

## **Economic Systems of Ancient Rome**

Rome grew its empire through a series of wars. The Romans knew how to conquer new territory. But it takes more than armies and fighting to keep an empire. An empire also needs a strong economy to feed its people, provide necessary goods as well as luxuries, and pay for its armies and government.

A key part of any economy is trade. As the empire grew, the Romans promoted trade by improving trade routes and providing a single currency, or form of money. Let's look at how these steps helped the Romans grow their economy and strengthen their empire.

### **Trade Routes**

At its height during the 100s c.e., the Roman Empire ruled all the lands that ringed the Mediterranean Sea. The expansion of the empire had given the Romans control of trade routes as well as territory. Traders traveling by land and sea connected people and goods throughout the empire. From Spain came wine, olive oil, copper, and gold. Britain sold its tin and wool. Gaul produced olives, wine, grain, glass, and pottery. Wool, linen, and timber were shipped from Asia Minor (present-day Turkey) and Syria. Egypt provided papyrus, which was used to make paper, and vast amounts of grain. Every year vast grain fleets sailed from Egypt and Africa, bringing much-needed food to Rome.

Trade also brought valuable goods from outside the empire. Caravans brought goods to busy port cities on the Mediterranean. From Africa came gold, incense, and ivory, and luxuries such as ostrich eggs. Indian spices, Chinese silk, and other goods traveled across Asia by land to cities like Antioch in Syria. From there they were shipped to Rome.

The Romans improved these trade routes and created new ones. They built harbors, canals, and a vast system of roads.

While it lasted, the Pax Romana (Roman Peace) provided the order and stability that trade required. The Roman army made the roads and sea routes safe for traders.

In turn, trade helped the economy grow. People in each area of the empire could sell what they grew or made to people in other areas who could use these goods. They could also buy things that they couldn't produce for themselves. For instance, the city of Rome needed much more grain to feed its people than local farmers could grow. By trading with Egypt, Romans got the grain they needed. Egypt benefited by selling grain to Rome.

## **Currency System**

The people who made up the Roman Empire came from many cultures and spoke many languages. The Romans knew that people needed a standard way of exchanging money if trade was to flourish. So the government produced currency in the form of coins.

Coins were made of silver, gold, and sometimes bronze. The value of each coin was equal to the value of the metal it contained. Everyone learned to use the same coins, which made it much easier to set prices and to buy and sell goods (and pay taxes).

Besides making trade easier, coins helped the government to communicate with people. Inscriptions and images on the coins sent messages from Rome throughout the empire.

The images on some coins symbolized values, qualities, or ideas that were important to the Romans. When Americans see the Statue of Liberty, they think of freedom. For Romans, the goddess Felicitas stood for happiness. Emperors used the image of Felicitas to symbolize the blessings of Roman rule.

Our coins don't often change. Roman coins were different. At a time when there were no newspapers, radio, or television, emperors regularly issued new coins that reflected the news of the day. The first emperor, Caesar Augustus, issued over 100 types of coins during his long reign.

Emperors also used coins to publicize their efforts and accomplishments. They put their own images on the coins. (Augustus chose to show himself as a young man even after he had aged.) Often they added messages about victories in wars or important construction projects.

Many messages were intended to persuade people that Roman rule was good for them. One coin, for example, showed a female figure holding a cornucopia (a horn-shaped container overflowing with food) and ears of grain. The image was meant to communicate that the emperor was making sure his people had enough grain to make food.

The Romans, then, used coins not only to make trade easier but also to unify the empire. While Roman currency remained strong, it helped the empire to prosper. In the later years of the empire, Roman coins lost a good part of their value. This was one sign of a weakening economy—and of mounting troubles in the empire.

1. Give three places Ancient Rome traded with and the items they traded for. RA
  
2. Why do you believe was it important for Ancient Rome to trade as much as it did? RA
  
3. "The people who made up the Roman Empire came from many cultures and spoke many languages." Why did Ancient Rome have so many different cultures and languages? RARE
  
4. Name two advantages and two disadvantages of using a coin system in Ancient Rome. RA
  
5. "The Romans, then, used coins not only to make trade easier but also to unify the empire." How does creating a common coin system unite the empire? RA
  
6. If you had to explain the Economic System of Ancient Rome to someone who didn't know anything about it how would you explain it to them? RARE