

# ***Faeneratores, negotiatores and financial intermediation in the Roman world (late Republic and early Empire)***

KOENRAAD VERBOVEN

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## *Abstract*

Research in Roman finance has traditionally focused mainly on deposit bankers. This focus has greatly increased our understanding of Roman banking. Unfortunately, however, the diversity of financial specialists not practising deposit banking seems to have discouraged further research into their organisations and operations. I will argue that this neglect has disguised much of the sophistication of Roman financial markets.

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Raymond Bogaert carefully distinguished deposit bankers from ordinary moneylenders, -changers, and credit intermediaries and brokers. In his view, *trapezitai* were deposit bankers. Accordingly they should not be confused with ‘ordinary’ moneylenders and brokers. However important the latter may have been for the Greek commercial economy (for instance in the field of maritime finance), they did not pool funds from various sources, nor did they offer cashier and payments services as *trapezitai* did.<sup>1</sup>

Jean Andreau took over Bogaert’s model for the Roman world and added a distinctive social touch by coining the notion *condition d’activité* to denote the social conditions under which various financial specialists operated. In Andreau’s view, deposit bankers (*argentarii*, later also

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<sup>1</sup> For a similar distinction in early modern Europe see infra Rathbone’s and Temin’s paper.

*nummularii*) were the only category of financial specialists operating under the ‘condition d’activité’ of ‘professionals’<sup>2</sup>.

The *ars argentaria* (like the *technè trapezitikè*) centered on deposit banking. Bankers accepted money on deposit and administered it on behalf of their clients, offering cashier and payment services. In return they could use the deposited sums to do business, mostly lending money at interest.<sup>3</sup>

Obviously deposit bankers were free to practise other forms of financial mediation or to lend out their own private money at interest. But these activities did not make them *trapezitai*, *argentarii* or *nummularii*, while the former sufficed to identify them as such<sup>4</sup>.

Although banking was never formally recognized as a ‘profession’, Roman jurists nevertheless devised specific rules and regulations for deposit bankers<sup>5</sup>. Bankers invested time and resources in their enterprise and their life-style depended largely on the income from their banking operations. Inscriptions show that their occupation served as a positive expression of their social identity.

Besides deposit bankers, a variety of financial specialists existed, generally called *faeneratores*, whose contribution to the financial system was crucial, but who did not constitute a recognisable socio-professional category. Some *faeneratores* were Roman knights and moved at the fringes of the senatorial order, practising *faeneratio* on a grand political scale, lending money to foreign nations, cities and kings. Others were simple pawn brokers. Still others were wealthy merchants with cash at hand and a keen eye for business opportunities.

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<sup>2</sup> On deposits as the heart of ‘true’ banking see Bogaert 1966, p. 26-31, 137-144; Bogaert 1968, p. 331-351; Andreau 1987a, p. 3-57; Andreau 1999, p. 30-49; Cohen 1992, p. 9-10; Temin 2004, p. 706.

<sup>3</sup> For a critical view of this latter ‘reward’ at least in Roman Egypt, see Lerouxel *supra* in this volume.

<sup>4</sup> See for instance the Pompeian banker Caecilius Iucundus who possibly also collected revenues for the city of Pompeii, cf. Andreau 1974, p. 51-71; for a critical note see Rathbone *infra* in this volume.

<sup>5</sup> See Petrucci 2002.

Credit intermediaries and brokers did not normally accept open money deposits (*deposita irregularia*) or administer accounts offering cashier and payment services. However, they did extend and arrange loans at interest on a regular basis and they provided advice and assistance to would-be creditors and borrowers. For these purposes they expressly set up specialised and permanent profit-oriented enterprises (*negotiationes*). The personnel they used (mainly slaves and freedmen) were trained and skilled ‘professionals’. Their business alliances (whether in the form of formal *societates* or informal *amicitiae*) were fomented to further the success of their organisation. The highly formalised contracts and other legal documents they drew up were based on models devised by jurists<sup>6</sup>. The organisations they headed showed a high degree of sophistication and specialisation.

The management of such credit enterprises could be entrusted to slaves or freedmen, allowing the owners to distance themselves from the enterprise they had created and from the world of ‘sordid business’ associated with it. Trimalchio’s famous remark “I withdrew from doing business and started to lend money at interest through freedmen” reflects and satirises such situations<sup>7</sup>. After having made a fortune in trade, Trimalchio invested a major part of it in landed estates and entrusted the rest to freedmen to practise *faeneratio*, while he himself became *Sevir Augustalis* and led the respectable life of an aristocrat.

These highly specialised ‘money dealers’ did not form a separate professional category. They were *faeneratores*, but so was anyone who practised moneylending at interest on a more than casual basis. Yet, their organisations were sufficiently ‘professional’ to enable them to conduct sophisticated and sometimes risky operations. They required skill, effort,

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<sup>6</sup> Note the comments of Horace’s scholiasts: Ps-Acro, *ad Hor. S. II,3,69-75*: ‘scribe decem a Nerio; non est satis; adde Cicutae / nodosi tabulas centum, mille adde catenas’ *Sensus [est]: scribe tabulas a Nerio iuris studioso, quibus adliget Damasippus ... Nerio: iurisperito. Cicutae. Iurisperiti*. Porphyrio, *ibid.*: *Verum et hic et Cicuta iuris fuerunt studiosi ... Parellius (sic) foenerator fuit et iuris peritus*. For such a model see perhaps the so-called *Formula Baetica* (FIRA III, no. 92, p. 295-297).

<sup>7</sup> Petronius 76,9: *sustuli me de negotiatione et coepi <per> liberos faenerare*.

perseverance and sometimes audacity. Whereas an aristocrat could invest a sometimes considerable part of his patrimony in interest-bearing loans without his social identity being defined by it, the social identity of these financial specialists was largely construed around their actively ‘doing business’ – which was not necessarily confined to moneylending.

