PLATO PART II: THE ‘LATE’ DIALOGUES (WITH A FOCUS ON THE LAWS)
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Plato Part II: The ‘Late’ Dialogues (with a focus on the Laws)*

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ABSTRACT

Plato (427-347 BC) wrote a large number of dialogues. Based on assumed composition dates, his dialogues are divided into ‘early,’ ‘middle,’ and ‘late’ period works. This paper considers Plato’s contributions to ethics and economics in his ‘late’ dialogues. It extends an earlier paper on Plato’s ‘early’ and ‘middle’ dialogues (Alvey 2010c), and a paper which sets the context of the ancient ethics and economy (Alvey 2010a). It is a companion to (Alvey 2010b), which deals with Socrates (469-399 BC) and Xenophon (434-355 BC).

Like Xenophon, Plato was a student of Socrates. Subsequently, Plato became the teacher of Aristotle (384-322 BC). In the ‘early’ and ‘middle’ dialogues Plato presents eudaimonia (human flourishing) in terms of the demonstration of intellectual and moral virtue. This was one strand of Socrates’s view. At times, Socrates made it clear that the good life required a range of other things (such as possessions). This aspect was developed by Xenophon and also in Plato’s later dialogues. In the early dialogues Plato says little about household management (oikonomia or oikonomikē), or microeconomics. His focus is on the psychology (soul) of the individual and the Greek city (polis). This gap is also remedied in the Laws, one of the ‘late’ dialogues.

After a brief introduction, in the second section I discuss some relevant themes in the Philebus, the Sophist, and the Statesman. The third section discusses the Laws. There are two appendices: the first discusses Plato’s view of perfect gender equality; the second discusses some aspects of Plato’s critique of acquisitiveness and wealth.

Keywords: ethics and economics; Plato; human capabilities; social achievement; ethical motivation

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1. **INTRODUCTION**

This paper considers Plato’s contributions to ethics and economics in his ‘late’ dialogues. It extends an earlier paper on Plato (Alvey 2010c), and a paper which sets the context of the ancient ethics and economy (Alvey 2010a). It is a companion to (Alvey 2010b), which deals with Xenophon (434-355 BC).

The second section considers the *Philebus*, the *Sophist*, and the *Statesman*. The third section discusses, at length, the *Laws*. There are two appendices: the first discusses Plato’s view of perfect gender equality; the second discusses some aspects of Plato’s critique of acquisitiveness and wealth.


Various shorter dialogues are classified as belonging to Plato’s ‘late’ period. Some of them address themes relevant to the interface between ethics and economics. The main topics to be discussed below are relativism, human nature (a species view of human beings), pleasure as the best way of life, and the classification of the arts (including the political art, the art of ruling). This section focuses on the *Philebus*. Some additional remarks will be made about the *Sophist* and the *Statesman*.

Is there a standard by which we can judge a good human life and a good human society? Even more foundational is whether we can say that there are certain characteristics and functions which define humanness. Are we imprisoned by historical or cultural relativism? Nussbaum sees the Capabilities approach as requiring a set of parameters for humanness. She uses the *Philebus* to inquire into the functions that constitute ‘a human being or human life’ (Nussbaum 1995, p. 94).

In this dialogue the young Protarchus is engaged in conversation with Socrates about the best way of life. The former is attracted to the ‘extreme hedonist’ view of Philebus, according to which pleasure constitutes the complete human good (*Phil*; [1925b] 1939; Nussbaum 1995, pp. 98-9). This reprises the discussion of hedonism in the *Gorgias* (see Alvey 2010c). Protarchus claims that, if he could enjoy ‘the greatest pleasures,’ he would need nothing more (*Phil* 21a; [1925b] 1939, p. 235). Socrates takes up the challenge of showing him that a life without reason is not human.

Socrates and Protarchus have already agreed that the good life has several features of ‘the good’: it must be complete, sufficient, and choiceworthy (*Phil* 20c-d; Nussbaum 1995, p. 99). Socrates points out that, by itself, a life devoted exclusively to pleasure would exclude knowledge of current enjoyment, memory of pleasures, and the ability to calculate future pleasures (*Phil* 21b-c; [1925b] 1939, p. 237). Protarchus’s proposed life is more like that of a

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1 The following abbreviation conventions have been adopted: Aristotle *Politics* = *Pol*; Plato *Apology* = *Apol*; Plato *Gorgias* = *Gorg*; Plato *Philebus* = *Phil*; Plato *Republic* = *Rep*; Plato *Sophist* = *Soph*; Plato *Statesman* = *States*; Plato *Theaetetus* = *Theae*; Xenophon *Memorabilia* = *Mem*; Xenophon *Oeconomicus* = *Oec*. Citations from classical sources follow the standard conventions.
‘jellyfish’ than a human one (Phil 21d; Nussbaum translation at 1995, p. 99). Socrates appeals to ‘identity and species nature’ (Nussbaum 1995, p. 100). Protarchus is dumbfounded when he realizes that he has a hidden self-image and that it is as part of a species; he now tacitly admits that practical reason must play a part in his self-image as a human being. In other words, as Nussbaum points out, the ‘good life for a human being’ contains ‘both pleasure and intellect’ (1995, p. 99). The life of a pleasure-absorbing jelly fish is not choiceworthy: it ‘is not one that could be lived by a human being at all’ (Nussbaum 1995, p. 100). For Nussbaum, by showing what is beneath human beings, we have the start of a species view of man, from which an ethical theory can be built.

Nussbaum does not discuss the upper limit of humanity in the context of this dialogue but does suggest that Plato treats this in the Republic. On the basis of these two dialogues, Nussbaum concludes that, for Plato, humans have a specific place between the gods and the beasts; Plato has a species view of man. We follow Nussbaum in this respect. A species view of man, however, does not mean that Plato adopted natural law.

The theme of the Philebus is pleasure and intellect and their rank in what constitutes the good life. Socrates tacitly accepts that pleasure is good (Phil 11b, 44b-d; [1925b] 1939, pp. 203, 319-21; see Bartlett 2008, p. 142). A good life, however, also requires reasoning. On the other hand, a life of pure reasoning without pleasure is not choiceworthy (Phil 21e; [1925b] 1939, p. 237; see Vogt 2010). Socrates discusses and gets Protarchus to agree that a mixture of pleasure and wisdom is best (Phil 22a, 27c; [1925b] 1939, pp. 239, 257; Bartlett 2008, p. 143).

The good life actually requires many things and these must be added to the mixture (Vogt 2010). Pleasure is ultimately ranked fifth of the goods or causes of the good life (Phil 67a; [1925b] 1939, p. 399; see Benardete 1991, p. 239; Vogt 2010). Rather than asceticism, Plato effectively argues that measured amounts of the right type of pleasures (and wealth) is important for a good life.

Nussbaum finds a species view of man in the Philebus and claims some of the ‘late’ Plato as a predecessor of the Capabilities approach. If this is the foundation of Plato’s ‘late’ ethics, the superstructure needs to be built on top. In the Philebus and in Plato’s ‘early’ and ‘middle’ dialogues we have hints as to what the structure will look like. Nevertheless, questions remain. Precisely what role do pleasure-seeking activities play in human nature and human society? Is rationality the slave of the pleasures (as per Hume)? What role does political economy play? These questions prepare us for the Laws where Plato presents his practical proposals for a good city.

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2 Fowler translates this as ‘mollusc’ or an ‘oyster’ (Plato Phil 21d; [1925b] 1939, p. 237).

3 In other words, Nussbaum implicitly assumes a continuity in Plato’s ideas between the middle and late dialogues, which she elsewhere rejects (Nussbaum [1986] 2001).

4 In truth, the species view, assuming a clear distinction between human beings and the gods, is not accurate. Human virtues are called ‘divine’ by Plato (Laws 631b-c; 1980, p. 10; Strauss 1975, p. 66). Plato often refers to the best human beings (i.e. philosophers) as having divine virtues and approaching to the status of the divine (Theae 176a-c; 1921a, pp. 127-9; Laws 631b; 1980, p. 10; Strauss 1975, pp. 90, 113, 115, 171, 174). Humans are even told to strive to be like the divine (Strauss 1975, p. 60). The gulf between the best humans and the divine is not great.
Before turning to that dialogue, a few points can be made about two other dialogues. In the Sophist, the ‘late’ dialogue method of collection and division is clearly displayed (see Cornford [1935] 2000, pp. 184-7). The arts are either divine or human; each of these is then divided into the type of product, either real things or images (Soph 265b-266c; 1921b, pp. 447-51). The real things produced by humans are divided into productive (poiētikē) and acquisitive (ktētikē) (Soph 219a-c; 1921b, pp. 273-7; see Baecck 1994, p. 69; Zuckert 2009, p. 709; Brown forthcoming). These divisions, in turn, are further divided into smaller units (see Karayiannis 1990, p. 8).

