housing, as well as in other trades, willingly took economic chances through such arrangements as overflow work, specialized manufacture, and leased premises. Failure, whether definitive or surmountable, was an ever-present possibility in the daily operations of Philadelphia's building tradesmen—yet these mechanics repeatedly exploited market opportunities. Finding an entrepreneurial culture among artisans and small producers in the early Republic does not celebrate American liberal capitalism, but rather presents opportunities for examining how a tenuous hold on stability that was part and parcel of early entrepreneurship shaped American identities.

Chapter Twelve

The Unfree Origins of American Capitalism

SETH ROCKMAN

Unfree labor plays a central role in the economic history of colonial British North America. Although only a small fraction of enslaved Africans lived and worked in British North America, slavery animated the broader Atlantic economy in which the colonies flourished. Enslaved Africans generated wealth for the Chesapeake tobacco planters who exploited their labor, the Massachusetts fisherman who provisioned distant sugar plantations, and the Rhode Island merchants who moved goods and people between Africa, the Caribbean, and North America.[1] The European settlement of British North America also hinged on unfree labor, as roughly half the Europeans arriving before 1776 owed a term of servitude in exchange for their ocean passage.[2] Scholars are increasingly

This essay is dedicated to the late Clark Davis, who was one of its biggest supporters. For helpful suggestions and comments, my thanks go to Konstantin Dierks, Seth Cotlar, John Bezís-Selfa, Eric Foner, Joyce Appleby, Cathy Matson, Richard Dunn, and other participants in the 2001 PEAES conference, and the Los Angeles Social History Reading Group.

1. Eric Williams, *Capitalism and Slavery* (Chapel Hill: University of North Carolina Press, 1944); Barbara L. Solow and Stanley L. Engerman, eds., *British Capitalism and Caribbean Slavery: The Legacy of Eric Williams* (New York: Cambridge University Press, 1987); Philip D. Curtin, *The Rise and Fall of the Plantation Complex: Essays in Atlantic History* (New York: Cambridge University Press, 1990); Barbara L. Solow, ed., *Slavery and the Rise of the Atlantic System* (New York: Cambridge University Press, 1991); Paul E. Lovejoy and Nicholas Rogers, eds., *Unfree Labour in the Development of the Atlantic World* (Essex: Frank Cass, 1994); Robin Blackburn, *The Making of New World Slavery: From the Baroque to the Modern, 1492–1800* (New York: Verso, 1997); Colin A. Palmer, ed., *The Worlds of Unfree Labour: From Indentured Servitude to Slavery* (Aldershot, Eng.: Variorum, 1998); Russell R. Menard, *Migrants, Servants, and Slaves: Unfree Labor in Colonial British America* (Aldershot, Eng.: Ashgate, 2001).

2. David W. Galenson, *White Servitude in Colonial America: An Economic Analysis* (New York: Cambridge University Press, 1981); Richard S. Dunn, "Servants and Slaves: The Recruitment and Employment of Labor," in *Colonial British America: Essays in the New History of the Early Modern Era,* ed. Jack P. Greene and J. R. Pole (Baltimore: Johns Hopkins University Press, 1984), 157–94; Bernard Bailyn, *Voyagers to the West: A Passage in the Peopling of America on the Eve of the Revolution* (New York: Knopf, 1986); P. C. Emmer, ed., *Colonialism and*

connecting the rapid economic development of the thirteen North American colonies to the array of compulsory labor regimes that made the New World "the land of the unfree."[3]

In many accounts of American economic development, however, coerced labor loses its importance at the time of American independence. The real story after 1776 is freedom: freedom for common men and women to work when and where they wanted, to pursue their own interests free from government interference, to succeed or fail as the impartial forces of the market dictated, and to control their own destinies in a society of boundless opportunity. In the decades following the American Revolution, personal freedom coincided with the intensification of economic development (capitalism is the usual shorthand) and the expansion of political participation (democracy). Freedom, capitalism, and democracy appear as synergistic forces flowing from the inherent logic of the American Revolution. Capitalism in the early Republic is so strongly associated with democracy and freedom that its relationship to unfree labor stands unexplored, unmentioned, and ultimately unfathomed.[4]

Migration: Indentured Labor Before and After Slavery (Dordrecht: M. Nijhoff, 1986); Aaron S. Fogleman, "From Slaves, Convicts, and Servants to Free Passengers: The Transformation of Immigration in the Era of the American Revolution," *Journal of American History* 85 (June 1998): 43–76; Sharon V. Salinger, "Labor, Markets, and Opportunity: Indentured Servitude in Early America," *Labor History* 38 (Spring–Summer 1997): 311–38; Alison F. Games, *Migration and the Origins of the English Atlantic World* (Cambridge: Harvard University Press, 1999). Christopher Tomlins has disputed the quantity and significance of European indentured servitude but still finds that nearly half of Europeans arriving in British North America before 1780 owed an initial term of labor. See his contribution to this volume or his article "Reconsidering Indentured Servitude: European Migration and the Early American Labor Force, 1600–1775," *Labor History* 42 (February 2001): 5–43.

