

## Plato on Economic Foundations of an "Ideal State"

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**ABSTRACT.** In-depth analysis of the evolutionary aspects of economic views helps us easily to solve the theoretical and practical problems of modern economics. The development of economic relations dates back to the epoch when the economic science was not yet formulated. Today it is impossible to draw parallels and completely to understand the theoretical and practical issues of the modern economy without taking into consideration many valuable economic viewpoints pronounced in the ancient epoch. In this respect, the economic considerations of antiquity, namely the viewpoints of the prominent Greek public figure Plato (about 427-347 BC) are most valuable. Plato played a significant role in formation of certain elements of economic science. In the present paper the problems of specialization and division of labor in an "Ideal State" and their significance for the growth of labor productivity, the role of the State in socio-economic processes etc. are considered. Although Plato's economic viewpoints are characterized by some contradictions, most of them are valuable. Plato's ideas on the State participation in regulation of the socio-economic processes, communal property, equality and harmony, labor division, communal life, common food etc. are Plato's "Principles of Communism". Plato's conception of the importance of labor division and specialization, foreign trade, marketplaces, public and private property, supply and demand, levels of poverty and wealth, money circulation, the role of the State in socio-economic processes, etc. are still relevant today.

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**Key words:** Plato, division of labor, specialization, equality

Deep understanding of historical aspects of economic viewpoints makes it easier for us to solve the theoretical and practical problems of the modern economy. The economic relations began in the ancient past, when the economic science was not yet developed. It is impossible to make parallels and completely to understand the science of modern economics without considering certain economic views pronounced in the ancient epoch [1-14]. From this point of view, the economic ideas of antiquity, namely, the ideas of the prominent Greek public figure Plato (about 420-347 BC) are valuable. His

works played an important role in formation of certain elements of modern economic science (*Politeia* or *The Republic* and *Laws*) [15, 16].

Plato was interested with the investigation of the problem of specialization and division of labor in an "Ideal State". He notes that people have different demands and the specialization of their labor is necessary. The husbandman should not make his own plough, mattock or any other agricultural tool; the builder, the shoe-maker and the weaver should do only their professional job [16: 60, 62].

According to him, since each man has one certain natural ability (to be a builder, shoe-maker etc.) but different demands (on food, clothes, dwelling), there will be a mismatch between the demand of a person and his ability to satisfy his demands that can be regulated by the city-state. In the city-state each person should be specialized in one particular type of labor. That will increase the labor productivity.

Plato understands that a "self-sufficient economy" cannot solve all the problems of the country without the import of goods. Such an approach is still relevant today: the State cannot be perfect in the closed space - it needs to develop foreign trade, and, consequently, in Plato's words, "to establish marketplaces" in the cities. However, the speculative activity of the profiteers in those "marketplaces" is unacceptable for Plato.

It is not accidental that Plato considers division of labor as the basis for division of the community into different classes and for building an "Ideal State". He developed the first model of an "Ideal State" in "The Republic" (Greek Πολιτεία, 360 BC) [16] and the second in "Laws" [15].

Plato divided the free citizens of an "Ideal State" into three classes according to the labor division:

- The first is the highest ruling class of the philosophers. He underlines that without the philosophers the State cannot solve the problems. They should be elected to occupy the public positions at the age of 35 and they should not own any private property;
- The second class consists of the warriors, whose function is to defend the territories and to fight for expansion. Neither the warriors should have the private property;
- The third class covers all the other citizens (husbandmen, artisans, merchants), who own their private property. Their job is to run the economy, to supply the State, to satisfy the demands of the philosophers and the warriors.

It should be noted that the principles of active participation of the State in regulation of the socio-economic processes, the communal property, the restriction of private property for rulers and warriors, the idea of equality and harmony, division of labor according to ability, communal life, common food etc., are Plato's "Principles of Communism" [5].

In Plato's "Laws" [15: 9,6], the model of an "Ideal State" specifies the following issues: general principles of legislation; social relations; the laws on protection of private property, money; the law on marriage for every classes; crime and punishment; mechanisms for enforcement of the laws; organization of an "Ideal State" and election of the rulers; strengthening of the controlling role of the State; the structure of population and their management; punishment for religious offenses; criticism of atheism; prohibition of land purchase and sale; cultivation and protection of own lands and tax payment in the "settlement" etc. [15: 10, 5].