A productive art ‘brings into being something which did not previously exist’ and Plato gives agriculture as an example (Soph 219a-b; 1921b, p. 275; see p. 273). The acquisitive art merely transforms what exists already. This category includes hunting and exchange. Something like Plato’s distinction is maintained by Aristotle and it was the type of distinction (productive rather than unproductive labour) that had economic and ethical content through until the Marginal Revolution in the 1870s.

In the Statesman Plato applies a different classification scheme. He distinguishes the contemplative art (philosophy) from the commanding art (the political or royal art); while the latter exists in the domain of practice, it must be informed by the former to some degree (States 260a; Plato [1925a] 1939, p. 15). The political art requires knowledge, but it is also a commanding art, that directs the various subordinate arts (States 260c-d; [1925a] 1939, p. 17; Strauss 1987, p. 77; Baecck 1994, p. 66). Plato confirms Xenophon’s view that the royal art is essentially the same, whether it is exercised in the household or the city, by a king, a statesman, or a householder (States 258e-259c; Plato [1925a] 1939, pp. 11-3; Strauss 1987, p. 70). As Bonar says, ‘the art of government may be called Politics or Economics indifferently’ (Bonar [1909] 1992, p. 18).

In this dialogue, Plato also compares the rule of the individual who has a mastery of the royal art with the rule of laws. Being general, law can never cover all of the particularities of individual cases (States 294a-295b; [1925a] 1939, pp. 135-7). The rule of the outstanding individual, who looks to the benefit of others, and who actually benefits others, is best (States 293d-e, 303a-b [1925a] 1939, pp. 133, 165). The master of the royal art, when he acts without law, constitutes the only correct regime. Unfortunately, the one with such ability rarely exists and is not easily identified by the others (States 301e; [1925a] 1939, p. 159). Hence, the best possible regime, the second best in truth, is one based on the rule of law (States 301e; [1925a] 1939, p. 159; Strauss 1987, pp. 74-5, 78; Zuckert 2009, p. 731). A monarchy bound by the rule of law is eventually selected as the best practical regime (States 302e; [1925a] 1939, p. 163). The Statesman may be viewed, therefore, as a ‘bridge between the Republic and the Laws’ (Morrow 1960, p. 584). It also anticipates important elements in Aristotle’s work.

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5 Bonar argues convincingly that it is difficult to maintain this distinction between these two types of arts ([1909] 1992, p. 20).
6 Consistent with Lowry’s view, Plato’s comments do not refer to surplus; they do not conceive of ‘novation’ (1987, p. 66). Nevertheless, a ‘productive’ art moves beyond the simple zero-sum game of the ‘acquisitive’ art.
7 Other supplements to the Laws may include the Minos and the Epinomis (the authenticity of both has been questioned). See Taylor 1960, pp. xi, lxi.
3. THE LAWS

The *Laws* is the longest Platonic dialogue and one of Plato’s final works.\(^8\) While not as carefully studied after World War II as the *Republic*, it contains a more detailed assessment of political economy.\(^9\)

---The Republic vs the Laws

The *Laws* is similar to the *Republic* in several ways: it investigates the relationship between the good city and the good human being; it is concerned with the various virtues; and it constructs a set of laws (defined shortly) designed to bring about the virtuous city and the virtuous citizen. Further, like the structure of the *Republic*, for the first third of the *Laws*, the philosopher (the Athenian stranger), and his interlocutors, sketch various cities (and some of their features) in draft after draft of the good city. Only then (*Laws* 734e; Plato 1980, p. 121) does the philosopher begin the work of outlining the laws of the regime. Nevertheless, there are also important differences between the two works.

In the *Laws* Plato discloses that the best regime in the *Republic* was an abstraction from key aspects of human nature: it depicted a society of ‘gods and children of gods’ (*Laws* 739d-e; see 853c; 1980, p. 126; see p. 245). Hence, the species view of man found in the *Philebus* was missing; the *Republic* depicted a mystical city inhabited by godly beings. The latter is a genuine utopia which is not available to real human beings. This is rectified in the *Laws*. Naturally, once real human beings are depicted, and the city discussed is comprised of actual human possibilities, more attention is given to economic matters.

The *Laws* presents Plato’s\(^{10}\) view of the second-best or actually the best possible regime, namely what is achievable ‘in the best circumstances’ (Pangle 1980, p. 377; see pp. 375, 458-9; Lord 1984, pp. 14, 21; Strauss 1987, pp. 78-80, 82).\(^{11}\) The rule of law rather than intellect is always a second best (*Laws* 875c6-d5; 1980, p. 271; Strauss 1975, p. 137). The utopian standard of the rule of philosophers in the *Republic* is dropped (Strauss 1975, p. 75). The focus of the *Laws* is the lawgiver’s laws for the best possible city (see Aristotle *Pol* 1264b40-1265a3; 1984, p. 64).\(^{12}\) The *Laws* adopts a jurisprudential and institutional approach; the *Republic* is primarily ethical (Taylor 1960, pp. xiii-xiv).

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\(^8\) Taylor suggests that Plato worked on this dialogue from 360 BC to his death some twelve or thirteen years later (1960, pp. x-xi). He also suggests that the work was never completed or required final revisions (Taylor 1960, pp. xi, xix).

\(^9\) Like the *Republic*, several sections from the *Laws* are included in a collection of Greek economics works (Laistner 1923, pp. 106-32).

\(^{10}\) Plato’s view, I assume, emerges in the dialogue through the words of the Athenian stranger (see Aristotle *Pol* 1264b25-1265a12; 1984, p. 64; Strauss 1987a, p. 78).

\(^{11}\) Aristotle concluded that in the process of describing the regime of the *Laws*, Plato gradually moves it towards that of the regime in the *Republic* (Aristotle *Pol* 1265a1-3; 1984, p. 64). In any event, despite its concessions to realism, the former is best described as quasi-utopian (see *Laws* 745e-746d; 1980, pp. 133-4; Strauss 1975, pp. 79-80, 98). The most favourable circumstances occur when the city is founded by a young tyrant (Strauss 1987a, p. 83; Strauss 1975, pp. 56-7, 72, 74).

\(^{12}\) Ultimately, even if there are good laws, bad rulers will ruin the city (*Laws* 751b-c; 1980, p. 136). Ethics trumps institutions.
An Introduction to the Laws

By Plato’s time the tradition of Greek cities undergoing a founding or refounding commissioning an independent lawgiver was well-established (see Alvey 2010a). In this tradition, the law-giver provides a new or refounded city with ‘a written constitution and a code of jurisprudence from its first inception’ (Taylor 1960, pp. xii-xiii). In the Laws Plato provides a model for law-givers.

Through the dialogue the philosopher (the Athenian stranger) provides ‘direct advice’ to Kleinias, who is about to serve as ‘the founder of an actual political community’ (Pangle 1980, p. 377; Plato Laws, 702b-d; 1980, pp. 87-8; see Pangle 1980 throughout). By the end of the Laws the Athenian stranger has provided what amounts to a reasonably complete constitution (including theology) and ‘legislative code’ (Taylor 1960, p. xii).

All of the laws are to be proclaimed at the founding as essentially sacred (i.e. unchangeable); the best possible city is a ‘divine regime’ or theocracy. About half way through the work we learn that after the founding, ‘Guardians of the Laws,’ who are slaves of the law, are to become the leaders of the city (Laws 752e-755e; 1980, pp. 138-41; Strauss 1975, pp. 83, 87). Eventually, Plato concedes that some alterations will be needed over time and this capacity to revise law must be built into the laws (Laws 771a; 1980, pp. 157-8; see Strauss 1975, pp. 92, 176-7; Pangle 1980, pp. 472-3). This incremental development is evident even within the argument of the work. By the end of the Laws, the ‘Guardians’ are supplanted as the true leaders of the city by the ‘Nocturnal Council’; the main task of the latter is to discuss the laws of the city and other matters that may have an impact upon the laws (Laws 968a; 1980, p. 373; Strauss 1975, pp. 174, 184).

