NAME _____ DATE _____ CLASS _____

Economics of History Activity

networks

The Romans

Problems Created by Roman Expansion

As Rome reached out for territories and allies, conquering more and more land, it began to experience growing pains. Despite its acquisition of the riches of the defeated people, it was becoming unable to support its ever-growing population.

Economics Terms to Know

import an item that is produced in one country and brought into another country for trade

comparative advantage a favorable position in trade relations, based on a lower relative cost of production

By the time of the late Republic, Rome's many conquests had created economic problems that were difficult to solve. First, Rome's superior military organization was based on a draft—all male citizens could be called to serve in the military. At first they were not paid. They served only for short periods, so they were able to maintain their farms. Later, however, the state began to pay them and to require longer periods of service, so the small farms fell into disrepair as the farmers took up arms.

Adding to the farmers' woes were the effects of one phase of the Punic Wars. For years, Hannibal—a general from Carthage—had occupied most of the Italian Peninsula, killing thousands of Roman farmers and destroying their fields. After the defeat of Hannibal, Rome had called on the farmer-soldiers to fight in Greece and Asia. Those who survived the wars returned and tried to save their farms, but they were unable to compete with **imports** of cheap grain from Sicily, which enjoyed a **comparative advantage** in the production of grain. Most farmers gave up and moved with their families to the cities, looking for jobs. However, jobs were scarce because of the huge slave population that served the wealthy. Where did Rome get all these enslaved people? The enslaved people, who constituted almost a third of the population of Italy, were taken from the conquered countries during the wars.

As the small farmers lost their lands, war profiteers bought the ruined farms and merged them into large plantations (called *latifundia*) worked by enslaved people. Using improved farming methods learned from the Greeks and Carthaginians, these large landowners turned formerly grain-producing land into vineyards, olive groves, or pastureland for livestock. As the number of small farmers dwindled, the urban mob continued to grow. The gap between rich and poor was widening dangerously.

Applying Economics to History

1. **Explaining** Explain how Rome's military successes led to the ruin of most small farmers during this time.

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2. **Analyzing** Why did problems faced by the small farmers lead to problems in the urban centers?

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