3. Philip D. Morgan, "Rethinking Early American Slavery," in *Inequality in Early America*, ed. Carla Gardina Pestana and Sharon V. Salinger (Hanover: University Press of New England, 1999), 239; Jacqueline Jones, *American Work: Four Centuries of Black and White Labor* (New York: W. W. Norton, 1998), 23–168; David W. Galenson, "The Settlement and Growth of the Colonies: Population, Labor, and Economic Development," in *The Cambridge Economic History of the United States*, 3 vols., ed. Stanley L. Engerman and Robert E. Gallman (New York: Cambridge University Press, 1996), 1:135–207; John E. Murray and Ruth Wallis Herndon, "Markets for Children in Early America: A Political Economy of Pauper Apprenticeship," *Journal of Economic History* 62 (June 2002): 356–82. The older scholarship on this front includes Richard B. Morris, *Government and Labor in Early America* (New York: Columbia University Press, 1946); Abbot Emerson Smith, *Colonists in Bondage: White Servitude and Convict Labor in America, 1607–1776* (Chapel Hill: University of North Carolina Press, 1947).

4. Gordon S. Wood, *The Radicalism of the American Revolution* (New York: Knopf, 1992); Gordon S. Wood, "The Enemy Is Us: Democratic Capitalism in the Early Republic," *Journal of the Early Republic* 16 (Summer 1996): 293–308; Joyce Appleby, *Capitalism and a New Social Order: The Republican Vision of the 1790s* (New York: New York University Press, 1984); Joyce Appleby, *Inheriting the Revolution: The First Generation of Americans* (Cambridge: Harvard University Press, 2000). Michael Zuckerman and Aaron Fogleman downplay the importance of unfreedom before and after the American Revolution in "Deference or Defiance in Eighteenth-Century America? A Round Table," *Journal of American History* 85 (June 1998): 13–97. Similarly, the contributors to the "Special Issue on Capitalism in the Early Republic," *Journal of the Early Republic* 16 (Summer 1996) pay scant attention to unfree labor as a constitutive component of capitalism.

Little is new in the notion that the United States has maximized human freedom by marrying a democratic polity to a liberal capitalist economy. Indeed, the leading figures of the postrevolutionary generation made this claim in newspapers and autobiographies, on the stump and the stage, and from the bench.[5] Alexis de Tocqueville offered confirmation in *Democracy in America,* a text that, in John Stuart Mill's words, "bound up in one abstract idea the whole of the tendencies of modern commercial society, and g[ave] them one name—Democracy."[6] By the Civil War, northerners had located freedom in the defining aspect of modern industrial capitalism—wage labor. The rhetoric of "free labor" suggested that choice, mobility, and opportunity had been the normative characteristics of American labor from the outset. The North's victory assured that slavery would thereafter be understood as an anomaly in American history, a footnote to the real story, which was all about freedom.[7]

Academic historians have enshrined this "master narrative" over the past half-century.[8] The "consensus" historians of the 1950s saw America as liberal, democratic, and middle-class from the first arrival of English colonists in the 1600s. Americans were "born equal," observed Louis Hartz, whose *Liberal Tradition in America* argued that plentiful land meant abundant freedom for a people

5. Joyce Appleby has explained that the early Republic's "connection between prosperity and democracy sealed the American imagination against a critical stance towards either." See Appleby, *Inheriting the Revolution*, 5. The idea of liberalism as a story that gained credence in repetition by a powerful and articulate segment of society appeared earlier in Steven Watts, *The Republic Reborn: War and the Making of Liberal America, 1790–1820* (Baltimore: Johns Hopkins University Press, 1987). Along these lines, see also T. J. Jackson Lears, "The Concept of Cultural Hegemony: Problems and Possibilities," *American Historical Review* 90 (June 1985): 567–93.