In addition to legislative reform, this Council must try to persuade atheists to change their views. They attempt to do so on the basis of a demonstration of divine providence provided in the Laws (Laws 885a-907b; 1980, pp. 280-307). The Athenian stranger presents the cosmological argument for the existence of god. In addition, following the example of Xenophon, Kleinias, presents a version of the teleological argument: the argument from design (Mem I.4.4-13; 1994a, pp. 22-4; Laws 886a; 1980, p. 281; see Alvey 2003, p. 7). This natural theology was extremely influential in subsequent Christian thought. For Plato, the theology turns into the civil religion for the city (Pangle 1976; Pangle 1980, pp. 445, 484).

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13 Laws 965c; see 713e, 762e; 1980 pp. 370; see 100, 149; Strauss 1975, pp. 57-9, 71, 183, 185; Pangle 1980, pp. 442-3, 457-8, 503. It has a civil theology (Pangle 1980, pp. 445, 484, 507; see Pangle 1976). Most of this theology is of little interest to us but we will return to it when we discuss the need for piety to bring about justice in exchange.

14 By the end of the Laws there are so many offices and institutions that the Guardians are just one of many administrative bodies. (It appears that within a cycle of four years (or so) a high proportion of the citizenry will occupy one of the administrative positions within the city). The lines of command are also hard to follow. This seems to be part of Plato’s design for a mixed regime.


16 Plato would have had access to all of Xenophon’s works for most of the period that he worked on the Laws. In the various works of Plato, religious themes are frequently addressed. For example, a benevolent deity is found in the Timaeus. Long says that the Platonist model is of a world that conforms to intelligent design (2006, p. 431).

17 The Socratic design and cosmological arguments, became well known when Christian writers combined their theology with the Socratic writings.
503; Zuckert 2009, p. 143). His project, therefore, provides little of the foundations of the Scholastics, who subsequently built a massive structure based on revealed religion and natural law.18

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<th>--- Definition and Purpose of the Laws in the Laws</th>
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| In the context of the *Laws*, what are laws and at what goal(s) do they aim? Law (*nomos*) is understood to cover written law, preludes to the law,19 as well as various important customs (see Pangle 1980, p. 511 n. 1). The laws might be expected to aim at the same thing as existing cities with a good reputation, such as Crete and Sparta. Despite their prestige (see Alvey 2010a), the ultimate aim of the Cretan and Spartan laws is war (*Laws* 625d-626b, 628e; 705d; 1980, pp. 4, 7, 90-1). This is a fundamental mistake. Peace and goodwill are better goals (*Laws* 628c-d; 1980, p. 7; Taylor 1960, p. xliii; Strauss 1975, pp. 105-6, 117).

Good or ‘true laws’ ultimately aim at *eudaimonia*, which is comprised of two parts: virtue and ‘human goods’ (*Laws* 631b; 1926, Vol. 1, p. 25).20 Virtue is comprised of prudence, moderation, justice, and courage (*Laws* 631d-e; 1980, p. 10).21 Initially Plato says that ‘[h]uman goods’ include health, beauty, strength, and wealth (*Laws* 631b; 1980, p. 10).22 Later, even these considerations are shown to be inadequate; freedom (in terms of absence from oppression and some participation in politics), honour (and appropriate honour), trustworthiness, fame, the private family (and home), friendship, pleasure (i.e. the ‘quantity’ of pleasure after deducting pain is a positive sum), and the city itself have to be added to give a better picture of the good life.23 Implicitly, security and civic spirit can also be added to the list. This package of virtue and ‘human goods’ clearly foreshadows Aristotle’s approach to *eudaimonia*.24

18 Ultimately it seems that Plato rejects natural law (Strauss 1983, p. 138). Plato shows that he is aware of the design argument but it is significant that it is the non-philosopher (rather than the Athenian stranger), who presents the doctrine.

19 Preludes are persuasive, educative preambles to laws that ‘explain the purposes of the laws’ (Nichols 1998b, p. 106; Strauss 1987a, p. 84).

20 At times it seems that the goal of the regime is virtue (i.e. the four virtues of prudence, moderation, justice, and courage) (*Laws* 963a; 1980, p. 367; Strauss 1975, pp. 44, 179; see p. 48). This is because it is often assumed that the human goods *accompany* virtue (*Laws* 631b-c; 660d-663e; 1980, pp. 10, 41-4; Strauss 1975, pp. 19, 30-1, 71, 167-8; c.f. 13, 28-9). Further, on a number of occasions Plato makes it clear that the leader of the four virtues is intellect (*Laws* 631c-d; 6322c; 1980, pp. 10-1; Strauss 1975, pp. 8, 9,179, 184).

21 The four virtues in the *Laws* are the same as those in the *Republic*, except that wisdom (*sophia*) is replaced by something else. It is rather unclear whether it is replaced by prudence (*prōnēsis*) (*Laws* 631c6; 632c5; 1980, pp. 10-1) or by intelligence (*nous*) (*Laws* 631b7; 631d5; 632c6; 1980, pp. 10-1). On this, see Lewis forthcoming. Whether there is a downgrading of the demand for virtue in the *Laws* is ambiguous. Some commentators argue that the two sets of virtues in the two works of Plato are equivalent (Taylor 1960, pp. lxx-lx).

22 Actually, only that wealth enlightened by prudence is admitted to be a human good (*Laws* 631c; 1980, p. 10; Strauss 1975, p. 7).

23 Plato *Laws* 631d-e, 663a, 693b-d, 694a, 697b-d, 721c, 730c, 736d-e, 737c-738a, 738d-e, 756d, 763e-764a, 768b, 772d, 776a, 792c-793a, 855d, 880d-e, 945e-946a; c.f. 773a-b, 923a-b; 1980, pp. 10-1, 43-4, 77-8, 82, 108, 116, 124-5, 141-2, 150, 155, 160, 164, 180-1, 248, 277, 347; c.f. pp. 160-1, 323-4; Pangle 1980, pp. 404, 428, 434, 436, 448, 456, 462. Similarly, religious faith seems to be viewed as also necessary to *eudaimonia* (Pangle 1980, p. 425). The family is primarily presented in terms of piety (*Laws* 877d-878b; 1980, pp. 273-4).

24 The unity of the elements within the virtues and within the human goods, the relationship between these two sets, and the relationship of each set to *eudaimonia*, cannot be addressed comprehensively here. Nevertheless, it can be stated immediately that complex issues are involved (Pangle 1980, pp. 386-8, 391, 404, 417, 422, 426, 449, 465, 488, 510; Strauss 1975, p. 181). Trade-offs may be made between elements in one group and elements in the other group; this may even be associated with increased *eudaimonia* (*Laws* 705e-706a; 1980, p.
Laws then try to address both aspects of eudaimonia, although Plato sometimes suggests that preference should always be given to virtue rather than wealth (Laws 706a; 1980, p. 91).
Laws play an important part in the education of the denizens of the city. It is clearly assumed that the laws will be obeyed. The laws shape not only behaviour but more fundamentally the character (soul) of those who are compelled to obey them. The extraordinary example of Sparta (see Alvey 2010a; Alvey 2010b) shows, the power of law, custom, and education in shaping the bodies and character of its citizens (Kitto [1951] 1957, p. 94). Plato clearly found the empirical evidence of the power of Spartan laws impressive (despite some reservations about their goal). By reshaping the human soul, Plato was aiming to profoundly change character and thus human motivation and behaviour. The *Laws* is a type of soulcraft designed to alter economic (and other) behaviour (Karayiannis 1990, p. 36; Pangle 1980, p. 447).

Many topics are discussed in the *Laws*: ethics, education, politics, theology, and so on. Education is discussed at length.

-- The Role of Law and Education in Securing the Good Life

Bonar says that Plato’s social philosophy in the *Laws* (and in the *Republic*) is ‘essentially a system of education’ ([1909] 1992, p. 27). Actually, for Plato, the system of education must work together with the law, and other elements, as an integrated package.

Education is clearly critical, because ‘those who are rightly educated’ generally become ‘good’ (*Laws* 644a-b; see 766a; 1926, Vol. 1, p. 65; 1980, p. 153). As is true for Xenophon and Plato’s ‘middle’ period works (like the *Republic*), in the *Laws* it is claimed that moral education of the young (through music) and habituation are essential to virtuous motivation and behaviour. Ultimately the goal of good education is the perfect human being (*Laws* 653a-b; 1980, p. 32; see Strauss 1975, pp 22-4, 106). The importance of the educative function of good laws is especially evident in the case of women.

