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Economou, Emmanouel/Marios/Lazaros and Kyriazis,
Nicholas

University of Thessaly, Department of Economics, University of
Thessaly, Department of Economics

8 January 2019

Online at <https://mpra.ub.uni-muenchen.de/91442/>
MPRA Paper No. 91442, posted 17 Jan 2019 09:32 UTC

Boeotians, Achaeans and Europeans. Can we learn from the ancient Greek federal experience?

Emmanouil M.L. Economou* and Nicholas C. Kyriazis

Abstract: In this paper we analyze in brief how two ancient Greek federations, the Boeotoian and the Achaean ones took decisions on two crucial issues that relate the balance of power between city-states-members within the federation and defense policy. We analyze why the Boeotoian Federation followed a wrong grand strategy whereas the Achaean one implemented a prudent strategy regarding the issue of federal principles. Lastly, we compare our findings with a series of decisions that were taken in the last years by the today's European Union (EU) policy-makers, and we relate them to the issues of "mismanagement" of "solidarity" of economic policies among member-states and democratic decision-making.

Keywords: Ancient Greek federalism, European Union, solidarity, democratic deficit in decision making

JEL Classifications: H12, H56, N43

It is well-known and generally accepted that democracy, in the form of direct democracy, emerged in ancient Greece at the end of the 6th century BCE. Ancient sources mention at least 18 democratic city-states by the beginning of the 5th century (Robinson 2003, 2011).

What is less well-known is that the idea and practice of federations also emerged in ancient Greece, already during the 5th century, notably with the Boeotian Federation but also with others, such as the Chalcidian (city-states of the Chalcidian peninsula in Macedonia), the Aetolian and the Achaean. The American Founding Fathers, Adams, Madison, Jefferson, etc. were very aware of this, through their readings of Polybius, Plutarch and Livy, as testified by the *Federalist Papers* (see among other on this, Chinard 1940; Gummere 1962; Richard 2009; Lehmann 2015).

* Nicholas C. Kyriazis is Professor Dr. at the University of Thessaly, Department of Economics. Emmanouil M.L. Economou, (Ph.D) is a Research Fellow at the same, being also the corresponding author. E-mail: emmoikon@uth.gr

The Boeotian Federation included about 31 city-states, with membership in time. The federation comprised the following federal institutions: At city-state level, these were local “parliaments”, which again comprised three to four “committees” charged with various administrative tasks. The federation consisted of regions which again included a number of city-states. Each Boeotian region was represented by a *boeotarch* who was the political and military leader of the region and represented the region at federal level. There were 11 *boeotarchs* for the eleven regions, who were elected by the citizens’ assemblies of the cities of each region, for one year. Abuse of the one-year term of office by a *boeotarch* was punishable by death. The meeting place of the *boeotarchs*, was the federal capital, Thebes, and its citadel, the Kadmeia (Bonner 1910; Larsen 1968; Buckler 1980).¹

The federation was on the whole successful, because it functioned as a counter to the power of neighbouring Athens during the 5th century BCE (as a major ally of Sparta and the Peloponnesian League) and against Sparta (and an ally of Athens) during the 4th. But it had a serious internal flaw. Among its constituent city-states, Thebes, was too powerful. There was a strong disparity of power, based mainly on population, and thus, on military and economic-political strength. Thus, the federation became de facto a Theban sovereignty, a development similar to the Delian League becoming an Athenian empire.

Thebes demonstrated that she would not tolerate other city-states not following her lead, and would not accept defection of city-states opting to leave the federation, an analogy of the American Civil War. Secession was not an option for Boeotian city-states, as it was not for the American Confederate States. Thebes destroyed Plataea which did not want to participate in the federation since it was always a staunch ally of Athens, fighting with the Athenians already at Marathon, 490 BCE, and later Thespiiai and Orchomenos, the later being the only Boeotian city strong enough to challenge Theban hegemony.

In the long run this policy proved catastrophic. When Thebes revolted against the northern Greek kingdom of Macedonia in order to regain her full independence, she

¹ An organization model that was revived by the Old Swiss Confederacy during the end of the 13th century AD and continued with the United Provinces (Dutch Republic). During the end of the 16th century AD and up to the end of the 18th century where the Dutch federation consisted of 7 Provinces including about 52 semi-independent cities.

was without allies, because no Boeotian city supported her, as they did not wish to fall again under the hegemony, preferring the more distant Macedonia. Some Boeotian city-states even participated actively in the war and siege of Thebes, on the side of the Macedonians. The result was the destruction of the city-state by Alexander the Great. The other Greek federations, Aetolian Achaean but also a revived Boeotian during the 3rd century, learned their lesson and were fully democratic, preserving the equality of their members (Economou, Kyriazis and Metaxas 2015; Economou and Kyriazis 2016).

