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EFFECTS OF DARIUS' REFORMS ON BABYLON'S ECONOMY DURING THE  
ACHAEMENID ERA

*Seyed Ali Zarghami*

Master student in the history of ancient Iran, Azad University of Shushtar Branch, Iran.

Email: ali\_za78 @ yahoo.com

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#### **ABSTRACT**

During two centuries of Persian reign over Mesopotamia, significant transformations have occurred in Babylon's economic and bureaucratic systems and many institutions have been dominated by Iranians. Besides, fundamental changes have occurred in the taxation system, especially after reforms made by Darius I. Darius played a significant role in transforming Babylon's economic situation by imposing his financial policies. Some of these policies played a significant role in improving Babylon's economic and business situation and some of them resulted in increased pressure on Babylon's lower classes which facilitated consecutive uproars in this region. Accordingly, the present study is an attempt to study Babylon's economic situation during Achaemenid reign and the researcher attempted to base his study on available documents and resources to clarify the effects of Darius I financial policies and reforms on Babylon's economic situation.

#### **INTRODUCTION**

The relationship between Iranians and Mesopotamians increased after 539 BC, i.e. when Babylon has been conquered by Persians and turned into one of the significant cultural and economic centers of the Achaemenid kingdom. The borders of the Achaemenid kingdom have been expanded from Northeastern India on the east, to the Aegean Sea in the west, and from Armenia in the North to Nile's low-depth part in the south. During the same era, significant reforms have occurred in Mesopotamia. Ancient Babylon's culture has expanded during two centuries of Persian dominance. Astrology, mathematics, and other sciences experienced huge progress during the Achaemenid reign. Besides, the achievement of these fields is considered among some of the outstanding achievements of an ancient civilization. Babylon has been elevated during the same period. Outstanding evolutions have been observed in the social and economic relations of the nation. Various resources are available from Mesopotamia at the moment which enables us to restructure different forms of social and economic relations in the same period. These resources include

bureaucratic, economic, legal, and business documents as well as formal and private correspondences. Murašū firm's archived documents have been based in Neipour is significant concerning the topic under investigation. Most of these documents have been published. About six thousand Babylon documents have been published so far from the Achaemenid era which relates to temples and private archives. These documents are in the Cuneiform script and written in the Akadi language. The present study attempts to clarify the economic transformations of Mesopotamia, especially Babylon, during Achaemenid era. Furthermore, the researcher wants to study the impacts of Darius' political reforms on Babylon's economic situation and finally the authors want to find out whether Mesopotamian revolutions during Darius I and Xerxes have been affected by Darius' policies and how was this influence.

### **Babylon's economic centers**

Babylon's economic history is quite definite in the second half of the 5<sup>th</sup> century BC due to the existence of Murašū' archive. Murašū Company's activities was too much dependent upon evolutions made by Iranians in Babylon's estate-related policies. The business documents being found in Babylon provide a comprehensive image of Mesopotamia's economy during Achaemenid era. Most of these documents belong to two institutions. The most ancient documents are the ones kept by Agybi family. Agybi firm started its business activities from the late 8<sup>th</sup> and early 7<sup>th</sup> century BC and continued its business toward the beginning of 5<sup>th</sup> century BC [1]. This firm has been active in trading land, house, and slaves. Agybi was also participating in other banking affairs including keeping people's account, paying and receiving guarantees, cheques and demand notes, paying for customers' liabilities and supplying investments for trading activities. The emergence of private banks was one of the interesting phenomena observed in this era. During the 6<sup>th</sup> century BC, private deals have enjoyed a great revivification in Babylon and any of the wealthy families including Agybi could collect a huge amount of wealth as a result of trading land, slaves, establishment of loan-giving institutions, starting agricultural and trade companies and banking transactions different reports are available regarding banking activities of Agybi family members on inscriptions remained from Darius 1 kingdom. According to these inscriptions, the owner and manager of these banks at that time was a person called "Itti-Marduk-balatu" who has been called "sis". In his first trip to Ikbatan during in 537 BC, he had to take a loan [2]. Agybi family were originally Jewish and the founder of this bank in Hebrew was Jacob. "Itti-Marduk-balatu ", whose name precedes, is his son and his son's name according to Babylon's inscriptions was "Merduk Nazir Opal" [3]. Since the time Jewish people entered this land, they started different trading, industrial and agricultural crafts. There's a document available denoting payment of a loan to two people by "Merduk Nazir Opal". His only condition to pay this loan was to share the interests gained by this loan; however, the responsibility of preserving the investment was shared among them. There existed another bank during 7<sup>th</sup> century BC called "Orano", these banks gave %20 interest loans to their customers. In case the loan-taker individual was accredited, the deal would have been conducted

