a holder of a military property, understood the danger which threatened the free peasantry, which was the best support of the state" (Brehier *loc. cit.*).

Subsequent emperors were not so strong. As creditors monopolized the land, they weakened the fiscal position, and hence the ability to field a Byzantine army. Indeed, as tensions mounted between the emperors and large landholders, Byzantium cut off its nose to spite its face. To prevent warlords emerging from the ranks of the large landowners (as local commanders) and turning their troops against Constantinople itself, the emperors avoided funding the army. In any event, collecting taxes became all but impossible as local autonomy increased. The landowners welcomed this warlord strife, for by countering royal power, it minimized the emperor's ability to collect taxes. (At least there was not yet any public debt! That modern outlet for surplus funds was a western European innovation.)

Constantine Porphyrogenitus (944-959) revived many of Romanus' laws, and sought to make the legal system more accessible to small claimants. After he died (probably by poison in 959), the crown passed to the incompetent Romanus II (959-963), but matters were stabilized by the nearly 50-year rule of Basil II (976-1059), the longest in Byzantine history.

During his early twenties the military and landed aristocracy retained control of the leading palace advisors, seeking above all (as aristocracies invariably do) to prevent the emergence of a strong emperor. However, as two warlords, Bardas Sclerus and Bardas Phocas, vied for control of the empire during the early 980s, the young emperor came to realize that to survive in control of matters, he must enter a life and death fight against the landlords. This he achieved by rescuing the still-free peasantry from being reduced to serfdom and hence clientship to the large landholders. To reverse the wholesale forfeiture of lands that had taken place, Basil moved on New Year's Day, 996, to abolish the law which prescribed a period of forty years of tenure before ownership of property could be established. Instead, he

ruled that all lands which had been acquired since the first law of Romanus Lecapenus in 922 must be restored to their original owners without any indemnity, even those taken over by the Church. The preamble to this novel, regarded as a gloss added by Basil, protests indignantly against the scandal caused by important families such as the Phocae and the Maleini, who had kept unjustly acquired properties in their possession for more than a hundred years.

This law was applied with extreme severity. Philokales, who had usurped a number of large properties and bought himself high palatine offices, was reduced to his original status of simple peasant, and the authorities even went so far as to destroy the buildings he had erected. (Brehier 1977:150)

Basil's "chief weapon against the maintenance of large properties was a reform of the so-called *allelengyon*. This system, whereby local communities were jointly responsible for an annual sum payable to the imperial fisc, was now altered in such a way that the financial burden fell solely on the owners of large estates, the poor being exempted." The leading landed families tried to get the patriarch Sergius to intervene on their behalf, but with little effect.

Basil II resembled Hammurapi not only in his exceptionally long rule, but in the fact that he was obliged to establish a feudal-type system as the price of consolidating imperial power, rewarding supporters who were loyal with tax exemptions. This had the ultimate effect of weakening Byzantium's fiscal condition, while catalyzing a transition to feudalism in the sense of establishing personal loyalties to a ruler who could hand out financial favors or impose heavy burdens at his own personal discretion.

Tax exemption for religious and other institutional landholdings

The problem by no means was limited to large private landowners, but extended to the monasteries and other religious bodies which played an important role in the East Roman Empire (as they also did in the West, of course). For instance, when Byzantine officials descended on the empire's Bulgarian province after the region finally was conquered in 1018, Basil was obliged to "win the peace" by issuing *exkousseia*, "excusances." Their pedigree can be traced back to the Middle Babylonian *kudurru* exempting local towns and temple precincts from royal taxation. Such privileges,

writes Oikonomides (1988:321f.), were distributed to quell the revolt of local potentates, by rewarding “those who remained faithful to the emperor in order to secure their support.”

This was the root of feudal privileges: making local leaders - above all the clergy, in this case - dependent on the emperor’s will, not *ipso facto* as a result of their belonging to a class of exempted properties. “What used to be a general privilege for all priests, now appears as a special favor granted to the archbishop, and concerns only a limited number of those under his jurisdiction. The privileges of Bari [in Grecian Italy] and Ohrid [in Bulgaria] are identical from that point of view.”

Down through the 10th century, emperors had sought “to contain the expansion of big landownership, including ecclesiastical, especially under Nicephoros Phokas and Basil II in the early years of his reign,” by abolishing the traditional ecclesiastical exemption from *coryées* and *leitourgoi*. This revived Byzantium’s fiscal position, at the expense of the clergy and its traditional privileges. However, adds Oikonomides (*op. cit.*:323-5), “the state, instead of abolishing the privilege completely, tried to control it by establishing limited numbers of exempt clerics for each diocese. It thus reserved to itself the right to increase the number when it so wished in order to win the favour of a prelate or of the inhabitants of a region.” Bishops, for instance, were allowed to distribute a specified number of exemptions to individuals within their sees. “Consequently, the new approach created automatically a client relationship between the prelates and their subordinates.”

Actually, Oikonomides points out: “What appears to us as a major gift, is in fact a limitation of pre-existing privileges,” for there was a fundamental shift from the Late Roman situation.