The ability of most ancient Greek women to move outside of the home, their ability to exercise, their education, their employment opportunities, and their ability to participate in the public life of the city were all greatly limited (Alvey 2010a). Plato himself notes that most Greek women merely serve as stewards of the home and supervise spinning (see *Laws* 805e-806a; Plato 1980, pp. 195-6). Going even further than Xenophon, Plato says that virtually every known city ‘is half what it might be’; human potential, or functionings can be doubled he argues (*Laws* 805a; 1980, p. 195). The same applies to eudaimonia (*Laws* 806c; 1980, p. 196). Both in the *Republic* and in the *Laws* Plato insists that the capacities of half of the free citizens of virtually every city had been underdeveloped due to the lack of education and participation in public life of women; while the perfect equality of women with men may

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25 This doctrine is seen in Socrates’s own acceptance of the death sentence handed down by the Athenian jury on him for impiety and corrupting the youth (Plato *Crito* 50a-51c; 1984c, pp. 108-10; see Plato *Apol*; 1984a).

26 Taylor says that ‘the Minister for Education … is the most important and responsible public servant of all’ (1960, p. xxxviii; see p. xvii; Strauss 1975, pp. 90-1).


28 For this to be true the capability adjustments would need to apply to all females (including resident aliens and slaves). It also assumes that survival rates of females and males is equal.
be impossible (see Appendix 1), the goal is for a radical advance on every city (even Sparta). Plato’s claim of capability shortfall is accurate but his proposed remedy would represent a frontal assault on tradition (Strauss 1975, p. 110). Plato felt that existing political regimes (including democracy) could not deliver such radical reforms. Here is another reason for his rejection of pure democracy.29

Following to some degree the proposal in the Republic, there will be a musical education in the best possible city. Unlike the Republic, however, Plato’s proposed musical education and performance in the Laws applies to every adult and child, regardless of gender or freedom (Laws 665c; c.f. 664d; 1980, p. 46; c.f. p. 45).30 It is to be public education (rather than in the home) and compulsory (Strauss 1975, p. 106). The education of females and males must be the same (Strauss 1975, pp. 106, 110). Plato expects that the combined effect of educating women and slaves will be that the capabilities of the denizens of his city will be roughly double that of an existing Greek city with a similar number of denizens. He wants a radical advance in social achievement.

In order to achieve this increase in human potential, Plato clearly sees much work to be done in legal reforms. These must be accompanied by the eradication of unfounded customs. Finally, educational reforms must complement the laws.

Thus, for Plato, laws and education work together, not so much to restrain action as to form character. This guided motivational structure, in turn, promotes action in the desired direction. What Sen calls an ethics-related view of motivation underpins the Laws.

--An Overview of Principles Guiding the Law

The laws of the law-giver have several principles that underpin them. They are to make ‘the people as happy [eudaimon] and as friendly to one another as possible’ (Laws 743c; 1980, p. 131 emphasis added). Actually, the good life has even more requirements, as stated earlier. The precise delineation of goals, intermediate goals, and their connections is left somewhat obscure by Plato.

What is clear, however, is that an individual’s achievement of eudaimonia depends on a wide range of factors. One example will have to suffice here. A precondition for eudaimonia is the continued existence of the polis. This means that stability has to be one of the intermediate goals of the city. Virtue31 is also important for eudaimonia but it can be compromised by a defective city. Even so, Plato seems unwilling to sacrifice virtue for the mere survival of the city (Laws 707d, 770e; 1980, pp. 92-3, 158).

29 Unlike Sen, the Nobel Laureate Gunnar Myrdal was quite prepared to tackle hard issues, such as cultural barriers to development (Duhes 2008, p. 180).
30 Thus, slaves are educable and the traditional Greek view turns out to be mere prejudice. For Plato, there are no natural slaves but conventional slavery is tolerated (Laws 776b-778a; 1980, pp. 164-6; c.f. Bonar [1909] 1992, p. 28; Morrow 1939, pp. 35, 110, 129-33, 132). Although there is no class of slaves specified in the Republic, most commentators assert that Plato assumes their existence even in that work (Bonar [1909] 1992, pp. 27-8; Morrow 1939, pp. 130-2; c.f. Karayiannis 1990, p. 32 and note 50).
31 It should be noted that, in addition to virtuous motivation, good outcomes are also important.
Ethical Principles
The laws must provide general support for the four virtues. I will focus on moderation here. The other virtues are courage, justice, and prudence. For Plato, courage is fourth in rank and needs to be kept in its place. By contrast, justice and prudence need attention. I have treated prudence, normally in relation to politics. I discuss many aspects of justice below, especially in relation to economics.

One principle that is relevant to the securing of moderation is that there must be a balanced view towards the acquisition of pleasure and the avoidance of pain (Laws 792c-793a; 1980, p. 180). Unlike the Republic, in the Laws Plato concedes that pleasures and pains are important considerations in human life; he even refers to a sort of pleasure/pain calculus which incorporates dimensions such as ‘number, size, [and] intensity’ (Laws 733b-c; 1980, p. 119).32 It has some kinship with the Protagorean hedonic calculus (see Alvey 2010a). In the latter case the goal is to maximize net pleasure but in the Laws the goal is merely to ensure that net pleasure is a positive rather than negative sum i.e. avoidance of a miserable life.33 The question then is how to put the quest for net pleasure into perspective because, as we have shown elsewhere (especially in the Gorgias), the maximization of the pleasurable is not identified with the good (see Laws 792c-793a; 1980, p. 180; Plato Gorg 497a-e; 499b-e; 506c-d; 1998, pp. 91, 92, 95, 104; Alvey 2010c). Such a pleasure-addicted soul, according to Plato, is ‘sick’ (Laws 714a; 1980, p. 100). The good person is able to rule herself/himself (Laws 644b; 840c; 1980, pp. 24, 232). In other words, such a person must be able to master pleasure and pain. This self-control of the good person implies neither endless pursuit of pleasure nor avoidance of all pain; this ‘middle course,’ or ‘gracious’ way of life, is intermediate between these two (Laws 792d; Plato 1980, p. 180; see Karayiannis 1990, p. 7).34 Achieving this self-control is the goal of early education and habituation thereafter (Strauss 1975, p. 101).

This does not mean that the city should try to deny all pleasures to its citizens either, as Sparta (and Crete) do (Laws 636e-637a; 1980, p. 16). The good city, like the individual, must aim for a sort of mean. Hence, the laws must aim at producing citizens who properly balance pleasure and pain (Strauss 1987, p. 80). This goal then sets the framework for Plato’s discussion of acquisitiveness or money-making. ‘The Athenian cannot stop thinking about the harm done to cities by love of gain’ (Strauss 1975, p. 118). Only a few, who are well reared, can exercise self-restraint with respect to the ‘acquisition of wealth’ (Strauss 1975, p. 159). Others must be restrained by institutional means.

Political Principles
With regard to political principles, I will focus on the virtues of prudence and justice and the ‘human goods’ of the city, the family, and honour (i.e. political participation). Plato adopts five political principles in the Laws. It should be conceded, however, that they compete

32 Spiegel says that this doctrine appears to anticipate Bentham’s utilitarianism but that is doubtful (1991, p. 22 in the context of p. 20).
33 By giving value to human goods, it is clear that Plato is now providing a partial answer to Glaucon’s demand in the Republic that Socrates show that, even whilst being tortured, justice is sufficient for a good life (Plato Rep 361d-362a; [1968] 1991, p. 39).
34 The contrast does not consider either asceticism or masochism, and certainly not sadism.
somewhat which each other. Within the framework of the best possible city, these are the principles derived from prudence.