### **Etymology, terminology and discourse**

Ancient historians are used to viewing *faeneratores* primarily as moneylenders and usurers. *Faenerator* is the *nomen agentis* of the verb *faenerari* / *faenerare*, derived from *faenus* that originally meant ‘yield’, hence in the context of loans ‘interest’ and metonymically ‘interest-bearing loan’. *Faenerari* is etymologically and literally nothing else and nothing more than lending money at interest. Anyone who lends out money at interest can be said to practise *faenus*<sup>8</sup>. Hence Pliny’s famous remark that he was “almost completely in real estate” *aliquid tamen fenero*<sup>9</sup>. If his *Letters* are to be believed, moneylending was marginal to Pliny’s household and was left under the management of his general *dispensator* who may have turned to external brokers to place the loans.

The word *faenerator* carries very negative connotations and is avoided as much as possible. Although anonymous *faeneratores* are quite common in Roman literature, only a handful of people are positively identified as *faeneratores*. Apart from Horace’s scholiasts – who wrote ages later and for whom the poet’s historical characters hardly differed from his fictitious characters – only five historical persons are explicitly called *faeneratores* in literary sources. Three of these are called *faeneratores* scornfully (the infamous Verres, Atticus’ adoptive father Q. Caecilius and a certain Paneros, nicknamed ‘Cercopithecus’, ‘the tailed monkey’). The fourth is a rather misty figure, Alfius, referred to by Horace and Columella as the archetypical *faenerator*. The fifth is the senator Q. Considius, who is the only one to call himself a *faenerator*, yet “one of his own money, not of citizens’ blood”. The phrase seems to have come from a speech held by Considius in the senate announcing an extension of payment for his

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<sup>8</sup> Nadjo 1989, p. 228-232.

<sup>9</sup> Plinius, *Ep.* III,19,8.

debtors for a total value of 15 million sesterces, and is obviously intended as a rhetorical figure similar to that of the ‘virtuous prostitute’<sup>10</sup>.

The reticence to apply the word *faenerator* to specific persons may be due partly to the general reluctance of Roman authors to use social identity signifiers derived from economic activities. In stead they usually prefer action signifiers (*qui faenerat, qui faenus exercet, ...*) or possession signifiers (*qui faenera habet*)<sup>11</sup>. But this doesn’t explain the total absence of the term in inscriptions, which generally prefer identity signifiers. Presumably, moneylending as such simply carried too negative connotations.

Specialised moneylenders and brokers preferred not to record their occupation in inscriptions, or perhaps they identified themselves more generally as *negotiatores*, businessmen<sup>12</sup>. Interestingly, Plutarch refers to two common types of moneylenders: the *trapezitès* – banker – and the *pragmatheutès* – ‘businessman’; their Latin equivalents would be *argentarii* and *negotiatores*<sup>13</sup>.

## Institutionalisation

By Cicero’s time moneylending at interest had become a common form of investment, practised generally by all those having surplus cash<sup>14</sup>. Tacitus contrasts land holding and moneylending as respectable forms of money making, with the *instrumenta vitiorum* typical of the rapacious and forlorn<sup>15</sup>. Quintilian chides nobles who spent their time passively enjoying

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<sup>10</sup> See Verboven 1993, p. 80-83. Verres: Cicero, *Verr.* III,167; Q. Caecilius: Seneca, *Ep.* 118,2; Paneros Cercopithecus: Suetonius, *Nero* 30; Alfius: Horatius, *Epod.* 2,67; Columella I,7,5; Valerius Maximus IV,8,3.

<sup>11</sup> See Verboven 2006 (forthcoming).

<sup>12</sup> Although it would seem that the term *negotiator* became more restricted in the early Empire and was not normally used anymore to denote a *faenerator*; see Verboven 2006 (forthcoming).

<sup>13</sup> Plutarchus, *Mor.* 827f-828a.

<sup>14</sup> Cf. Mrozek 2001, p. 60-71.

<sup>15</sup> Tacitus, *Hist.* I,20: *cum rapacissimo cuique ac perditissimo non agri aut faenus sed sola instrumenta vitiorum manerent.*

their wealth, letting *procuratores* manage their staff of slaves, hardly visiting their estates, and practising *faeneratio* through their *dispensatores*<sup>16</sup>. Commendable wealth in Seneca's time typically consisted of a beautiful house, a handsome staff of servants, large landed estates and much money put out at interest<sup>17</sup>. According to Persius money could easily and with little risk be invested at 5%<sup>18</sup>. In the second century public benefactors donated sizeable funds to cities and private associations (*collegia*) to be lent out at interest<sup>19</sup>.

Such a situation is hardly imaginable without an institutionalised credit market and trustworthy middle-men. Not coincidentally specialised *faeneratores* commonly appear as credit intermediaries rather than as moneylenders on their own account. Martial mocks a Sextus *fenerator* (an imaginary figure, but real enough), heard softly complaining: "I owe seven thousand to Secundus / four to Phoebus, eleven to Philetus / and I haven't got a penny in my money box"<sup>20</sup>.

### The 'affairistes'

Some extraordinary high ranking examples of *faeneratores*-middlemen are attested in the late Republic. Thus Cicero was able to assert that C. Rabirius Postumus was innocent in the huge corruption affair of Ptolemy Auletes, because he would merely have lent his friends' money "seduced

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<sup>16</sup> Quintilianus, *Decl.* 345,10: *Satis sit vobis, o divites, hoc vestras praestare fortunas, quod per dispensatores faeneratis, quod familiam per procuratores continetis, quod pleraque possidetis absentes, quod ignorantibus vobis et quiescentibus, si quis est tantae felicitatis labor, per alienas manus transit.* Cf. *Decl.* 260,30; 316,12 (*non agri, nec faenus, nec ingens pondus argenti*).

