

# Modern (Mis)interpretations Of Clean Slates



*Michael Hudson*

06-19-2024 ~ *Today's creditor-oriented ideology depicts the archaic past as much like our own world, as if civilization was developed by individuals thinking in terms of modern orthodoxy.*

Why were Clean Slates so important to Bronze Age societies? From the third millennium in Mesopotamia, people were aware that debt pressures, if left to accumulate unchecked, would distort normal fiscal and landholding patterns to the detriment of the community. They perceived that debts grow autonomously under their own dynamic by the exponential curves of compound interest rather than adjusting themselves to reflect the ability of debtors to pay. This idea never has been accepted by modern economic doctrine, which assumes that disturbances are cured by automatically self-correcting market mechanisms. That assumption blocks discussion of what governments can do to prevent the debt overhead from destabilizing economies.

## *The Cosmological Dimension of Clean Slates*

Mesopotamia's concept of divine kingship was key to the practice of declaring Clean Slates. The prefatory passages of Babylonian edicts cited the ruler's commitment to serve his city-god by promoting equity in the land. Myth and ritual were integrated with economic relations and were viewed as forming the natural order that rulers were charged with overseeing; in this context, canceling debts helped fulfill their sacred obligation to their city-gods. Commemorated by their year-names and often by foundation deposits in temples, these amnesties appear

to have been proclaimed at a major festival, replete with rituals such as Babylon's ruler raising a sacred torch to signal the renewal of the social cosmos in good order—what the Romanian historian Mircea Eliade called “the eternal return,” the idea of circular time that formed the context in which rulers restored an idealized *status quo ante*. By integrating debt annulments with social cosmology, the image of rulers restoring economic order was central to the archaic idea of justice and equity.

### *(Mis)Interpreting the Meaning of 'Freedom'*

The Hebrew word used for the Jubilee Year in Leviticus 25 is *dêror*, but not until cuneiform texts could be read was it recognized as cognate to Akkadian *andurarum*. Before the early meaning was clarified, the King James Version translated the relevant phrase as: “Proclaim *liberty* throughout all the land, and to all the inhabitants thereof.” But the root meaning of *andurarum* is to move freely, as running water—or (for humans) as bondservants liberated to rejoin their families of origin.

The wide variety of modern interpretations of such key terms as Sumerian *amargi*, Akkadian *andurarum* and *misharum*, and Hurrian *shudutu* serve as an ideological Rorschach test reflecting the translator's own beliefs. The earliest reading was by Francois Thureau-Dangin[1], who related the Sumerian term *amargi* to Akkadian *andurarum* and saw it as a debt cancellation. Ten years later Schorr (1915) related these acts to Solon's *seisachtheia*, the “shedding of burdens” that annulled the debts of rural Athens in 594 BC. The Canadian scholar George Barton[2] translated Urukagina's and Gudea's use of the term *amargi* as “release,” although the Jesuit Anton Deimel[3] rendered it rather obscurely as “security.”

Maurice Lambert[4] initially interpreted Urukagina's *amargi* act as an exemption from taxes, on the ground that most of the debts being annulled were owed to the palace. His subsequent 1972 discovery of Enmetena's kindred proclamation dating some fifty years earlier led him to see *amargi* as signifying a debt cancellation. F. R. Kraus[5] had followed this view in 1954, and greatly elaborated his survey of Babylonian proclamations in his 1984 survey of rulers “raising the torch” to signal debt cancellations.[6]

In America, Samuel Kramer (*History Begins at Sumer* [New York, 1959]) interpreted these acts as tax reductions. In a letter to *The New York Times* the day

President Reagan took office in 1981, he even urged the president-elect to emulate Urukagina and cut taxes! The term *amargi* became popular with U.S. libertarians seeking an archaic precedent for their tax protests.

Kramer[7] further belittled Urukagina's reforms as soon "gone with the wind," being "too little, too late," as if they were failures for not solving the debt problem permanently. In a similar vein Stephen Lieberman[8], deemed Babylonian debt cancelations ineffective on the ground that they kept having to be repeated: "The need to repeat the enactment of identical provisions shows that the *misharum* provided relief, but did not eliminate the difficulties which made it necessary....What seems to have been needed was reform which would have eliminated all need for such adjustments." He did not suggest just what could have created an economy free of credit cycles.

### *A Practical Solution*

Mesopotamian rulers were not seeking a debt-free utopia but coped pragmatically with the most adverse consequences of rural debt when it became top-heavy. Usury was not banned, as it would be in Judaism's Exodus Code, but its *effects* were reversed when the debt overhead exceeded the ability to pay on a widespread basis. These royal edicts retained the economy's underlying structure. The palace did not deter new debts from being run up, and kept leasing out land to sharecroppers, who owed the usual proportion of crops and were obliged to pay the usual interest penalties for non-delivery.

Igor Diakonoff[9] emphasized that "the word *andurarum* does not mean 'political liberation.' It is a translation of Sumerian *amargi* 'returning to mother,' that is, 'to the original situation.' It does not mean liberation from some supreme authority but the canceling of debts, duties, and the like.