First, a variation on the mixed regimes of Sparta and Crete is recommended; this combines elements of monarchy and democracy, constitutional constraints, laws aimed at the common good, and participation by various sections of the community. 35 Seven titles to rule are recognized but some are effectively dropped in the course of the work (Laws 690a-c, 714e-715a; 1980, pp. 74, 101). 36 Two major types of regimes are discussed, each with a major characteristic: democracy (freedom) and monarchy (despotism) (Laws 693d-e; 1980, p. 78). As extreme freedom and extreme despotism are both bad, the type of regime proposed is a mix of both (Strauss 1975, pp. 52, 57). 37 Overall, a constitutional arrangement is proposed which allows citizens to restrain each other towards moderate behaviour (Pangle 1980, p. 434). This system of restraints aids a set of laws aiming at the common good: ‘Correct’ laws are those laid down for the common good, not for sectional interests (Laws 715b; 1980, p. 101; Strauss 1975, pp. 162, 164). Together, these produce what is called a mixed regime. It allows various sections of the community to participate in ruling. It produces moderation and a type of justice. The mixed regime is well known and even today most advanced liberal capitalist systems fit this type.

Second, as we saw in the *Statesman*, Plato accepts that the rule by the true master of politics is best. The *Laws* accepts the second-best of the rule of law (Morrow 1960). Hence, the *Laws* provides detailed preludes and detailed laws on a wide range of topics. Today, following Montesquieu, we see the rule of law requiring a strict separation of powers (Montesquieu [1748] 1989). From this perspective, the rule of law in the *Laws* is ‘very imperfect’ (Pangle 1980, p. 466; see p. 470). Nevertheless, especially in the treatment of the courts, Plato provides the first work which defends many of the modern jurisprudential principles (Laws 766d-767a; 1980, pp. 153-4; Pangle 1980, pp. 470-1; Taylor 1960). The rule of law tends to promote moderation and justice.

Third, Plato sneaks back in the partial rule of philosophers (Strauss 1975, pp. 75, 185; c.f. Morrow 1960). The Nocturnal Council, which leads the process of legal reforms, gradually emerges as another institution involved in ruling (Laws 968a; 1980, p. 373). Only pale imitations exist today. 38 Although it has a mix of members, it includes philosophers, who provide the prudence for the regime. The *Laws* mixes the mixed regime with the rule of law and some intellect (*nous*). The mixed regime and the rule of law represent deviations from the *Republic* but the Nocturnal Council represents a partial return to it.

36 Wealth is not mentioned as one of the legitimate titles to rule (see also *Laws* 715b-c; c.f. 744b-c, 756b-e; 1980, pp. 101-2; c.f. pp. 131-2; Strauss 1975, pp. 46, 85, 88-9).
37 There are also different rules for election of magistracies which tend to produce a mixed regime (*Laws* 756b-e; 1980, pp. 142-3; Strauss 1975, pp. 85-6).
38 In the UK, Ireland, Australia, New Zealand, and Fiji there are government-funded commissions which advise on law reform. The UK House of Lords has been viewed as a sort of more dignified, house of review where many members are selected because of their demonstration of excellence in one or more field. Nevertheless, it has never been viewed as being philosophic.
Fourth, the private family is to be allowed. It is a human good that Plato concedes cannot be denied to the bulk of the population. Indeed, it cannot be denied to any class. Nevertheless, two dangers must be addressed: acquisitiveness for the sake of one’s children; and the tendency to detach the family members from the city. Acquisitiveness for the sake of one’s children is rejected as a justification (see Appendix 2). Further, the private family’s threat to civic participation and duty must be counteracted by institutional means. Common meals for men (and to some degree, women also) is one institution designed to promote security and to prevent the private sphere from dominating.\(^{39}\) Plato goes even further toward weakening attachments by recommending that marriage partners be selected according to what is beneficial to the city (Laws 773a-e; 1980, pp. 16-1; Strauss 1975, p. 94).

Fifth, the city must try to achieve distributive justice in two senses: appropriate reward for excellence and avoidance of poverty. Plato says that appropriate rewards can only be allocated in a small polis. In such a situation, friendliness and familiarity with each other’s character allows good judgment to be made on the allocation of (political) offices (Laws 738d-e; 1980, p. 125).

Poverty has two consequences. First, it leads to inadequate consumption of food and drink. A sound diet is needed for nourishment for health, one of the ‘human goods’ (Laws 789d, 797e-798a; 1980, pp. 176, 186). Ensuring adequate food and drink is an intermediate goal to achieving the goal of health. Like other things, food and drink can produce pleasure, ‘a certain correctness,’ and benefit (Laws 667b; 1980, pp. 48-9). ‘[T]he correctness and the benefit’ of a meal is the ‘healthiness’ which it produces (Laws 667b-c; 1980, p. 49).

Second, given the narrowing of vision to mere survival, poverty also leads to bad moral motivations and behaviour.\(^{40}\) It makes the person ‘humble, illiberal, and misanthropic’ and thus ‘unsuited for living with others’ (Laws 791d; 1980, p. 179). Poverty is painful and urges the soul to vice, easy persuasion by demagogues, and ultimately ‘slavery’ (Laws 729a; see 735e-736a, 791d, 919e; 1980, p. 114, see pp. 122, 179, 319). Poor people lose interest in the higher human capabilities. Poverty is bad in terms of ethical motivations and in terms of human capability achievements. Hence, avoiding poverty becomes an intermediate goal for Plato.

With regard to poverty, several causes are relevant: land ownership; the possession of an art to earn income; and ultimately the availability of food and drink. Plato argues that, in most cases, poverty will not arise when 1) land is allocated to all households and 2) there is a requirement that everyone acquire an art and practice it. In some cases it may not and so he also addressed food and drink directly. Plato treats food and drink as entitlements under distributive justice.\(^{41}\)


\(^{40}\) The human desire of food and drink is erotic and it produces a ‘frenzy’; people will fight when there is inadequate food (Laws 782e, see 678e; 1980, p. 171, see p. 61).

\(^{41}\) This is not a human right because Plato treats metics differently.
Some Principles Guiding Economic Laws

Four principles governing economic matters will be discussed before turning to the economic laws themselves. These derive, in part, from prudence and justice. First, the principle of the division of labour is adopted by Plato once again. Second, private property of a sort must be introduced. Third, there must be limitation on acquisitiveness and wealth (indeed the ‘absence of money-loving’) (Laws 737a; 1980, p. 123). Appendix 2 discusses some possible exceptions to Plato’s critique of acquisitiveness and wealth. Fourth, there must be justice, namely contractual justice and limits on inequality (Laws 736c-e; 1980, p. 123). As I have discussed the first principle elsewhere (Alvey 2010c), I will only discuss below the last three principles.

First, along with the private family and home goes the institution of private ownership generally. The land of the city must be divided between the citizens. What Plato has in mind by the land title is particularly interesting, as it severely modifies private property rights. Land is inalienable and hereditary (Laws 740b, 741b, 923a-c; 1980, pp. 127-8, 323-4; see also Strauss 1975, p. 162). The land must be viewed as sacred and each citizen must consider his share as also belonging in a sense to the whole citizenry (Laws 740a, 741c; 1980, pp. 126-8; Strauss 1975, p. 93). It is a sort of mean between fully communal and fully private property (see Laws 740a, 877d, 923a-b; 1980, pp. 127, 273, 323-4; Morrow 1960, p. 105). This stewardship arrangement moves us towards an ethical view of private land and away from viewing it as a resource which is available for exploitation and alienation by sale, as is claimed to be ideal by modern mainstream economists.

Second, Plato concedes that most people (who live under imperfect regimes with imperfect laws) do not seek a proper balance between pleasure and pain: they ‘want without measure’ (Laws 918d; 1980, p. 318; see Rep 431b-c; [1968] 1991, p. 109). They desire ‘insatiable and limitless acquisition’ (Laws 870a; 1980, p. 264). When it is possible to ‘gain measured amounts, they choose to gain insatiably’ (Laws 918d; 1980, p. 318). This induces them to act unjustly. Such attitudes and actions, we are told, are mistaken and arise from their ‘lack of education’ (Laws 870a; 1980, p. 264). One should only seek to be ‘justly and moderately’ wealthy (Laws 870b-c; 1980, p. 265). Injustice destroys friendship and ultimately the city itself; too much wealth leads to luxury and the ‘corruption’ of the soul (Laws 919b-e; see 794a; 1980, p. 319; see p. 179). The luxurious city is therefore rejected on ethical grounds (see Laws 831c-d; 1980, p. 222).

According to Plato, wealth serves the body and the body serves the soul. Wealth (and acquisition of wealth) is third in rank (Laws 697b, 743d-e, 870a-b; c.f. 661a-c; 1980, pp. 82, 131, 264-5 c.f. 41-2). This ranking (soul, body, money) is what the lawgiver must constantly have in view in evaluating whether he is on the right track (Laws 744a; 1980, p. 131). Plato says that this ‘truth’ must be told to the inhabitants of the city. It also must be stressed in the education system as central to its character-formation function.