<sup>17</sup> Seneca, *Ep.* 41,7: *in homine quoque id laudandum est quod ipsius est. Familiam formonsam habet et domum pulchram, multum serit, multum fenerat: nihil horum in ipso est sed circa ipsum;* cf. Apuleius, *Apol.* 20,3.

<sup>18</sup> Persius V,149-150: *Quid petis ? Ut nummi, quos hic quincunce modesto / nutrieras, peragant avidos sudore deunces ?* Cf. also Juvenalis 9,135-143.

<sup>19</sup> cf. Mrozek 2001, p. 76-81; Mrozek 2000. Cf. infra Jinyu Liu's paper.

<sup>20</sup> Martialis II,44: *Septem milia debeo Secundo, / Phoebus quattuor, undecim Phileto, / Et quadrans mihi nullus est in arca.*

by the interest” (*inductus usuris*) at his own risk and peril<sup>21</sup>. P. Sittius provides another example: “he incurred debts in Rome, in order to be owed huge sums of money in provinces and foreign kingdoms”<sup>22</sup>. Pompey used Num. Cluvius from Puteoli to manage his loans to five cities in Caria. Cicero also availed himself of Cluvius’ services, while Atticus had similar relations with C. Vestorius<sup>23</sup>.

The practice continued under Augustus who censured a number of knights because they had borrowed money at a moderate interest rate (*levioribus usuris*) to lend it out at a higher rate (*graviore faenore*)<sup>24</sup>.

Andreau appropriately denoted people as Rabirius Postumus and P. Sittius ‘affairistes’. They were highly mobile and flexible adventurers and profiteers of the turbulent times of the late Republic. As such they were untypical of the much more common, less daring and less well socially situated ‘ordinary’ *faeneratores*. The latter limited themselves to lending money at interest to individuals or to their home towns, rather than to foreign cities, tribes, people or kings.

But the divide was not unbridgeable or clear cut. People like C. Vestorius and Num. Cluvius (both from Puteoli), belonged to the Campanian business elite which operated from Puteoli. From here its networks extended to the Aegean (and beyond), where Delos had been their stronghold until the Mithridatic wars<sup>25</sup>. Vestorius was remembered as

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<sup>21</sup> Cicero, *Rab. Post.* 5: *In dando autem et credendo processit longius nec suam solum pecuniam creditit sed etiam amicorum ...* 39: *credebat inductus usuris, id agebat ut haberet quam plurimum*. On Rabirius Postumus see Siani Davies 1996; Siani Davies 1997; Siani Davies 2001. Whether or not Cicero was lying is irrelevant here.

<sup>22</sup> Cicero, *Sul.* 58: *ita Romae debuit ut in provinciis et in regnis ei maximae pecuniae deberentur*. On Sittius see Maselli 1986, p. 75-77; Münzer 1927; Nicolet 1966-1974, p. 308, 361.

<sup>23</sup> Andreau 1983; D’Arms 1981, p. 49-55; Rauh 1986, p. 18-19, 22-23; Deniaux 1993, p. 480-482; Nicolet 1966-1974, p. 844-845.

<sup>24</sup> Suetonius, *Aug.* 39: *notauique aliquos, quod pecunias leuioribus usuris mutuati grauiore faenore collocassent*; cf. Nicolet 1988, p. 237.

<sup>25</sup> On the Campanian connection to Delos and the Egean see Hatzfeld 1912; Hatzfeld 1919 and now Müller – Hasenohr 2002.

the first to produce *caeruleum* in Italy – an expensive blue dye originally developed in Egypt. Products presumably from his workshops were discovered on the wreck of Planier III<sup>26</sup>. P. Sittius (from Nuceria) and very likely also Rabirius Postumus stemmed from these same business circles.

### **Faeneratores in the city of Rome: the *Ianus medius* and *Puteal Libonis***

The *faeneratores* of the *Ianus medius* (an arch near the *basilica Aemilia*) on the forum stand out as a clearly recognisable group of specialised credit intermediaries in Rome, who offered their services to investors and borrowers ranging from the aristocracy to ordinary businessmen<sup>27</sup>.

The scholiasts of Horace describe the *Ianus medius* as the place where *creditores* and *faeneratores* met, some to return money, some to place it. According to them, it was primarily here that money matters were dealt with through *faeneratores*<sup>28</sup>. Cicero describes them as specialists in investing and making money<sup>29</sup>. Horace depicts them as the heralds of money making, proclaiming the primacy of profit over virtue<sup>30</sup>.

Their social and economic profile was different from that of the grand ‘entrepreneurs’ of Roman finance, who moved at the fringes of the aristocracy, like C. Rabirius Postumus or P. Sittius. Contrary to the highly mobile and ruthless ‘affairistes’, the *faeneratores* at the *Ianus medius* were spatially defined. Cicero’s calls them ironically but significantly *optimi viri ad Ianum medium sedentes*.

Contrary to the *argentarii* they did not have offices or *tabernae*. Porphyrio and Pseudo-Acro claim they simply gathered (*consistere*, *convenire*) at the second (‘middle’) arch (*Ianus*) near the *basilica Aemilia*.

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<sup>26</sup> See Tchernia 1968-1970, p. 51-82; Morel 1981, p. 29-30.

<sup>27</sup> Andreau 1987a, p. 707-708; Andreau 1987b, p. 171-173; Andreau 1999, p. 136-137; Nicolet 1985, p. 819; Verboven 1993, p. 75-78.

<sup>28</sup> Ps.-Acro, *ad Hor. Serm. II,3,18*: *res pecuniariae agebantur per feneratores*.

