

Money in the 5th Century BC

Shortly after coinage began in the ancient Near East (where it was still not in general use), token money appeared in Greece. Around 650 BC commercial activity between Greece and the Near East was becoming widespread, with travelers and traders moving back and forth. Greeks in Asia Minor, especially those adjacent to the Lydia of King Croesus, began to use electrum, a naturally occurring ore of silver and gold, for the first coins, but the percentages of the metals varies, since the ore was a natural mixture from alluvial deposits.

Early coins are not easily identified with governments and cities. Individuals may have started the practice and, at first, only in large denominations (the equivalent of \$50-\$100 amounts), no small change. Scholars in the 19th century believed money was commercial in origin, but it is now believed that it was a way for the issuer to distribute set amounts to members of a group (e.g., mercenary soldiers who fought on behalf of the Ionian Greek cities). Alternatively, the first coinage may have been for a sort of welfare distribution among a city's people when a city was under siege. The common element is that a fixed amount of value could be readily distributed and publicly checked. There was no general currency, because the coins might vary in size or percentages of silver/gold from year to year.

Coins were struck by setting the obverse die in an anvil block, placing a flan of the precious metal on the die, covering it with a post ending in the reverse die (generally incised), and striking the post with a hammer. The reverses of early coins often show the square framing of the post. In the first few generations of coins electrum was the only metal used. Dating of early coinage depends largely on the dates assigned to coins found under the temple of Artemis in Ephesus.

Greeks borrowed from the Babylonians the principal division of money values into talents composed of 60 mina (6,000 drachma). The stater ("standard") Greek coin consisted of so many drachma, depending on the city: four at Athens, 2 at Corinth. The drachma was divided into obols. In Periclean Athens, one silver drachma equaled one day's work for a skilled workman. One electrum coin of the same size might have been worth ten times that.

The psychological impact of coinage was that now there was a single comprehensive and comprehensible set of standards of value. Aggregating or dividing coins mentally was now possible, even when coins of that particular value did not exist. Now you could calculate values as so many drachma or talents. The equation arose that man equaled money: men could be evaluated in terms of money/material goods. A man's income could be used to determine his qualification to hold office. When silver started to be used (after 560 BC), either by the Ionian Greeks or by Aegina or by the Athenian tyrant Pheidon, you could have smaller values and coins, usable in commerce – wages and payment for goods. Also, silver can more easily be tested for purity, since it is a single, predictable metal. Coinage from good 5th century mints was near 100% purity and of predictable weight. Transactions became easier with the move to a monetary economy. Conservative Sparta never coined silver.

Once silver became a standard for coinage, taxation became more regular, the populace paying now in money rather than in services or agricultural products or livestock. After 550, most of the taxes we meet now had developed (income, port duties, sales tax on slaves), so states became very interested in silver coinage. They wanted to mint enough to distribute – pay out – so they could get

them back in taxes. The first Greek coins issued by a Greek city-state were the *turtles* of Aegina, which had a tremendous and political impact. The upper class hoarded them as a hedge against later trouble, burying them in a pot or in a wall. Having coins marked you as an aristocrat. Introduction of coinage in a state was often attributed to some famous statesman, e.g., Solon of Athens.

Early Athenian coins were originally believed to be heraldic coins, with symbols of particular upper-class families: amphora, horse, triskelion, owl, all in the two drachma form. A gorgonian coin, with its apotropaic face and a reverse of a lion scalp was a tetradrachm (four drachma). The most famous coin of antiquity, the Athenian owl (with Athena's head on the obverse and the owl on the reverse), was produced by the millions. It became very common because Athens had found a rich silver lode at Laurium. The larger dekadrachm (=10) was also popular. One from Syracuse shows Arethusa surrounded by the name of the city and four leaping dolphins. From Neapolis (in Northern Greece) came a Gorgon drachm, from Chalchis a flying eagle with a snake in its mouth, from Cnidos an Aphrodite/lion.

After the Persians were driven out in 480-479, the alliance known as the Delian League was formed to pursue the war with Persia and free the Asiatic Greeks. Members either gave their services or paid tribute to Athens, which brought in huge amounts of money to Athens at the festival of Dionysus. Because of the need to pay taxes to Athens, the allied mints adjusted their coinage to the of Athens, for payment in tetradrachms. We see Melos with its own coinage, an apple on the reverse to pun on its name. Later Aegietan coins, now that Athens has conquered that city and absorbed its fleet, no longer show the (sea) turtle but the (land) tortoise. The coinage of Elis was well distributed by visitors to the Olympic games. Electrum coins were still used as late as 4th century for trade with northern Greece or south Russia and a Tissaphernes tetradrachm (with the Persian governor on the obverse and an owl on the reverse) was distributed to Persian sailors while they were allied with the Spartans against Athens.