For Plato the main branch of economy is natural agriculture producing everything in accordance with the demand. The land belongs to an "Ideal State" and is given for exploitation to the husbandmen in exchange for a certain fee. Plato considers that the land lease conditions should be satisfied, poverty and wealth limit should be established and the laws on the relationships of the artisans and the customers, on division of labor, hunting, trade (the free citizens should not to be busy with trade), profit restriction, food distribution, navigation, better housing conditions, arrangement of trade stadiums etc. should be adopted [15: 5,7].

Plato regarded the craftsmanship and trade less important compared to husbandry that means he was confined within the public "restrictions" of that time. According to him, only the foreigners should be assigned such work and their activity should be strictly controlled. Plato

was mistaken to believe that in trade the value of the goods is measured by money.

In his opinion, private individuals should not be allowed to have gold and silver in their possession; in exchange transactions the currencies should be used within the country; for travelling to other countries the State should provide the traveler with the coins from its stocks, and after returning home he should return all his foreign money to the State in exchange for the

local money, otherwise his foreign money should be confiscated and transferred to the treasury. Such policy was applied in different countries for centuries. Plato disapproves usury – lending money for profit [15: 5].

Generally, Plato's viewpoints on specialization and labor division, foreign trade and marketplace, public and private property, demand, limits of poverty and wealth, money circulation etc. are still important today.

## ეკონომიკა

# პლატონი „იდეალური სახელმწიფოს“ ეკონომიკური საფუძვლების შესახებ

## ა. სილაგაძე

*აკადემიის წევრი, ივანე ჯავახიშვილის სახ. თბილისის სახელმწიფო უნივერსიტეტი, ეკონომიკისა და ბიზნესის ფაკულტეტი, თბილისი, საქართველო*

ეკონომიკურ შეხედულებათა ევოლუციურ ასპექტში ღრმად გააზრება თანამედროვე ეკონომიკის თეორიული და პრაქტიკული პრობლემების გადაწყვეტას აადვილებს. ეკონომიკური ურთიერთობები სათავეს იმ ეპოქიდან იღებს, როდესაც ეკონომიკური მეცნიერება ჯერ კიდევ ჩამოყალიბებული არ იყო. უძველეს ეპოქაში გამოთქმული მრავალი ფასეული ეკონომიკური მოსაზრების გათვალისწინების გარეშე, შეუძლებელია თანამედროვე ეკონომიკის თეორიული და პრაქტიკული საკითხების სრულყოფილად გააზრება. ამ თვალსაზრისით, მეტად ფასეულია ანტიკური ეპოქის, კერძოდ, ბერძნული საზოგადოების გამორჩეული მოღვაწის პლატონის (ძვ. წ. დაახლოებით 427-347 წწ.) ეკონომიკური მოსაზრებები, რომლებმაც მნიშვნელოვანი როლი შეასრულეს და ასრულებენ ეკონომიკური მეცნიერების ცალკეული ელემენტების ფორმირებაში.

სტატიაში გაანალიზებულია „იდეალურ სახელმწიფოში“: შრომის დანაწილებისა და სპეციალიზების პრობლემები და მათი დიდი მნიშვნელობა შრომის პროდუქტიულობის ზრდაში; სახელმწიფოს როლი სოციალურ-ეკონომიკურ პროცესებში და სხვ. ნაშრომში მიღებული დასკვნის მიხედვით, პლატონის ეკონომიკური შეხედულებები წინააღმდეგობებით ხასიათდება, მაგრამ ბევრი მათგანი ფასეულია: ა) სახელმწიფოს მიერ სოციალურ-ეკონომიკური პროცესების აქტიურად მართვა, ქონებაზე საერთო საკუთრება, მოქალაქეთა თანასწორობისა და ძმობის იდეების ქადაგება, შრომის დანაწილება უნარიანობის მიხედვით, ერთად ცხოვრება, კვება და სხვ., ფაქტობრივად პლატონისეული „კომუნიზმის პრინციპებია“; ბ) პლატონის შეხედულებები შრომის დანაწილების და სპეციალიზების, საგარეო ვაჭრობისა და ვაჭრობის მოედნების მოწყობის, ქორვაჭრებისა და მევახშეების საქმიანობის დაგმობის, სახელმწიფო და კერძო საკუთრების, მოთხოვნის, სიღარიბისა და სიმდიდრის ზღვარის დაწესების, ფულის მიმოქცევის, სოციალურ ეკონომიკურ პროცესებში სახელმწიფოს როლის და სხვ. შესახებ – დღემდე აქტუალური საკითხებია.

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