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42 In order to share the defence burden, each lot comprises two portions: one near the edge of the territory (chora) and one near the city (asty) (Laws 745c; 1980, p. 133).

43 Property rights for movable property are strict; security of property is the foundation of exchange (Laws 913a; 1980, p. 312; Strauss 1975, p. 157). Punishment for theft is severe (Laws 914b-c; 941b-942a; 1980, pp. 313, 342-3; see Strauss 1975, pp. 128, 166-7, 169).
Strange as it may sound to us, these factors show up in Plato’s view of the location of the ideal city. It should not be too close to the sea. A sea port would become a commercial harbour (emperion) and bring in many foreign traders and foreign merchandise. It tends to produce ‘untrustworthy’ souls and the character of the city would follow suit (Laws 705a; 1980, p. 90). ‘[N]othing does more harm’ to the city’s moral habits (especially justice) than an export-oriented economy (with the accompanying flow of gold and silver) (Laws 705b; 1980, p. 90). Thus, the commercial city (no doubt modern Singapore would fit the bill) is to be avoided on moral grounds. This gives us a sense of Plato’s mature view of the relationship between morality on the one hand, and wealth and aquisitiveness on the other.

Taming the wild acquisitive desires by a ‘political system … designed to make people lose their fondness for money’ is important for three reasons (Petrochilos 2002, p. 611; see also Appendix 2). First, it is required for the sake of the soul of those living in the city. Second, it is needed for the sake of friendship. Third, it is required for the very survival of the city.

Let us now turn to the final principle of law dealing with the economy: the principles concerning inequality and what constitutes a reasonable standard of living. Extreme economic inequality will destroy the city. Excess of wealth creates ‘enmities and civil strife both in cities and in private life’ (Laws 728e-729a; 1980, p. 114). Hence, inequality must also be strictly limited. As Strauss notes, ‘polarization of the city’ is ‘the opposite of friendship’ (1975, p. 94). If a sort of rough equality is sought, we need to consider two further questions. First, should the aim be roughly equal poverty? Second, what principle(s) ought to guide the permitted degree of inequality? We will consider these questions in turn.

First, Plato is concerned that genuine need (chreia) be met. Having abandoned the communism of the Republic, in the best possible regime some private property is needed by all free persons resident in it (Laws 739c-e; 1980, p. 126). Poverty makes the person ‘humble, illiberal, and misanthropic’ and thus ‘unsuited for living with others’ (Laws 791d; 1980, p. 179). Poverty is painful and urges the soul to ‘shamelessness’ (Laws 919e; 1980, p. 319). It is associated with vice (Laws 735e-736a; 1980, p. 122). Deficiency of money leads to easy persuasion by demagogues and ultimately ‘slavery’ (Laws 729a; see 735e-736a, 791d; 1980, p. 114; see pp. 122, 179).44

Both luxury and poverty are to be avoided (Strauss 1975, p. 160). ‘Well-bred dispositions usually spring up’ where ‘neither wealth nor poverty’ prevail (Laws 679b; 1980, p. 61). Household and city management apparently must aim for a moderate amount of wealth (Laws 742d, 744d; 1980, pp. 130, 132).

Second, Plato proposes that ‘equality of opportunities’ ought to apply, at least to some degree (Laws 744b; 1980, p. 131; see Pangle 1980, 462). This means that there needs to be some capacity to increase one’s wealth through hard work, thrift, and so on. The reverse applies as well. Further, Plato seems to have in mind a moral framework for commercial transactions, including some notion of exchange justice. Nevertheless, equal opportunity itself is limited by two factors. First, there are maximum and minimum limits on wealth. Second, because

44 This sort of class Marx later called the lumpenproletariat (see Pangle 1980, pp. 458-9).
the private family is permitted, there will be unequal parental care and attention of offspring (especially in the form of inheritance of wealth).

The society also must be just to some degree in market relations. Various property rights and exchange justice must be enforced. These principles, however, are limited by other ethical principles.

When we put these principles together we can see the outline of Plato’s ideal economy. It is a relatively egalitarian, self-sufficient, agrarian economy with limited dependence on international trade; it has limited private property rights but a moderate standard of living. The economy is framed by various ethical principles (prudence, moderation, and justice) and friendship.

--The Economic Laws

Let us now turn from the principles guiding the city (including economic principles) to some of the actual economic laws that Plato proposes. Generally speaking Plato is not that interested in production or supply and certainly not to the extent that Xenophon is. Nevertheless, in the Laws he tries to establish a just framework within which production can occur. He is more interested in demand or consumption. Between slaves and metics (resident aliens) he merely assumes that there will be sufficient production. Plato’s economic laws will be discussed in two groups.

The first set of laws strives to limit poverty, inequality, acquisitiveness, and the amount of riches accumulated; they must also build in some scope for equal opportunity. The means of avoiding poverty is to provide an initial allocation of land to each citizen and require that this allocation be maintained in perpetuity by the citizen’s family (Laws 740b-e, 744d-e; 1980, pp. 127, 132). Even the rulers are landowners, unlike the counterparts in the Republic (Baek 1994, p. 65). The land allocation provides the subsistence needs of the family and the lower limit of inequality.

Another aspect of equalizing wealth which has to be addressed in the initial allocation of land is variation in soil fertility. The sizes of the initial allocations of land are to vary inversely in size with the productivity of the soil (Laws 745d; 1980, p. 133). For such calculations to make sense over the long term, various assumptions need to be made about sustainable land management. To the extent that inequalities in technological adaptation are allowed, inequalities of wealth that result will be subject to other legal provisions (discussed below). In any event, even if these processes fail at equalizing wealth, there is a safety net. Except for foreigners (who acquire their food through markets) food supply is centrally collected, administered, and distributed by class, without use of prices (Laws 847e-848b; 1980, p. 240).

45 There is only one heir per household (Laws 740b; 1980, p. 127). Clearly, like the Republic, a strict population control is required (Laws 740b-741a; 1980, p. 127; Strauss 1987a, p. 85).

46 There is no mention of technology or appreciation of technological progress in the Laws. Further, because Plato’s ideal is a near-static society, technological advance would be prohibited or at least limited.

47 Karayiannis goes so far as to suggest that the principle of proportional inequality also applies to consumption (1990, p. 35). He goes too far in drawing a general rule from Plato’s statement that the expenditure on a marriage feast ‘should in no case be more than the property will bear’ (Laws 755a; 1980, p. 163).
Various institutions are designed to ensure that ‘great money-making is impossible’ (Laws 741e; 1980, p. 129). For example, no more wealth can be accumulated than an *addition* of four times the lowest income level of one allotment of land (i.e. four times the poverty level) (Laws 744c; 1980, p. 132; c.f. Taylor 1960, p. xxxvi). This upper limit on inequality is to be strictly enforced, with severe penalties for breaches (Laws 745a-b; 1980, p. 132). There are various other laws to equalize property ownership and limit acquisitiveness (Laws 734e-747e; 1980, pp. 121-35; Gordon 1975, p. 52).

Next, let us see where equal opportunity plays a role. Plato says that there will be four classes; these will be determined by wealth but membership is fluid depending on one’s current wealth (Laws 744c-d; 1980, p. 132). ‘[H]onours and offices will be distributed …on the basis of proportional inequality’ (Laws 744c; 1980, p. 132). There is a hint that this proportionality principle also applies to taxation obligations and public disbursements (Laws 744b; 1980, p. 131; Strauss 1975, p. 78).

The second set of laws covers miscellaneous things: education; the division of labour; the encouragement/discouragement of the arts; regulation of markets and prices; the use of money; the use of credit and payment of interest; and compensation for commercial damages. These will be discussed in turn, starting with education.

According to Plato, as stated earlier, one key element in education is telling the truth about the ranking of the soul, the body, and wealth (Laws 697b, 743d-e, 870a-b; c.f. 661a-c; 1980, pp. 82, 131, 264-5 c.f. 41-2). In addition, education must aim to ‘detach [the young] from luxury’ (Laws 793e; 1980, p. 181). Further, the laws and customs in the city form part of the education of the denizens of the city; they are required to take both ‘illiberality and the love of money away from the souls’ of those in this city (Laws 747b-c; 1980, p. 135). The true end of education (and law) is character formation.