through a simple document and if it has been hesitated strict obligations and fine would have been included in the mutual document, such that any delayed payment would add to the interest rate or another person would be required to be responsive as a guarantor in the due time. If the loan-taker would seem to be irresponsible, land or slaves would be taken away from him as the mortgage and they would be returned after the loan has been paid back fully. Another set of banking documents elate back to Murašū family's firm who were a family of land-owners inhabiting Babylon and Neipour. The documents related to this family illustrates the higher organization rate of documents in later historical eras for the use of higher Persian words including "Manaseb", "Kharaj-ha", different kinds of lands, etc. as compared with Agybi family's documents whose documents relate back to a date before Xerxes' kingdom. The discovered archive consists of 73 inscriptions and they have been discovered in 7893 in Neipour, located in southwestern Babylon which provides us invaluable pieces of information about Murašū institute. The center of this institute is located in Neipour; however, it has developed its activities from Shoush and other centers. This financial institute was in charge of giving loans and receiving interests for that; however, their main activities have been concentrated in banking domain to give agricultural privileges and administration of real estates. Murašū institute had many lands, canals, and manufacturing equipment and thus could supply the required animals and seeds for agricultural activities and require d equipment for using water. This company has been run by great land-owners who have been living in another part of the world, it leased pieces of land, hired employees and workers, paid taxes and transferred the rents to the banks. The time period which inscriptions belong to include a fifty years period starting from 455 BC and it's clear from the documents that three sons and three grandsons of the institute founder worked in this company as its head. These inscriptions illustrate that Babylon was seemingly peaceful in last fifty years of Babylon's kingdom. It seems that Murašū Company gained more benefit from trading lands rather than buying and selling and most of its investments have been consumed for excavation of aqueducts and supplying water for farmers and the like. The inscriptions discovered showed that the aforementioned financial institute gave %40 loans and most of its customers consisted of land owners and farmers who gave their lands as mortgages for taking loans. This institute supplied the farmers with land, seed and whatever equipment they needed and instead, they asked for some portions of their agricultural crops. In case the farmer would pay back less than it has been agreed upon, he would have to pay a huge fine and part of his property would be seized by the bank as a result. That's why small farmers would gradually become financially weaker and the bank would get wealthier and wealthier gradually and would own more land and property. The Achaemenids balanced this method. It was in a way that they charged the farmer for the shortage of agricultural crops, but the farmer could pay this charged fee in the next years that there were sufficient amounts of agricultural crops. There are documents available about Murašū bank during Darius II, whose administrator was "Anelil Nadin Shum". Murashi Sons' bank has been closed in 417 BC and it seems that his obscene behavior toward people made Darius II close it.

### **The impact of Darius reforms on Babylon's economy**

The historical documents display that no significant changes have been made upon economic and property life of Mesopotamia during the first years of Persian dominance and judges, sheriffs and other positions stayed in their own job. This policy made Mesopotamia peaceful for quite a long period of time; however, several uproars occurred in Babylon, such that Xerxes had to respond more seriously. Something noteworthy to say here concerns the performance of Achaemenid kings, especially Darius in Mesopotamia which must be studied with due diligence. It seems that uproars observed in this era were economically-oriented and it originates from Achaemenid kings' performance, and especially Darius' financial policies. Furthermore, the independence orientation of Achaemenid kings is not negligible. Darius strengthened pillars of his own kingdom through making profound modifications and regulation of new rules, with some of them being taken from international constitutions. Darius took many regulatory initiatives including establishing an organized taxation system, developing and repairing roads, establishing proper weights and measures, inventing coins, strengthening national and international trade, encouraging tradesmen and finally developing agriculture, industry and imperial pillars. One of the most significant initiatives taken by Darius I was the establishment of tax organization because the states must satisfy their own financial needs on the one hand and the tax revenues they generate must well respond the financial requirements of the army, officers, palace, construction of great palaces, etc. Something which is known for sure regarding Darius the great and Cambyses reigns, there wasn't a pre-determined rule for paying taxes and most of the tax payments have been done in the form of commodity gifts. In the course of his reforms, Darius divided his kingdom into 20 satraps and he consigned the governance of each satrap to a governor and defined a constant tax for each satrap. The amount of these taxes were really high and a significant portion of that has been collected in cash. In case we investigate the heavy taxes paid in that era, we'd find out that there have been always streams of silver and gold going to the center of kingdom. Since Babylon was one of the wealthiest Achaemenid satraps, the highest portion of cash taxes have been considered for Babylon satrap, such that Babylon satrap would have to pay out nearly thousand Talans of silver equal to 30 tons of silver annually on his own. That was while the wealthiest satrap in Iran at that time, i.e. Medes, was only 450 Talans. In addition, Herodotus argues that Iran's king divided his vast kingdom into different regions in terms of supplying the required food resources for royal family and its army and Babylon supplied this required food for a period of four months on its own; however, all other Asian regions were responsible to supply the food for the other eight months of the year. As it's evident from the Achaemenid inscriptions, from Darius I onwards the Achaemenids consigned the taxation of different regions to banking officials such as Agybi sons, Murashu, and some other people. They were to collect the taxes from each region in silver and deliver it to the treasury and they sometimes even plundered the inhabitants in their own benefit. The inscriptions remained from 5<sup>th</sup> century BC illustrate that one of the Babylon satrap's officials made a complaint against these tax receivers and they were near court trial but Murašū and his sons paid a large amount

