

The Hawara Papyri

William N. Goetzmann, Yale School of Management

Background

Hawara is the site of the massive pyramid of Amenemhat III, a XII Dynasty [Middle Kingdom, 1204 – 1604 B.C.E.] pharaoh. The complex was known in ancient times for its remarkable labyrinth, a temple complex encircling the pyramid, described by ancient travelers as a vast, confusing maze of streets and buildings. According to legend, it inspired Dedalus to create the labyrinth of Crete. Among other things, the Hawara labyrinth was the location of a temple to Sobek, the revered local crocodile deity.

Hawara was also a necropolis – now famous for its strikingly realistic funerary portraits. Funerals were evidently a major business in Hawara, and most of the people involved in the contracts in this case were connected to this industry. Calling themselves “god’s sealers and embalmers,” they owned shares in the necropolis of Hawara and nearby burial grounds -- these shares were, in fact, transferable, just like real property.

The case in the exam is about one house in the Labyrinth of Hawara, near the Sobek temple. It takes place during the Ptolemaic period [332-31 B.C.E.], when Ptolemy II Philadelphus was the king of Egypt. The Fayum region at this time was a place where Greek soldiers were granted homestead properties. The main administrative center of the Fayum was Crocodilopolis, or Arsinoe a short distance to the northwest of Hawara. The Greek rulers of Egypt in many cases adopted local administrative practices and political units. If you have trouble with the Google Earth links, the location of the Hawara pyramid is 29 degrees 16’30.48” 30 degrees 53’ 53.27”

The Documents

Three documents are written in Demotic (Egyptian) and one in Greek, and prices were quoted in two separate currencies. Papyri 7a and 7b pertain to a transaction. 7c is also related to this transaction. Papyrus 8 is unrelated to the transaction but is an example of a legal document by the same scribe, at the same time, for a different person that will help understand the transaction-related documents.

The Hawara papyri come from a book: *Oriental Institute Hawara Papyri: Demotic and Greek Texts from an Egyptian Family Archive in the Fayum (Fourth to This Century B.C.)* (University of Chicago Oriental Institute Publications) by Richard Lewis Jasnow, James G. Keenan, and George R. Hughes. Professor Jasnow has give us permission to use copies of the documents.

The website, Dignity Mortgage contains some information about mortgages and deeds which you need to read to answer the questions in the exam. The 2001 essay by Hernando De Soto provides a modern update on property transactions in Egypt. Read the translations and commentary about the four documents, and De Soto’s article. Refer to the modern references as needed. You are also free to utilize other resources. Answer the questions below.

Resources:

The website, [Dignity Mortgage](#) describing mortgages and related instruments.

Hernando De Soto, 2001, "[Dead Capital and the Poor.](#)"

A [contrary](#) view on De Soto by Alan Gilbert.

A set of legal documents pertaining to a house. The Hawara papyri. [on V2]

A Google Earth file for Hawara (posted as a resource on V2).

A virtual tour of the [lost Labyrinth](#).

Useful [background](#) on Hawara and the Sobek Temple District.

[Some information on the craft and ethics of the parties to the transaction.](#)

What the parties might have looked like. These are [portraits](#) from two centuries later.

Here is a [map](#) of Hawara and Crocodilopolis.

Details of the [ancient tourist destination](#) by contemporary writers.

Evidence on Micro-lending and interest rates. http://www.cgap.org/docs/OccasionalPaper_9.pdf

[Hawara Text](#)

[Hawara Support Files](#)

[Hawara PPT](#)

Questions:

A. Compare the typical features of the modern mortgage and deed (described in the Dignity Mortgage site or another you may choose) to the features in contracts 7a, 7b and 7c. How many features of the modern mortgage and deed instruments can you identify in the ancient documents? List them. [For example, identification of the parties to the transaction is one such parallel].

B. In what way are the transactions and the rights conferred to the parties by the documents different from a modern mortgage agreement? What economic logic might explain this difference? Are there other financial instruments or contracts this more closely resembles?

C. Do you think the interest rate on the mortgage was "predatory?" What are the social benefits and costs of allowing such high rates of interest?

D. Do you agree with Hernando De Soto's theory of "dead" capital? Is his quest to change the world through real estate feasible or desirable?