<sup>29</sup> Cicero, *Off.* II,87.

<sup>30</sup> Horatius, *Ep.* I,1,52-59.



Elsewhere Porphyrio situates them inside the basilica Aemilia (*in basilica consistabant*)<sup>31</sup>.

At some time in the first century the funerary monuments of two men, a certain C. Sufenas C. f. Pup. Niger and one C. Lepidius C. l. Anicetus, present the deceased as *ab Iano Medio*<sup>32</sup>. The monuments show that the topographical term *Ianus medius* was typical enough to qualify as a social identity marker.

Lepidius Anicetus was a freedman. Sufenas Niger was freeborn, but his tombstone associates him with a freedwoman, Sufenatia Urbana and two freedmen. Niger's monument would have cost an astounding 10,000 sesterces – testifying to the deceased's wealth and betraying the importance he attached to having this known.

Although the *faeneratores* of the *Ianus medius* did not belong to the aristocracy they were wealthy and influential enough to be courted by senators and important knights. They acted – or were pretended to act – as a collective body co-opting L. Antonius as their patron and setting up a statue in the forum in his honour<sup>33</sup>.

A. Gabinius contracted debts at the *Puteal Libonis*, a place on the forum near the *Ianus medius* and associated with it by Ovidius<sup>34</sup>. The (fictitious) story of Damasippus Mercurialis, the dealer in real estate and artworks who went bankrupt at the *Ianus medius*, suggests that businessmen too borrowed money here<sup>35</sup>.

They may have been involved in the brutal murder of the praetor Sempronius Asellio in 89 BC on the forum, allegedly because he had tried

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<sup>31</sup> Porphyrio, *ad Hor. Epist. I,1,53-55*; Ps-Acro, *ad Hor. Ep. I,1,53-55*; Porphyrio, *ad Hor., Serm. II,3,18*.

<sup>32</sup> *CIL* VI, 5845; 10027.

<sup>33</sup> Cicero, *Phil.* VI,15; cf. *ibid.* VII,16.

<sup>34</sup> Cicero, *Sest.* 18 (viii); cf. Ovidius, *Rem. Am.* 561; Horatius, *S.* II,6,35; cf. Ps.-Acro, *ad h.l.*. See also Cicero, *Att.* II,1,11 referring to *aes circumforaneum*; cf. Andreau 1987a, p. 708.

<sup>35</sup> See Verboven 1997.

to enforce the ancient interest prohibition<sup>36</sup>. The murderers were never found.

### **Sulpicii of Puteoli**

The remains of a financial archive discovered in a box at Agro Murecine, near Pompeii, offers an inside view of a specific credit enterprise operating in Puteoli from the later years of Tiberius until the early years of Nero. The owners of the archive were three C. Sulpicii: Faustus, his freedman Cinnamus and his brother Onirus.

Scholars disagree on whether they were *argentarii*. I have treated this question in some detail elsewhere<sup>37</sup>, so I will limit myself to summing up briefly the reasons why I don't think they were.

Before doing that, however, I want to stress that there is no a priori reason why they *could* not have been deposit bankers. Being of freedman descent they had the typical social profile we would expect of *argentarii*. Although the amounts they are dealing with are much higher than those of the Pompeian *argentarius* Caecilius Iucundus, they are still very much below the amounts customary for the aristocracy and well in line with the bank account of 386,000 sesterces mentioned by Scaevola in the *Digest*<sup>38</sup>. From a social and economic point of view they certainly belonged to the same 'class' as most *argentarii*.

And yet, I don't believe they were *argentarii* because there is nothing in my view in the tablets that would indicate that they routinely accepted open deposits and offered cashier and payment services; in other words, that they practiced the *ars argentaria*.

Gröschler (followed by Rathbone elsewhere in this volume) argued that the so-called *nomina arcaria* in the archive recording payments and account bookings testify to the involvement of the Sulpicii as deposit bankers<sup>39</sup>. However, the same type of document is found in Herculaneum

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<sup>36</sup> Appianus, *Bell. Civ.* I,54; Livius, *Epit.* 71; Valerius Maximus IX,7,4.

<sup>37</sup> See Verboven 2000; Verboven 2003a; Verboven 2003b.

<sup>38</sup> *Dig.* II,14,47,1 (Scaevola):... *ad mensam meam trecenta octaginta sex (sc. milia sestertia)*. See Frier 1993 on the neutral plural indicating *milia sestertia*.

<sup>39</sup> Gröschler 1997, *passim*; see also Jakab 2003.

being held by a patron on behalf of his freedman. Moreover, the formula *domo ex arca*, which is typical of the *nomina arcaria*, is mentioned by Donatus (admittedly much later) as the opposite of *mensae scripturae*<sup>40</sup>. A variant may be found in an excerpt of Paulus in the Digest: *quindecim mutua numerata mihi de domo*<sup>41</sup>. It sounds very similar to the formula of payments ἐξ οἴκου found in Egyptian papyri as the opposite of payments διὰ τραπεζῆς.<sup>42</sup>

The baffling *mandatum* (?) contained in *TPSulp.* 48 shows that Cinnamus had agreed to stand surety for one of his clients' agents through *promissio*, *sponsio*, *fideiussio* or 'other ways' (*aliove nomine*); that is through formal and informal procedures. Such an agreement would have been redundant if the intended operations were to take place with funds placed on a bank account administered by Cinnamus, because in that case the informal *receptum argentarii* would have covered all such eventualities<sup>43</sup>.

Camodeca rightly identified the formula *ex interrogatione facta tabellarum signatarum* in *TPSulp.* 82. The same formula frequently occurs also in the tablets of the *coactor argentarius* Caecilius Iucundus in connection with auctions organised by Iucundus. We don't know what the formula means, but it occurs also in a tablet from Ravenna recording the sale of a slave woman without intervention of a banker or auction<sup>44</sup>.