As for the division of labour, each person is to have one art, practiced from childhood, and to earn a living exclusively from that art (Laws 643b-d, 846d-847b; 1980, pp. 23, 239). Even if a person could earn more by combining occupations, the principle of a single occupation is to be enforced (Laws 846e-847a; 1980, p. 239). The role of the division of labour in promoting skill (*aretē*) trumps its role in promoting prosperity.

As we have seen in some earlier dialogues, some of the arts are praised as ‘serious,’ such as ‘medicine, farming, and gymnastics’ (Laws 889d; 1980, p. 286). Nevertheless, *citizens* are to be banned from engaging in most occupations. For example, the moral dangers of commercial activities are great. When placed in commercial occupations, such as retailing (*kapēlia*), most people ‘choose to gain insatiably’ (Laws 918d; 1980, p. 318). Some retailing, however, is necessary. To avoid such threats to the virtue of citizens, Plato requires that retailing be constrained to as small a role as possible in the economy (Laws 919c; c.f. 847e; 1980, p. 319; c.f. p. 240). Indeed, only foreigners are allowed to practise as retail traders.

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48 Plato does not articulate a clear distinction between wealth and income. He requires strict reporting of all wealth and strict population control (Laws 740b-e, 745a-b; 1980, pp. 127, 132). Plato implicitly assumes stability of the monetary unit. As there is no market for land, what would really matter is that non-land property be strictly limited.
(kapēloi; singular kapēlos); he claims that their ‘corruption would be least harmful to the [polis]’ (Laws 919c Morrow translation [Morrow 1960, p. 144]; 920a; 1980, p. 320).

For different reasons (i.e. they are time-consuming and specialist occupations), Plato says that no native inhabitant is to perform the ‘craftsmen’s arts’ (i.e. become a demiourgos) (Laws 846d; see 741e; 1980, p. 239; see p. 129; Morrow 1960, p. 143). In other words, the citizen is a property owner who engages in household management and politics. By the time that Plato was completing the Laws he would have had access to the complete works of Xenophon. Whether he was persuaded by Xenophon or not, Plato seems to have ended his life adopting a less grandiose version of the model of citizenship (kalokagathia of the property-owning household manager) promoted in the Oeconomicus. While the occupation of citizenship was primarily devoted to politics, the division of labour was imperfect. In contradiction to the law governing the division of labour, citizens in the Laws had to devote some time to household management (c.f. Benardete 2000, p. 248).

Markets are limited to a specific location and regulated by Market Regulators (agoranomoi) (Laws 846b-850c, 913a-922a; 1980, pp. 238-44, 312-22). Although duties are not imposed on foreign trade, prohibitions apply to 1) various ‘unnecessary’ imports, and 2) exports of necessities (Laws 847c; see 847b; 1980, p. 240; see Bonar [1909] 1992, p. 25). Despite the protectionist barriers on imports, the limitation on exports is critical in classifying this economy. Exports play an important role but only in as far as they allow necessary imports (Baeck 1994, p. 70). Like the best city in the Republic, the city of the Laws is closer to what we would call a closed economy model than the mercantilist economies which began in the 1500s. The latter emphasizes export promotion which, we saw earlier, Plato emphatically rejects on moral grounds.

Following the tradition of the historical Sparta (see Alvey 2010b), neither silver nor gold are allowed in the city (Laws 742a, 743d, 746a, 801b; 1980, pp. 129, 131, 133, 190). Nevertheless, money is to be permitted. Indeed, there must be two currencies: currency for international transactions must be strictly separated from the fiat money used within the polis (Laws 742a-b; 1980, p. 129). For Plato, political control over the value of the local money must be retained. Gordon argues that the purpose is ultimately moral: to limit money-making activities and to maintain ‘social equilibrium’ (1975, p. 44).

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49 This seems to contradict the presentation in the Republic, where retailers are part of the healthy city (Rep 371c-d; [1968] 1991, p. 48).
50 Most of the work on the farm, however, is done by slaves (Laws 806d9-e2; 1980 pp. 196-7).
51 The restriction on the market to a specific location is like an attempt to partially quarantine a disease.
52 Such a trade policy is sometimes found in less developed economies today. Here is another limitation on the division of labour (see Bonar [1909] 1992, pp. 16-7). Military needs seem to constitute the necessary imports and they are directly controlled by the military commanders (Laws 847d; 1980, p. 240; Strauss 1975, p. 125).
53 Plato’s two best cities (in the Republic and the Laws) should be contrasted with Xenophon’s proto-mercantilist Athens in the Ways and Means (see Alvey 2010b, Appendix).
54 Fiat money is neither a commodity (like gold or silver), nor redeemable for a certain fixed amount of such commodity.
As for the local market, for any good only a single price can be offered in one day (Laws 917b-c; 1980, p. 317; see Strauss 1975, p. 159). Sales in the domestic market must be completed without credit; Plato makes it clear that no law is to be made enforcing arrangements that use credit (Laws 849e-850a, 915d-e; 1980, pp. 243, 315). No interest can be charged on loans (Laws 742c; 1980, p. 129). The trading environment is not one conducive to wheeling and dealing, or opportunism, along the lines of modern capitalism. It certainly is not consistent with the view given in the modern economics textbooks, that price discrimination is a fact and certainly not a ‘bad thing’ (Frank and Bernanke 2004, p. 241). 56

On the other hand, when someone commissions a craftsman to undertake work and does not pay, this action ‘loosens [the] great ties of community’; thus, a law will need to be instituted to provide a remedy (Laws 921c; 1980, p. 322). Indeed, the proposed law provides for not only repayment but a penalty in addition (Laws 921c; 1980, p. 322). Gordon calls this ‘involuntary extensions of credit’ by the craftsman and notes its important role in Scholastic thought (1975, p. 49). Similarly, in agricultural production, damages due to the actions of neighbours must be remedied and a penalty paid (Laws 843b-844d, 845d-e; 1980, pp. 235-6, 238). The general principle in these laws is that there be correction for damage or injury plus a judicial penalty (Laws 843d, 934a, 936d-e; 1980, pp. 235, 336, 339).

Some sort of notion of a just price seems to be assumed by Plato. In the case of retail trade this is clear: the ‘Guardians of the Laws’ will meet with those who have experience in retailing and consider what ‘makes a well-measured gain for the retail merchant,’ after considering the difference between authenticated incomes and expenditures (Laws 920b-c; 1980, p. 320). Some sort of a moderately low profit rate seems to have been foreseen, because Plato adds that such a rate ‘would be pretty beneficial’ to everyone and would inflict ‘pretty much the smallest injury’ on those who use retail trade (Laws 920c; 1980, p. 321 emphasis added). This administered approach to pricing/profit may apply to others, such as those who provide accommodation for travellers (Laws 918b-919b; 1980, p. 319). In this context, Plato specifically refers to the ‘unjust price’ that travellers are often charged (Morrow translation Laws 919a; Morrow 1960, p. 144). 57 In other industries few details are given. The retail trade model may not apply precisely to them but the underpinning principle opposing high profits certainly does.58

None of this really explains, however, why Plato does not spell out what a reasonable profit rate should be. One possible answer is that such a rate would vary over time with the maturing of the city. In the context of the Laws, this does not make sense. This city must resist most, if not all, innovations.

Plato does not specify what the just price is but claims that the craftsman himself would know the ‘worth’ of his work (Laws 921b; 1980, p. 321). There is asymmetric information. The craftsman has superior knowledge (of the worth of his good) to the non-experts. Plato

56 This is despite the fundamental ethical defence of markets i.e. that competition drives prices to one efficient level where excess profits are competed away. It is sometimes repeated in this context that economics has nothing to do with ethics.

57 Plato spoke from experience. He had travelled widely after the execution of Socrates.

58 Karayiannis finds a suggestion that the just rate is determined by the cost of production (1990, p. 25). A mark-up model, with a small profit margin, may be more accurate.
says that this asymmetry allows the craftsman to exploit the ‘layman’: this is now a moral issue. All denizens, whether citizens or not, must strive to be moderate, including moderation respecting gain. He says that the craftsman should not try to ‘take artful advantage of laymen’ (Laws 921b; 1980, p. 321). With this background we can now begin to see a second possible reason why no details of the just price are spelt out. The city described in the Laws is a devoutly religious city (Pangle 1980, pp. 457-8). This seems to be part of the answer: taking advantage of others is impious. It is the city’s theology which helps ‘prevent one part of [the regime] from exploiting another’ (Pangle 1980, p. 442).59 Nevertheless, all the craftsmen are either foreigners, slaves of foreigners, or freed slaves. In most cases they would not have lived their whole life in the city. Even if they were somewhat habituated to the religion of the city, it is unlikely that they would be devout believers. Superficial adoption of the city’s religion may be insufficient.