Are there lessons to be learned by the European Union from the ancient federations? What is the exact meaning of solidarity and its relation to the federation's responsibility towards its members? The term "Union" seems to indicate an ideal, the goal of the EU to become a true federation which it has not achieved as yet. In fact some authors such as Burgess (2000) already argue that the EU has already become an economic confederation.

The old, but also modern, federations were based on solidarity, trust and a perception of common interest. Beginning from 2000 and later, especially within the EMU, the EU appears in praxis to be governed by its stronger members, especially Germany, that impose their will and the policy mix of measures they deem appropriate, without taking into account sufficiently (some would say not at all) the interests of the smaller and economically weaker member-states, exactly as Thebes did. This again leads to a reaction by the citizens of these member-states (Greece, Cyprus, Italy, Spain, Portugal etc.), that perceive that policy measures are imposed on them which they have not approved in the least and which are against their own interests. Increasingly, the perception is of a lack of solidarity and a democratic deficit. This again leads in the long run to an anti-German reaction, failing cohesion and the danger of the EU's breakdown. According to Riker (1964) and other scholars on federalism, when there is an, at least, "relative" balance of power between the members of a federation and the gains by participation are not shared fairly between the federal members, the federation jeopardizes its future viability and existence, since there will not be a fair distribution of benefits among all member-states.² Recent

² In the case of the USA, a new city, Washington, was established as the capital which does not lie within the area of any federal state, but is a separate district (of Columbia). A further example is the

developments in relation to the immigration problem, the reaction of the Visegard Committees, the erection of walls within the EU, are indications of these trends.

Let us illustrate through an old case how solidarity was understood by the ancient federations, and the lessons that we may draw. For example, we have recorded evidence from the historian Polybius who argues that the federal Achaean administration offered tax immunity for 3 years to the member-states of Dyme, Tritaia and Feres so as to help their economy recover after the serious damage to their infrastructure due to the so-called Social War of 220–217 when the Achaean Federation was engaged in warfare with the neighboring Aetolian Federation.³

More particularly, during this war the Aetolian federal armed forces invaded in the Achaean Federation, causing major catastrophes and plundering in these city-states. They were among the first to be hit by the Aetolian forces because they were closer to Aetolia. Despite appeals to the Achaean federal authorities for help, this was never done because according to Polybius (4.60.4 - 5.), at that time, the Achaeans did not allocate the money they had to repay the troops which could repel the Aetolians. This possibly happened because just previously the Achaeans were engaged in a fierce war this Sparta under the very capable king Cleomenes III, and thus the Achaeans were financially exhausted. Thus, the three city-states had to hire the services of mercenaries to increase its own force, and pay them by its own financial means.

However, this fact, namely the inability of the Achaean Federation to provide the basic federal service to its member states, being defense, forced these three-member states from conciliating with each other in order not to accept their annual federal tax obligations towards (joint contribution) and to spend the money to hire the same mercenaries in order to save them. Thus, the three states automatically considered that since the Federation failed to protect them, there was no obligation whatsoever against the federal government. Polybius criticized the three states for their attitude (4.60.6-10), believing that in this way they contributed to the weakening of the

establishment of Brazilia as the new capital of the federation of Brazil in 1960, to replace the up-to-then capital of Rio de Janeiro.

³ For the political and economic organization and the historical context that lies behind these two federations see, among others, the recent works of Mackil (2013) and us in various papers such as Economou and Kyriazis (2013a, b, 2014a, b, 2015a, b, 2016) and Economou, Kyriazis and Metaxas (2015).

Federation, however, as Mackil (2013: 497) points out, it is certain that in this way these three States wanted to demonstrate that they would not tolerate the breach of the public service (defense) obligations by the Federation in favor of them.

At the end, the Federation, through its government, being elected by the assembly of its citizens, the supreme decision-making body, accepted that they failed to fulfill their obligations and responsibilities under the solidarity provision towards Dyme and the other two city-states-federal members. So they decided that the Federation owed a compensation towards the three states, which took the form of tax immunity to federal budget, for three years. Polybius, (*History* 24.2.3; 23.15.1–3.), describes very characteristically the doctrine that Achaean federal administration adopted:

‘...so that the destruction of the territory of Dyme to harm the Achaeans [as a whole] no less than the Dymians’.