Of course one may speculate that deposit-related documents were preserved in other boxes which haven't survived, but this is mere speculation. Going over the preserved documents of the Sulpician

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<sup>40</sup> Donatus, *ad Ter. Phorm.* 5,8,922 (Werner) *Per scripturam id est de mensae scriptura. Unde hodie additur in chirographis 'domo ex arca sine mensae scriptura'*; Donatus, *ad Ter. Adelph.* 277,13,1 (Werner): *Tunc enim in foro et de mensae scriptura magis quam ex arca domoque vel cista pecunia numerabantur.*

<sup>41</sup> *Dig.* XII,1,40 (Paulus).

<sup>42</sup> cf. Camodeca 1999, p. 152.

<sup>43</sup> For a different interpretation see Rathbone elsewhere in this volume. For the *mandatum* (?) of *TPSulp.* 48 see Jakab elsewhere in this volume and Verboven 2000, p. 162.

<sup>44</sup> Camodeca 1999, p. 24, 187-188. Contra see Verboven 2003b; Andreau 1995.

archives, we find that they well reflect the kind of documents we would expect in the archives of credit intermediaries; they record loans, receipts, guarantees, etc.. The theoretical archives of for instance a *faenerator* of the *Ianus medius* reconstructed on the basis of the services that we know Roman credit intermediaries offered and the activities they deployed, would look very similar to the actual remains of the Sulpician archives.

The Roman financial system at large functioned primarily on the basis of brokerage and credit intermediation. Some *argentarii* also operated as financial brokers, but most financial brokers did not practise deposit banking – the core of the *res argentaria*. To argue whether the Sulpicii were *argentarii* doubling as brokers or merely brokers is irrelevant. So, in view of the general absence of *argentarii* when ancient texts speak of *faeneratio*, I prefer to stick to the positive evidence found in the documents and consider the Sulpicii as ‘merely’ credit intermediaries and not (or not also) deposit bankers.

Although the sums handled by the Sulpicii are below those common for the senatorial and equestrian aristocracy, the amounts recorded in the tablets are impressive: 130,000 sesterces paid back to Cinnamus and Faustus in 51 (*TPSulp.* 74), a debt of 125,000 sesterces guaranteed and presumably arranged through Cinnamus, 94,000 sesterces owed by Cinnamus to an imperial slave (!) in 51 AD (*TPSulp.* 6). Five *vadimonia*, made in preparation of court proceedings, record disputes over sums of 50,000 sesterces and more<sup>45</sup>. Over a period of approximately 20 years the amounts add up to 1,280,000 sesterces, but this is no doubt only a small part of the total turnover realised by the Sulpicii in these years. The two last items of a summary of payments mention sums of 50,000 and 25,000 sesterces paid out by or through Faustus with an interval of little more than a month (June 3<sup>rd</sup> and July 9<sup>th</sup> 49 AD resp.)<sup>46</sup>. I won’t risk even a ‘guestimate’ of the annual turnover of the Sulpicii, but clearly we must think in terms of hundreds of thousands of sesterces, if not more. Accordingly, their profit rates must have run into tens of thousands of sesterces a year.

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<sup>45</sup> See Verboven 2000, p. 165.

<sup>46</sup> *TPSulp.* 95; cf. *TPSulp.* 94.

The Sulpicii were primarily moneylenders and credit intermediaries, but occasionally they invested more directly in trade. At least two tablets pertain to trading operations. In August 48 AD, Faustus bought 58 pounds of ivory at 9 *denarii* a pound from an imperial freedman with whom he had other dealings as well worth perhaps as much as 200,000 sesterces<sup>47</sup>. In 29 AD a certain M. Caecilius Maximus, acknowledged owing 3000 sesterces to Sulpicius Faustus from a sale of verdigris (*aerugo*, used in medicinal ointments). The legal formulation used in the document (*conventum praestare oportere*) shows that both men were partners (*socii*)<sup>48</sup>.

Some of the clients whose money the Sulpicii invested belonged to the senatorial aristocracy<sup>49</sup> or the *familia Caesaris*<sup>50</sup>. One of the creditors was a centurion<sup>51</sup>. The borrowers were mostly private merchants engaged in long distance maritime trade. The city of Puteoli is once attested in the person of its *servus arcarius*, Niceros, although it isn't clear whether Niceros was operating on behalf of the city<sup>52</sup>.

The organisation led by Sulpicius Cinnamus numbered at least four slaves in responsible positions who had the authority to extend loans and to assume obligations binding their master. The implication is that their actions were legally covered by the *actio institoria*. It is very well possible – although the tablets are inconclusive – that they were allowed to participate in the operations with their own *peculium* as well. This may have been the background of Cinnamus' own funds when he was still working as a slave of C. Sulpicius Faustus. Simple executive tasks are likely to have been designated to yet other slaves (as scribes or messengers). By pre-industrial standards, this is quite a large enterprise<sup>53</sup>.

Cinnamus, moreover, continued to operate in close association with his former master, C. Sulpicius Faustus. Thus for instance we find Cinnamus

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<sup>47</sup> *TPSulp.* 101.

<sup>48</sup> *TPSulp.* 66; Verboven 2000, p. 167.

<sup>49</sup> *TPSulp.* 54; 73; 109 on behalf of a freedman of Lollia Paulina.

<sup>50</sup> *TPSulp.* 45; 51; 52; 67; 68; 94; 95.

<sup>51</sup> *TPSulp.* 12; 26.

<sup>52</sup> *TPSulp.* 56; 114.