of bribe to government officials and they have been fired from court trials. The abovementioned bribes included a large amount of barley, wine, and huge herds of castles, sheep, etc. Undoubtedly the great taxes imposed on Babylon Satrap were the main roads for the occurrence of uproar in this region. It's noteworthy that this financial reform made by Darius is less noticed and it has been quite influential in formation of dissatisfaction of Babylon inhabitants which will be clarified through investigating Mesopotamian documents. An investigation of the relevant documents illustrate that the price of basic commodities and requirements of life in Babylon increased slowly during the beginning of Achaemenid kingdom; however, his increase experiences a faster rate from Darius I kingdom, while no significant change has been observed in inhabitants' revenue. Therefore, people have been faced with more limitations in terms of their purchasing power and this led to extensive uproars in Babylon satrap and economic break up in consecutive eras. It's noteworthy that the great tax imposed on Babylon inhabitants must have been paid mostly by the manufacturers, occupation owners, industrial managers, land owners and great merchants. Therefore, this weak class of society needed to receive more loans to develop their economic activity. As it has been argued previously, giving loans was among high-benefit occupations in old Babylon. In some cases, such occupation continued for generations and the result was the establishment of companies which owned a major portion of nation's property (e.g. Murašū and Agybi). These financial institutions were in charge of giving loans to manufacturing occupations, tradesmen, and farmers and they archived the relevant documents in pottery wares. A huge portion of our information regarding Babylon's social and economic life is indebted to such archived documents. At that time, the financial institutions increased their interest rate upon the increased rate of demand for loans by manufacturers and farmers, such that the interest rate during Nebuchadnezzar was %10 and it increased to more than %40 during the late 5<sup>th</sup> century BC. Therefore, the craftsmen, manufacturers, tradesmen, farmers, etc. had to take high-interest loans and supply the market with more expensive commodities to compensate for the extra interest rate as well as being capable of paying back the taxes. Therefore, the price of commodities and goods increased such that the price of food, clothes, and housing, and other life requirements experienced an ascending trend during the late Darrius kingdom, while there haven't been any changes in the wage and revenue of the working class of the society; accordingly, people purchase potential decreased more and more daily. One of the most significant factors contributing to the lower revenue of society's working class was the revival of slavery and the increased number of slaves at that time. Business and economic activities have been flourished at that time due to higher security, power, and reforms that have been made for developing roads and mintage of coins and business firms expanded their economic activities and therefore slavery market has flourished at that time. Besides, as argued by Omsted, the number of slaves increased daily due to high-interest rate loans. Most of the free people who couldn't afford to pay back their loans in the due time turned into slaves and they even sometimes had to sell their offspring, and fathers. Among the inscriptions that remained from that period, there are many documents available regarding