Returning to nowadays, under the solidarity provisions of the EU, in 2010 and later Greece received EU and IMF loans (totaling 240 billion euro) in order to avoid bankruptcy and repay its debts. The loans were linked to policy measures, specified in the memoranda. The problem was that the policy measures were wrongly specified and applied, as made clear by the mistaken estimation of the (negative) multiplier. The real multiplier was almost double the one calculated by the IMF, leading to a much deeper recession than originally estimated. This mistake was recognized both by the IMF’s chief economist, Olivier Blanchard, and IMF director C. Lagarde, who publicly apologized for this. The question raised in analogy to Dyme, Tritaia and Feres is that, if the EU, being responsible for the damage done to one of its members, due to its own (and not the member’s) mistake, is liable to compensate it.

The damage can be estimated in its order of magnitude: the difference of the multipliers being double, the recession for the 2010-2011 for the Greek economy was actually -10% of GDP, as against the wrongly estimated -5% of GDP. Taking into account that Greece’s GDP in 2009 was 230 billion, the difference of 5% gives an order of magnitude of the damage due to the wrong policy measures package, of about 11 to 12 billion euro. Has Greece the right to claim compensation for the damage done to its economy due to the mistake of the EU-IMF?

Another issue that diminishes the perception of the common interest of the citizens towards the EU is its substantial democratic deficit. The EU is the least democratic

political body among ancient and contemporary federations as measured by the participation of citizens in decision-making.

While in the ancient Greek federations we have already mentioned, all institutional positions like the ‘general’ (who was the political and military leader), the finance ministers and the ‘bouleutai’ (the members who were responsible for preparing the agenda of the discussion in the national assemblies in the ancient federations) were covered by direct democratic, in modern EU, the major positions, like the President, the “foreign minister”, (the so-called ‘High Representative of the Union for Foreign Affairs and Security Policy’) the President of the EU commission etc. are appointed after negotiations among the governments and are not open to all EU citizens. The only elected body is the European Parliament, which has the smallest competences among the EU institutions. Is it a wonder that European citizens feel mistrustful? It is a clear case of ‘deciding for us without us’.⁴

So, we believe once again that we can learn from the ancient federations, as the American Founding Fathers did. We propose that the main positions of the EU (President of the EU, President and members of the European Commission, etc.) should be open to all citizens and covered by European elections. As a second step of democratization, we propose the introduction of popular initiatives leading to obligatory referenda with a binding outcome at European level, on the model practiced in modern federations and countries like Switzerland, Uruguay, New Zealand, etc. and some US states (California), German *Länder*, or many European cities (eg., Vienna).

Recent scholarship in economics including econometric studies indicate superior outcomes (measured as GDP growth) and less waste under direct democracy procedures than under representational ones (see among others, Blume, Miller and Voigt 2009; Feld, Fischer and Kirchgässner 2010; Matsusaka 2010; Blume and Voigt 2012; Boik 2014; Economou, Kyriazis and Metaxas 2017). Thus, our proposal for introducing more elements of direct democracy to our modern societies seems well-timed since there are recent facts, such as *Euroscepticism* and Brexit in the EU, that

⁴ We are analyzing this issue in our forthcoming book, *Democracy and economy: An inseparable relationship since the ancient times to today*, Cambridge Scholars Publications, 2019, where we proceed to a ranking of ancient and modern federations, according to four democratization criteria.

prove that the prestige of the current shape of modern liberal democracies is disputed by more and more citizens around the globe.

The above two steps combined would give European citizens a feeling of participation in a common European future. We reject an argument being raised, that European citizens are immature to be entrained with such decision making. This is a very dangerous and deeply anti-democratic argument because the next step in this direction, is that citizens are not to be entrusted with the election of candidates because they are immature and unable to make the correct choices. So, why democracy at all?⁵ On the contrary, we believe that increased participation educates⁶ citizens politically, as it did in ancient and modern democracies and federations and makes them feel as though they have a stake in their common political European future.

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⁵ The treaty of Lisbon provides for the first time the possibility of a European referendum if 1 million signatures are collected. But the outcome of the referendum is not binding. Thus we are not astonished that no referenda have taken place. Why incur the cost and effort for a referendum whose outcome may be thrown into the dustbin?

⁶ We have analysed this issue of education through participation in Kyriazis and Economou (2015).

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