<sup>53</sup> Verboven 2000.

receiving 130,000 sesterces in repayment of a debt owed to him (80,000 sesterces) and Faustus (50,000)<sup>54</sup>. At least occasionally he could avail himself also of the service of a certain C. Sulpicius Eutychus, who was probably a freedman or co-freedman of Cinnamus himself<sup>55</sup>.

The relatively numerous tablets in the archive of the Sulpicii recording transactions between third parties, not mentioning a Sulpicius, indicate that the Sulpicii also acted as go-between, bringing prospective creditors and borrowers into contact, negotiating the terms of a loan and safe-keeping the dossier of the transaction.

No doubt also in many cases where loans were made by the Sulpicii as creditors they were in fact acting as go-betweens, as may be seen in the case of the double receipt *TPSulp.75*, in which Cinnamus acknowledges having received 6000 *denarii* from a debtor and paying out 20,000+ sesterces to the actual creditor<sup>56</sup>.

The legal documents drafted by the Sulpicii are mostly stereotype contracts. From the variety of documents pertaining in some cases to the same transaction, it appears that each transaction was recorded in a dossier containing different *cautiones*, each creating legal obligations for a particular aspect of the transaction: the loan itself (*mutuum cum stipulatione*), its real securities (*pignus*), receipts (*apocha*) and so forth.

In most cases only one document of a dossier is preserved, but there are some exceptions. The remains of the dossier of Marius Iucundus contain three *chirographa* recording a loan of 20,000 HS, the pledge of 13,000 modii of grain as real security and the lease of a *horreum* to store the grain<sup>57</sup>.

The remains of the dossier of C. Novius Eunus contain four *chirographa* recording two different loans of resp. 10,000 and 3,000 sesterces, the pledge of 7,000 modii of grain and 4,000 modii of vegetables, the lease of

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<sup>54</sup> *TPSulp. 72*.

<sup>55</sup> *TPSulp. 87*.

<sup>56</sup> On this tablet see Verboven 2000, p. 170; Verboven 2003a, p. 22; Verboven 2003b, p. 435.

<sup>57</sup> *TPSulp. 53: mutuum cum stipulatione; TPSulp. 79: datio pignoris; TPSulp. 46: locatio horrei*.

a *horreum* to store the grain and vegetables, and a so-called *debitum in stipulatione deductum*, probably arrears in payment being ‘renewed’ in the form of a new contract (*renovatio*)<sup>58</sup>.

A noteworthy feature of the Sulpician loan tablets is that they don’t record interest payments. It has been suggested that interest stipulations would have been recorded in separate tablets<sup>59</sup>. Theoretically this is possible, but it seems rather unlikely that not a trace would have been found in the tablets recording the actual loans. Many, therefore, believe that interest was tacitly agreed upon or deducted in advance.

This is well in line with a practice of moneylenders hinted at by Plutarch: “while they are giving they immediately demand payment, while they lay money down they take it up, and they lend what they receive for money lent”<sup>60</sup>. The interest is ‘voluntarily’ paid in advance by the debtor on the basis of a *pactum nudum*. The practice was appealing because it allowed an easy evasion of the interest limitation. Formally, the creditor had to hand over the capital first to prevent the debtor from evoking an *exceptio doli* and pay back only what he had actually received.

This may have been the *raison d’être* of the so-called *nomina arcaria* in the archive. They confirm the actual receipt and formal booking by the debtor of the sums owed and thus prove that the debt claim was *iusta causa*; consequently, the *exceptio doli* was inadmissible<sup>61</sup>. Of course, the bottom line was that the debtor received only part of the sum he formally borrowed and committed himself to repay. “Moneylenders lie more than debtors and cheat in their ledgers, when they write that they give so-and-so much to so-and-so, though they really give less”<sup>62</sup>. This remark of Plutarch incidentally confirms that the practice of ‘deducting’ interest in advance was covered up in the accounts.

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<sup>58</sup> *TPSulp.* 51; 52; 45; 67.

<sup>59</sup> Purpura 1984, p. 1245-1266; Andreau 1999, p. 98-99; contra see Verboven 2003a, p. 11-13.

<sup>60</sup> Plutarchus, *Mor.* 829b.

<sup>61</sup> Verboven 2003a, p. 17-22.

<sup>62</sup> Plutarchus, *Mor.* 829c.

## Intercessores

In a letter to Lucilius, Seneca mentions two kinds of financial mediators: “If you want to do business you will need to make debts. However, I don’t want you to borrow through an *intercessor*; I don’t want *proxenetae* peddling with your ‘name’”<sup>63</sup>.

Legally, the *intercessor* is any kind of guarantor of a debt, whether *sponsor*, *fideiussor*, or *mandator credendae*. Seneca, therefore, appears to have a mediator in mind who would guarantee the creditor reimbursement of the loan, presumably in exchange for a commission fee. Contrary to modern practices, Roman personal sureties acted as alternative debtors. In case of default, a creditor had the choice of whom to sue: the actual debtor or his guarantor. Once the procedure had been initiated, no other complaint could be brought forward on the grounds of the same case. Therefore, if a creditor sued the guarantor, the debtor ceased being liable to his creditor; if a creditor sued his debtor, the guarantor ceased to be liable. Obviously, if a guarantor was sued he could reclaim the damages from the debtor<sup>64</sup>.

The legal divide between *faeneratores* and deposit bankers as mediators is obvious from the fact that *argentarii* could avail themselves of the so-called *receptum argentarii* – a formal promise allowed only for *argentarii* to a third party to pay a client’s debts – to provide similar credit guarantees<sup>65</sup>.