slavery and selling and buying slaves. An investigation on the revenues generated by the individuals' shows that the average revenue of an unskilled worker monthly was equal to one Shekel which was only sufficient for providing food for their own family. A document dating back to the 18<sup>th</sup> year of Darius I kingdom, the salary of a shepherd was one shekel each month. The inscriptions remaining from that era illustrate that there was a minor increase in people's salary. Even the skilled workers didn't receive a significant salary. For instance, the salary of a wall painter during the first year of Cambyses' reign was only half a Shekel. It seems that the increased number of slaves in this era and substituting them for free workers lead to a kind of competition between slaves and free workers to find jobs and therefore the salary of free workers didn't rise. Accordingly, the lower classes of society were under higher pressure and the difference between lower and higher paid classes went more and more and this provided the necessary conditions for the formation of consecutive uproars in Babylon and the grounds for Alexander's or any other conquerors' victory. In the late fifth century BC, Herodotus writes that poverty made Babylon inhabitants sell their daughters, and therefore undoubtedly the situation after Herodotus was even worse. One century after Darius' death, the costs of living have been doubled without any change in salaries and wages. The renting price of a house reached a total of four Shekel during Ardeshir I reign. A review of rental and buying contracts illustrate the significant increase in prices. "In Late years of Ardeshir II's kingdom, the kingdom status was a source of disappointment. Taxes made people suffer a lot and made them commit sins. The class war happened between hungry merchants and suffocated them in violence." Giresmen wrote. Among professionals, i.e. the technicians of workshops, the highest wages were for armor builders, goldsmith, and manufacturers of copper wares and the construction workers have been paid least among others. Also, the payment of wine and beer producers was high. The inscriptions show that the maximum salary of production workers was 7.5 Shekel and the minimum payment was 1.4 Shekel. Soldiers' salaries were more than workers. The monthly salary of a soldier during Xerxes' reign was about 20 Shekel. Spotnis reports the payment for 313 for six months and then reports the salary of 70 workers in 483 BC. It has been said that 66, 112, and 292 workers have been paid one, three fourth, and half of a Shekel respectively. The documents illustrate that the payment of a slave which was about 40 Silver shekel in 400 BC, reached 50 Shekel fifty years later. During Cambyses' reign, the average price of a slave reached the value of 80 Shekel. In the Achaemenid era, important food products had an official price set by the Darius government and it has remained unchanged during Xerxes and Ardeshir I reigns as well. Such prices have been set according to the king's rules. In case we compare the prices with the ones being common in Babylon before Persian dominance, we will see that the prices are very high now. Babylon was an industrial and business country in which numerous industries have been working and many deals have been done. Besides, the weaving industry has been very developed in Babylon. The available documents illustrate selling and buying wool in that country. One of these documents reveals that Belshazzar, the son of Nabonidus was a wool merchant. A document available from Cambyses' reign reveals that the price of each kilo of wool

in Babylon was 5 Shekel at that time. The wealthy people bought about 15 Shekels of wool which have been dyed in purple to make clothes. Therefore, it's very clear how much difficult was a worker with a salary of one silver Shekel to afford a set of clothes. A document relating to the 13<sup>th</sup> year of Nabunido's reign revealed that the price of 18 sheep was 35 Shekel. Then, at the beginning of Persian dominance, the price of sheep went higher and it reached 4 Shekel in 6<sup>th</sup> year of Darius reign and it reached 7 Shekel during Cambyses reign. Thus, one can conclude that the working class of society and those with a low payment couldn't afford to buy meat for their daily consumption. The significant product of Babylon was barley at that time which has been cultivated in sacred places such as temples and mosques and it had different prices. Cultivating wheat was less popular at that time and it was exclusively produced for wealthier classes. Dates were cheaper than barley and the workers who couldn't afford barley for an everyday living could easily use dates; however, its price rose during the Achaemenid era.

## CONCLUSION

Increased interference in public economic life is crystal clear during Darius' reign. Investigating the price diagrams illustrate the impacts of such interferences. The relevant diagrams show that throughout the Chaldean and early Achaemenids era, the prices rose gradually; however, the prices increased sharply during the early years of Darius reign; however, no significant changes have been made in salaries. After conquering Mesopotamia and especially Babylon by the Achaemenids, not only Iranians and Babylonians had more business affairs together, but trading affairs between them have expanded as a result of the security catered by Achaemenids reign. Throughout this period, the business has been extended to remote areas as a result of the prevalence of coins and banking activities developed as well. Generally, the business volume has been expanded in the Achaemenids era compared with previous centuries. The Babylonian merchants in Asia Minor produced pigments, iron, copper, tin, and wine. A business line has been established in the Achaemenids era between Iran and Babylon. In the late sixth century BC, members of the Agybi family and other inhabitants of Southwest of Iran traveled to trade barley, clothes, and slaves to different parts and right after conquering Mesopotamia by the Persians, the Babylonian merchants started traveling to Ekbatan, the capital of Medes and other cities located in Northwest of Iran. "Since the beginning of the Achaemenids era, the world stepped in a favorable economic era. And business relations which have been previously absent in many parts of the world, have been developed between Babylon and Greece." Girshman says.

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