The Assyrian term "washing the tablets" (*hubullam masa'um*[10]; may refer to dissolving them in water, akin to breaking or pulverizing them. Likening it to the Babylonian term meaning "to kill the tablet," Kemal Balkan[11] explained that the idea was to cancel grain debts by physically destroying their records. Along more abstract lines, Raymond Westbrook[12] likens the idea of "washing" to a ritual cleansing of the population from inequities that would displease Sumerian and Babylonian patron deities. Urukagina's edict thus was held to have cleansed Lagash from the moral blemish of inequity.

### *Some Anachronistic Creditor-Oriented Views of Clean Slates*

Instead of enforcing debt contracts at the cost of social and military instability, Sumer and Babylonia preserved economic viability via Clean Slates. Today's creditor-oriented ideology denies the success of Clean Slates overriding free-market relations. It depicts the archaic past as much like our own world, as if civilization was developed by individuals thinking in terms of modern orthodoxy, letting interest rates be determined simply by market supply and demand, duly adjusted for risk of non-payment.

Modern economic theory assumes that debts normally can be paid, with the interest rate reflecting the borrower's profit. The implication is that the fall in interest rates from Mesopotamia to Greece and Rome resulted from falling profit rates and/or the greater security of investment. In this view, debt cancellations would only have aggravated debt problems, by increasing the creditor's risk and hence the interest rate.

Modernist assumptions distract attention from what actually happened. No writer in antiquity is known to have related interest rates to profit rates or risk, or to the use of seeds or breeding cattle to produce offspring. We may well ask whether it was fortunate for the survival of Babylonian society that its rulers were not "advanced economic theoreticians" of the modern sort. If they had not proclaimed Clean Slates, creditors would have reduced debtors to bondage and taken their lands irreversibly. But in canceling crop debts, rulers acknowledged that the palace had taken all that it could without destroying the economy's foundations. If they had demanded that debt arrears be made up by cultivators forfeiting their family members and land rights to royal collectors (who sought to keep debt charges on the crop yield for themselves), the palace would have lost the services of these debtors for corvée labor and in the armed forces to resist foreign attack.

Markets indeed became less stable as economies polarized in classical antiquity. Yet it was only at the end of antiquity that Diodorus of Sicily (I.79) explained the most practical rationale for Clean Slates. Describing how Egypt's pharaoh Bakenranef (720-715) abolished debt bondage and canceled undocumented debts, Diodorus wrote that the pharaoh's guiding logic was that:

"the bodies of citizens should belong to the state, to the end that it might avail itself of the services which its citizens owed it, in times of both war and peace. For he felt that it would be absurd for a soldier, perhaps at the moment when he

was setting forth to fight for his fatherland, to be haled to prison by his creditor for an unpaid loan, and that the greed of private citizens should in this way endanger the safety of all.”

That would seem to be how early Mesopotamian rulers must have reasoned. Letting soldiers pledge their land to creditors and then lose this basic means of self-support through foreclosure would have expropriated the community’s fighting force—or led to their flight or defection. By the 4th century BC, the Greek military writer known as Tacticus recommended that a general attacking a town might promise to cancel the debts owed by its inhabitants if they defected to his side. Likewise, defenders of towns could strengthen the resistance of their citizens by agreeing to annul their debts.

This emergency military tactic no longer reflected a royal duty to restore economic self-reliance as a guiding principle of overall order. What disappeared was the relief of debtors from their obligations and reversal of their land sales or forfeitures when natural disasters blocked their ability to pay or after a new ruler took the throne. The oligarchic epoch had arrived, abolishing any public power able to cancel the society-wide debt overgrowth.

[1] *Les inscriptions de Sumer et d’Akkad*, 1905, pp. 86-87

[2] *The Royal Inscriptions of Sumer and Akkad*, 1929.

[3] *Sumerische Tempelwirtschaft der Zeit Urukaginas und seiner Vorgänger*, 1930, p. 9.

[4] “Les ‘Reformes’ d’Urukagina,” *La Revue Archéologique* 60, 1956, pp. 169-184..

[5] Ein Edikt des Königs Ammisaduqa von Babylon (SD 5, [Leiden]).

[6] Fritz Rudolph Kraus, [Königliche Verfügungen in altbabylonischer Zeit](#), 1984.

[7] Samuel Noah Kramer *History Begins at Sumer* 1959, p. 49.

[8] Stephen J. Lieberman “Royal ‘Reforms’ of the Amurrite Dynasty,” *Bibliotheca Orientalis* 46, 1989, pp. 241-259.

[9] “The City-States of Sumer” and “Early Despotisms in Mesopotamia,” in *Early Antiquity* 1991, pp. 67-97, p. 234.

[10] A. Kirk Grayson *Assyrian Royal Inscriptions: From the beginning to Ashur-resha-ishi I*, Volume 1 of the Records of the Near East Harrassowitz, 1972, p. 7.

[11] “Cancellation of Debts in Cappadocian Tablets from Kultepe,” *Anatolian Studies Presented to Hans C. Guterbock*, 1974, pp. 29-36, p. 33.

[12] Raymond Westbrook, “Social Justice in the Ancient Near East,” in Morris

Silver and K. D. Irani, eds., *Social Justice in the Ancient World*, 1995, pp. 149-163.

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