This accords well with a number of passages in the Digest attesting remuneration of guarantors (mostly *fideiussores*) of debts<sup>66</sup>. Because a

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<sup>63</sup> Seneca, *Ep.* 119,1: *Ut negotiari possis, aes alienum facias oportet, sed nolo per intercessorem mutueris, nolo proxenetae nomen tuum iactent.*

<sup>64</sup> On Roman personal sureties as intermediaries see Verboven 2002, p. 146-148. On sureties as alternative debtors see Macqueron 1957. On the term *intercedere* / *intercessio* in the sense of standing surety see Cicero, *Att.* VI,1,5; *Fam.* VII,27,1; *Phil.* II,45 and *passim* in the Digest.

<sup>65</sup> On the *receptum argentariorum* (later replaced by the *constitutum debiti alieni*) see Andreau 1987a, p. 597-602; Andreau 1999, p. 43-44; Bürge 1986, p. 527-536; Petrucci 1991, p. 378-383; Petrucci 2002, p. 57-65.

<sup>66</sup> For remuneration by the creditor see *Dig.* XVII,1,10,13 (Ulpianus); 1,12,pr.-1 (Ulpianus). See Michel 1962, p. 282-283, 541, n. 541. For remuneration in a case of



personal surety had to avail himself of the *actio mandati* to gain redress from the debtor and *mandatum* was essentially free of charge, such commission fees were regarded as *honoraria*, given ‘voluntarily’ and enforceable only (perhaps) under the imperial *cognitio extraordinaria*, not under praetorian or civil law<sup>67</sup>.

An interesting passage in the Digest from Papinianus’ *Responsa* introduces a slave who was appointed as *institor* by his master to lend out money at interest (*pecuniis faenerandis*). In the course of his activities he had contracted a debt *per intercessionem* – i.e. as guarantor. The question arising was whether the master was now liable *in solidum* under the *actio institoria* on the grounds of the slave’s appointment. Papinianus did not think so, because the appointment only mentioned *faenerari* not *intercedere*<sup>68</sup>. So, *intercessio* was not an inherent part of *faeneratio*. However, the question asked from Papinianus only makes sense, if *faeneratores* commonly acted as *intercessores* for some of the debts they arranged.

One of the most intriguing tablets in the Sulpician archives records what I believe to be a *mandatum dandae* by which a certain C. Iulius Prudens accepted liability towards Sulpicius Cinnamus for any obligations incurred by a slave and freedman of his or any other person acting on his or their behalf, on account of a loan given by Cinnamus or a formal guarantee or any other obligation assumed by Cinnamus on behalf of Prudens’ agents<sup>69</sup>.

*fideiussio iudicatum solvi* see Dig. XVII,1,6,7 (Ulpianus). For remuneration by the debtor cf. Dig. XXXIX,5,19,1 (Ulpianus), see also Michel 1962, p. 220-221.

<sup>67</sup> On the gratuitous nature of *mandatum* see Michel 1962, p. 168-197. On *honoraria* and *salaria* see Dig. XVII,1,6,pr (Ulpianus) and see Verboven 2002, p. 246-249.

<sup>68</sup> Dig. XIV,3,19,3 (Papinianus).

<sup>69</sup> *TPSulp.* 48. On this tablet see also (in a different sense) Jakab elsewhere in this volume. Compare the so-called *Formula Baetica* (*FIRA* III, no. 92, p. 295-297) for an example of how to pledge an estate as security (*fiducia*) for all obligations incurred by its owner.

## Proxenetae

Contrary to *intercessores*, *proxenetae* did not assume liability for the loans they arranged. The word is obviously derived from the Greek institution of *proxenia*, official ‘guestfriendship’, which granted protection to the *proxenos*, and was conferred to foreigners mainly for diplomatic reasons. The figure of the *proxeneta* may have originated from the need felt by foreign merchants to have reliable contacts in the ports where they did business. By Ulpianus’ day there were *proxenetae* working in offices (*officinae*) in major cities, where they offered assistance in making sales’ arrangements and other contracts (*qui emptionibus venditionibus, commerciis contractantibus licitis utiles ... se exhibent*). Many of them were wont to arrange loans, says Ulpianus. He specifies that they were not liable as *mandatores* (*pecuniae credendae*) because although they promoted certain bonds (*laudet nomen*), they did not have the intention to extend a mandate. They received a commission for their services called *proxeneticum*, which they could sue for in court (*iure licito petitur*), provided it was proportionate to the amount at stake and the nature of the case in question<sup>70</sup>.

## Pararii

Ulpian’s description of some of the *proxeneta*’s services resembles the services provided by what Seneca’s calls *pararii*; third persons confirming a contract between two parties by registering it in their account books. Contrary to *proxenetae* their primary function was not to arrange loans or to bring lenders and borrowers together, but to register debts. In case of a legal dispute the tablets of the *pararii* would be available as proof<sup>71</sup>. A similar practice to register loans in the accounts of trustworthy third parties is hinted at by Cicero<sup>72</sup> and appears to be taken for granted (although

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<sup>70</sup> Dig. L,14 *De proxenetis*. See Siber 1939-1940, p. 177-179; Michel 1962, p. 193-195, 533; Verboven 1993, p. 90-91. Compare Philostratus, *Vit. Apol.* IV,32 on traders dealing with □□□□□□□□ and □□□□□□□□.

<sup>71</sup> Seneca, *Ben.* II,23,2; III,15,1-2. cf. Mitteis 1898, p. 232-235; Thilo 1980, p. 250-254; Andreau 1987a, p. 604-605, 704.

<sup>72</sup> Cicero, *Q. Com.* 1; see also Cicero, *Att.* IV,17,2.

somewhat sarcastically) by Horace in his story of Damasippus' bankruptcy at the *Ianus medius*<sup>73</sup>.

*Pararii* were no separate professional category. Deposit bankers (*argentarii*, *nummularii*) may have provided such services, but there is no reason to believe that they were the only ones.