A third possible answer is linked to the second. Moderation may also be induced by public accusation of wrong doing and shame (see Laws 646e-647a, 649c-d, 762c, 914b-c; 1980, pp. 27, 30, 148-9, 313; Strauss 1987, p. 80). Indeed, lawsuits can be brought against any craftsman who charges an unjust price (Laws 921b; 1980, pp. 321-2). In a small city (where everyone knows everyone else), reputation is important (Laws 729d-e; 1980, p. 115). Public denunciation for profiteering is to be feared and avoided if at all possible. This factor also is relevant. If the seller should try to deceive the buyer in any way, this is covered by another law which provides strict penalties (Laws 916d-918a; 1980, pp. 316-8).

The fourth and final answer is that, for many of the craftsmen, the just price is simply determined by force. The wealth that metics could acquire (through their work or that of their slaves) was very restricted; they could only stay in the city provided that they were ‘moderate’ (Laws 850b; 1980, p. 243; Morrow 1939, p. 20; Strauss 1975, p.158). Slaves of metics would be bound by the restrictions applying to their owner. Slaves of citizens cannot work as craftsmen or in retail trade (Laws 846d, 849c, 920a; 1980, pp. 239, 242, 320; see Morrow 1939, pp. 18, 98). That leaves only freed slaves, who were placed under severe restraints. Their wealth is limited and presumably they do not seek to cause trouble (Laws 915a-c; 1980, pp. 314-5; Morrow 1939, pp. 95-110). In any event, they must leave within twenty years of manumission (Laws 915b; 1980, p. 314).

Some sort of low mark-up based on a consensus of administrators seems to have been envisaged as constituting a just profit. In a city where moderation is constantly espoused, high profits are unlikely to be sustained. Ultimately, Plato’s just price relies on a combination of piety, moral education, avoidance of shame, and compulsion. This combination seemed to Plato to obviate any concerns over monopoly or collusive price fixing. The Christian Middle Ages relied to some degree on compulsion but much time was devoted by the Scholastics to addressing what the just price constituted.

--Conclusion

The Laws is an early example of the mix of theology, politics, ethics, and economics that dominated social thought for centuries in the Middle Ages. In the Laws we see the

59 Whether a non-punishing god, however, can sustain just behaviour is another matter (Pangle 1980, p. 443).
completion of Plato’s work on individual psychology and the good society: what Sen (1987) calls the ‘ethics-related view of motivation’ and social achievement. Further, Plato goes some way to incorporating the good household head in both. The views expressed in the *Laws* are intended to represent what might be achieved in a real city. The principles and institutions diverge somewhat from the *Republic*. The ethical approach to economics reaches a new peak. Not surprisingly, Aristotle adopted a great deal from the *Laws*. 
APPENDIX 1: PERFECT GENDER EQUALITY

The complete equality of women turns out to be controversial. After announcing the principle, Plato returns to the topic on a number of occasions.

First, Plato extends the discussion of the education and training in military arts to both genders ‘on an equal basis’ (Laws 840e; see 805a-d; 1980, p. 194; see p. 195; Pangle 1980, pp. 378-9, 417, 488). Indeed, when Plato discusses the equal military training of men and women, he appeals not to the past and existing practices but to ‘nature’ (Laws 790d-795d; 1980, pp. 182-3). What Plato means by natural is ‘the full development, in a harmonious and uncontradictory way, of all of the observed human capacities—in an individual or in a society at large’ (Pangle 1980, p. 480). Pangle goes on to argue that other aspects of nature may work against this, including the relative physical weakness of women (1980, pp. 480-2; Strauss 1975, p. 110).

Similar issues arise in the case of Plato’s argument for women participating in common meals. Full participation in public life demands attendance at public meals but once the communism of the Republic is abandoned, private pleasure and responsibilities militate against such participation (or the dilution of the pleasantness and quality of conversation due to the presence of young children). Nevertheless, Plato makes it clear that the (partial) withdrawal of women from public life, and their full development is a great loss for them and (through its impact on their husbands) the city as well.

Ultimately, the goal for a childless woman may not be equality but a close approximation to equality. In the best possible regime, a woman who produces children, however, will have to settle for greater loss of achievement than her childless counterpart. While Nussbaum views procreation as a capability, Sen emphasizes the need to reduce procreation (Nussbaum 2000, p. 78; Sen [1999] 2000, pp. 195-203). Perhaps producing two children can be viewed as a capability achievement but not more than two. The status of procreation as a capability achievement is consequently ambiguous.
APPENDIX 2: PLATO’S CRITIQUE OF WEALTH

Are there exceptions to Plato’s ethical critique of wealth? Let us consider three possibilities, the first of which considers successful acquisition of wealth as a demonstration of arête, a type of excellence or virtue. Could those who become rich through their own efforts be an exception to his strictures? Plato says that those who become very rich cannot become good (Laws 742e; 1980, p. 130). Two reasons are offered. First, the gain from ‘just and unjust means’ is double that ‘from just means alone’ (Laws 743a; 1980, p. 130). He effectively accuses the nouveau riche of gaining their wealth through fraud. Second, the money-maker spends half as much on noble objects (i.e. on the various liturgies covering projects honouring the gods, public works, and military provisions) as the good man (Laws 743a-b; 1980, p. 130). They are illiberal; they contribute little to public charities or public works. Plato apparently regards Xenophon’s depiction of Ischomachos (as both rich and virtuous) as overly sanguine.

A second possibility concerns the motivation for acquisition. Is Plato’s complaint against acquisitiveness overcome if the motivation for ‘gain’ is the wealth of one’s children? No. Leaving a large inheritance is good neither for one’s offspring ‘nor for the city’ (Laws 729a; 1980, p. 114). Those brought up in very rich households cannot be very virtuous (Laws 695c-696a; 1980, p. 80). The children are habituated to luxury and their inheritance promotes jealousy and division (see Laws 695d-696a, 728e-729a; 1980, pp. 80, 114).

On the basis of these two arguments, Plato concludes that ‘it is impossible for someone to be both unusually good and unusually rich’ (Laws 743a; 1980, p. 130 emphasis added). He again seems to be questioning the realism of Xenophon’s depiction of Ischomachos as both rich and virtuous. Joseph Schumpeter’s youthful eulogy of the entrepreneurial spirit (Unternehmergeist) of the captain of industry as a type of heroism, is clearly rejected by Plato.

A third possibility concerns the effects of acquisition on others. Contrary to the modern view, originated by Mandeville, that the pursuit of individual self-interest promotes the public good, according to Plato, acquisitiveness is also bad for the city (Mandeville [1714] 1966). When an ‘erotic love of wealth’ dominates the lives of those living in a city, ‘gain’ dominates their thoughts and actions; such a city cannot ‘undertake in a serious way’ any ‘noble and good activity’ (Laws 831c-d; 1980, p. 222). At least at its best, a city must aim for nobility. Further, acquisitiveness destroys friendship and the city itself. Social stability requires moderating the strength of acquisitive motivations (Baeck 1994, p. 68). Modern capitalist societies would not measure up to these strictures.

60 This human type is a miser and in Strauss’s view is neither a good nor a bad man (1975, p. 77). On the other hand, the person who corruptly gains and is also a big spender is an ‘utterly bad man’; he will be very poor (Laws 743b; 1980, p. 130). According to Strauss, this is the only type which is ‘altogether bad’ (1975, p. 77).
61 This seems similar to the Biblical doctrine that the rich man will have difficulty entering heaven (Mt 19: 24).
62 The term was used in early German writings by Schumpeter (see Peters and Besley 2009, p. 76).
63 A similar expression occurs in Xenophon (Oec XII.15; 1970, p. 53; see Booth 1993, p. 52).
64 The goal of the city is more than preservation, it is nobility: a city ‘is a thing which nurtures men, good men when it is noble’ (Menex 238b-c; 1929, p. 345).
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