In the Late Roman Empire traditional privileges concerned a whole class of individuals, while the ‘gifts’ of Basil II reflect all the characteristics of medieval privileges, i.e. exceptional treatment granted by the sovereign to individual cases in anticipation of, if not in exchange for, the favors of the recipient. The difference is essential. Moreover, what was initially, in the Byzantine case, a real limitation of the extent of the privilege, ended up by becoming a loosening by the institution of the tight structure of the monarchic state in favor of the centrifugal forces of the privileged aristocrats, among whom the church formed a part. For in effect, the priestly hierarchy

was filled mainly with scions of Byzantium's leading landed families. The Late Roman tax exemptions had been granted to the clergy and other public bodies across the board by virtue of their public roles, *contemplatione dignitatis atque militiae, laborum contemplatione*. As these privileges concerned automatically large numbers of people, their distribution had to be parsimonious, their limits clearly defined and strictly enforced. The medieval privileges, on the contrary, emanating from a personal and exceptional favor could be granted easily for each specific case, without a clear awareness of the possible accumulation of such privileges and their results on the finances of the state. These privileges could easily be considered as hereditary, especially when granted to members of large and powerful families. They were easily granted and in large numbers in moments of political instability, when local magnates - or church representatives, like those who obtained Basil's exemptions - could influence or even bring pressure to bear on the central authority. A procedure therefore that was introduced with the idea of limiting the special privileges of the church, ended up by reinforcing them at the expense of the state.

The benefits of such exemptions were passed on to tenants (*paroikoi*), but at the expense both of other landlords and the palace. By renting from the church, they gained exemption from the royal land tax (*klerikotopion*). "Their exemption from certain fiscal burdens profited mainly the bishop, who received at least part of the exemption and who was thus in a better position to attract to his lands the manpower necessary for their cultivation, by offering prospective lessees more advantageous conditions than those of non-exempt landowners."

Actually, large religious institutions have enjoyed fiscal exemption in nearly all known societies, reflecting their autonomous status on a par with the palace ("the state"). This was far from creating problems in Mesopotamia, for at the inception of the Bronze Age, Sumerians endowed their temple as surplus-creating centers, many centuries prior to the development of taxing the community at large (inasmuch as a substantial private-sector surplus had not yet come into being to tax).

Matters were different in Egypt, where each pharaoh's soul was cared for by a cult incorporated upon his death - an entire funerary territory and population, cutting people and their economic energy out of society's commercial operations to support a public overhead which, in economic

terms, was unproductive of any surplus. Via classical antiquity, whose temples became more purely religious institutions rather than commercially productive ones, the transition to feudal times in the Late Middle Ages saw these institutions become productive only in the spiritual world, not that of commerce.

It also is significant that traditional communal inheritance laws were first loosened in medieval times by the Christian Church. In contrast to the practice from Babylonia to Byzantium, rather than poor tenants bequeathing their lands to creditors, wealthy aristocrats gave them to the church for the salvation of their souls. These properties thus passed out of the royal tax domain - until Henry VIII reversed the trend by breaking up England's monasteries in a pre-Thatcherite privatization.

Land monopoly leads to military defeat

By the 11th century the fiscal situation was so weakened that the empire no longer could defend itself. The last stand against the landlords - and enemies at the borders - was made by the Comneni Dynasty founded by Alexius I (1081-1118). However, their position was compromised from the outset. "Since they belonged to the nobility, they abandoned the time-honored offensive of the central government against the great landowners and, to consolidate their dynasty's power, they favored the formation of large apanages and the unlimited increase of monastic properties, thus weakening the authority of the state" (Brehier 1977:202).

To be sure, in the year of his accession, Alexius "seized the goods of numerous noblemen convicted of conspiracy; he made grants or *charisticia* to the profit of individuals from the possessions of monasteries in exchange for the military services of their tenants (*paroikoi*); he tightened up taxation and debased the coinage." But his made him so unpopular that "people in the provinces preferred barbarian to Byzantine rule, and in 1095 the towns of Thrace opened their gates to the Comans" (*ibid.*:207).

Unable to raise taxes to fund a royal army, and indeed, fearful of leaving troops in the hands of commanders drawn almost inherently from the ranks of the upper aristocracy, the Byzantine emperors had few resources to counter the pressures from the Turks gaining control in the eastern Arab states and Normans pressing in from Italy, joining forces with Venice and Genoa with their navies, and German emperors in a tenuous partnership

with the papacy while the Crusades set vast troop movements in motion from western Europe across Byzantium to the Holy Land.

In 1204 Byzantium fell before the small army of Crusaders who looted Constantinople on behalf of their Venetian creditors, with whom they had reached a booty-sharing arrangement to finance the naval expedition against Byzantium. Actually, the sacking of Constantinople was an anticlimax, following the economy's erosion in the 11th century when the emperors followed the disastrous policy of reducing the army to prevent the local landowners (who were the army commanders) from using the troops against them. They could not solve the problem of promoting wealth without economic polarization strengthening the nobility in its opposition to any centralized royal overrides to oligarchic wealth-seeking, land monopolization and, ultimately, regicide.