The services of *proxenetae* and *pararii* – mediation in a legally 'passive' sense, not generating liabilities on the part of the mediator – also explains the presence in the Sulpician archive of exclusively third party documents, in which no Sulpicius appears to have been involved. The practice of the so-called *nomina arcaria* as well, whose purpose according to Gaius was to "provide proof of obligations incurred", well suit the function of *pararii*<sup>74</sup>.

## Delegationes

Until now we found credit intermediaries providing various services: extending loans, serving as active middle men borrowing at a modest interest rate and lending at a higher rate, standing surety, negotiating and arranging loans and recording loans. Another service provided was that of arranging *delegationes* to transfer existing debts from one person to another.

This was never easy in Roman law. Because debt notes were always personalised all parties (at least three) had to agree to change their account books accordingly, to extinguish existing debts and create new obligations (called *nomina transcripticia*)<sup>75</sup>.

Contrary to standing surety (cf. *supra*), Papinianus thought that *delegationes* were inherent to a *negotatio faeneraticia* so that a master was liable *in solidum* for *delegationes solvendi* accepted by a slave

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<sup>73</sup> Horatius, *S.* II,3,69-76.

<sup>74</sup> Gaius III,132. See Gröschler 1997, *passim* and Rathbone elsewhere in this volume for a different view of the *nomina arcaria* as deposit-related documents (in my view unconvincing).

<sup>75</sup> Gaius III, 128-130; *Dig.* XLVI,2,11 (Ulpianus). On the *obligatio litteris* see extensively Thilo 1980, p. 276-318. On *delegationes* see also Verboven 2002, p. 134-135.

appointed to lend money at interest (*pecuniis faenerandis*)<sup>76</sup>. Cicero once considered selling a debt claim he received from Caesar at half price to a certain Vettienus, who appears to have rendered similar services to Dolabella, Cicero's former son-in-law<sup>77</sup>.

### **Faeneratio by deposit-bankers**

According to Andreau, Vettienus may have been an *argentarius*. This brings us to the question of deposit bankers (*argentarii, nummularii*) offering non-deposit related financial services. Several passages in the Digest indicate that at least some deposit bankers developed activities as credit intermediaries and financial brokers. The jurists carefully distinguish liabilities in case of default on the banker's part. Deposit holders are to be paid out first, clients practicing *faeneratio* with the aid of the *nummularius* only come second. From the moment, however, that a client accepted interest on deposited sums from his banker, he waved his rights as depositor<sup>78</sup>.

Ulpianus distinguished three ways in which deposit bankers could help clients practise *faeneratio*. Clients could receive interest directly on deposits (*faenore apud nummularios ... exercere*)<sup>79</sup>. They could associate with their banker (*faenore cum nummulariis ... exercere*), who would be the active partner providing services and labour, while the client's role was limited to providing the capital. Or they could rely on their banker as intermediary (*faenore ... per ipsos exercebant*)<sup>80</sup>.

Deposit banking is directly involved only in the first instance. The second and third option have nothing to do with the *ars argentaria* and the legal regulations surrounding it. Nevertheless, the jurists' opinions suggest

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<sup>76</sup> Dig. XIV,3,19,3.

<sup>77</sup> Cicero, *Att.* XII,3,2; XV,13a,1; XVI,3,5. On Vettienus see Maselli 1986, p. 58-59; Petrucci 1991, p. 105-111; Andreau 1987a, p. 690-691. See also Verboven 2002, p. 137 on the case.

<sup>78</sup> See Petrucci 2002, p. 67-102, esp. p. 88-91.

<sup>79</sup> *Apud* is a typical term used in the case of *deposita*. Cf. Dig. II,14,47,1 (Scaevola); *Ev. Matth.* 25, 27-28.

<sup>80</sup> Dig. XVI,3,7,2 (Ulpianus). Cf. Dig. XLII,5,24,2-3 (Ulpianus).

that deposit bankers did not keep separate accounts or money boxes for their various operations. Clearly, therefore, the line separating deposit banking from credit mediation was a fluid one. The unity of the *ars argentaria* was technical and legal rather than financial.

Deposit banking belongs to a continuum of financial mediation ranging from deposit holding to grand scale money lending. Considering the paucity of *argentarii* being documented as *faeneratores* and the predominantly local nature of their operations it seems to have been situated at the lower end of this continuum. The fact, however, that at least some deposit bankers also engaged in other forms of financial operations shows that this was not so by definition.

The overall impression is that deposit banking was not the most profitable type of banking operation in the Roman world. This may be related to the low liquidity character of the Roman economy, which provided few alternatives to hard cash. When large payments had to be made, cash had to be raised. Normally, borrowing was easy and various forms of credit arrangements facilitated transactions, but these had a price and the first option would nearly always be to withdraw deposits.

A passage in the Digest shows a client closing his account. The banker acknowledges owing him 386,000 sesterces *ex contractibus plurimis* plus future interests accruing until the sum was fully repaid. He likewise acknowledged having an unspecified sum in gold belonging to his former client, which would be returned presently<sup>81</sup>.

Under these conditions the amount of money deposit bankers could take out of deposits to extend loans at interest was limited. Large cash reserves had to be kept ready at hand. Non-deposit related credit mediation was able to generate larger amounts of outstanding debt claims and thus to realise considerably larger profit margins.

*Koenraad Verboven, Research Foundation Flanders, Ghent University*

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<sup>81</sup> Dig. II,14,47,1 (Scaevola): *remanserunt apud me ad mensam meam trecenta octaginta sex et usurae quae competierint. summam aureorum, quam apud me tacitam habes, refundam tibi*. Note the future perfect tense *competierint*. The gold was presumably not a closed deposit, since the text refers to a *summa aureorum quam ...* not to *aureos quos ...*