6. John Stuart Mill, "DeTocqueville on Democracy in America, II" in *Collected Works of John Stuart Mill*, ed. J. M. Robson (Toronto: University of Toronto Press, 1977), 18:191. See also Sean Wilentz, "The Power of the Powerless," *New Republic,* December 23 and 30, 1991, 35. Tocqueville figures largely in the arguments of those who see the market as an agent of human liberation. Newt Gingrich declared *Democracy in America* required reading for his Republican Party colleagues in the 104th Congress. American Enterprise Institute affiliate Michael A. Ledeen recently published *Tocqueville on American Character: Why Tocqueville's Brilliant Exploration of the American Spirit Is as Vital and Important Today as It Was Nearly Two Hundred Years Ago* (New York: St. Martin's Press, 2000). See Caleb Crain's review of a recent translation of *Democracy in America:* "Tocqueville for Neocons," *New York Times Book Review,* January 14, 2001, 11–12.

7. Antebellum New Englanders worked to erase slaveholding from the narratives of the northern past. By the eve of the Civil War, it seemed that slavery had always been an exclusively southern practice. See Joanne Pope Melish, *Disowning Slavery: Gradual Emancipation and "Race" in New England, 1780–1860* (Ithaca: Cornell University Press, 1998). On "free labor," see Jonathan A. Glickstein, *Concepts of Free Labor in Antebellum America* (New Haven: Yale University Press, 1991); Jonathan A. Glickstein, *American Exceptionalism, American Anxiety: Wages, Competition, and Degraded Labor in the Antebellum United States* (Charlottesville: University of Virginia Press, 2002); Eric Foner, *Free Soil, Free Labor, Free Men: The Ideology of the Republican Party Before the Civil War* (New York: Oxford University Press, 1970); Amy Dru Stanley, *From Bondage to Contract: Wage Labor, Marriage, and the Market in the Age of Slave Emancipation* (New York: Cambridge University Press, 1998).

8. Nathan I. Huggins, "The Deforming Mirror of Truth: Slavery and the Master Narrative of American History," *Radical History Review* 49 (1991): 25–48.

steeped in the lessons of Lockean liberalism and competitive individualism.[9] The ascent of social history in the 1970s and the new attention devoted to women and people of color made such generalizations difficult, but by the 1980s and 1990s scholars were once again identifying economic opportunity for some with freedom for all. While the colonial period witnessed substantive inequality (contrary to the 1950s consensus interpretation), the American Revolution ushered in a liberal society that maximized freedom via a capitalist marketplace. As Gordon Wood's Pulitzer Prize–winning *Radicalism of the American Revolution* boldly declared, the United States "would discover its greatness by creating a prosperous free society belonging to obscure people with their workaday concerns and their pecuniary pursuits of happiness—common people with their common interests in making money and getting ahead."[10]

Despite a historiographical trend that has transformed a world of unfree labor into a world of freedom in the aftermath of the American Revolution, scholars of the early Republic must recognize the continuities—if not the expansion—of coerced labor in the era's developing economy. The presumptive equation of capitalism with democracy and freedom has obscured the massive expansion of slavery in the early Republic and the contributions of that mode of production to national economic growth. Equally important, the rhetorical melding of capitalism, democracy, and freedom allows historians to dismiss unfree labor practices within capitalism as anomalies. The profitable use of enslaved labor in industrial production and the implementation of forced labor within social welfare policies, for example, indicate "contradictions" or "ambiguities" within capitalism. Such practices appear as temporary expediencies that will ultimately prove unnecessary as capitalism's inherent logic takes hold. Economic historians have tended to write as if American economic development should follow a linear progression toward a "pure" capitalism where coercion would ultimately

9. Louis Hartz, *The Liberal Tradition in America: An Interpretation of American Political Thought Since the Revolution* (New York: Harcourt, Brace & World, 1955), 309; Richard Hofstadter, *The American Political Tradition and the Men Who Made It* (New York: Knopf, 1948); Robert E. Brown, *Middle-Class Democracy and the Revolution in Massachusetts, 1691–1780* (Ithaca: Cornell University Press, 1955). "Why should we make a five-year plan for ourselves when God seems to have had a thousand-year plan ready-made for us?" asked Daniel Boorstin in *The Genius of American Politics* (Chicago: University of Chicago Press, 1953), 179. Charles S. Grant, *Democracy in the Connecticut Frontier Town of Kent* (New York: Columbia University Press, 1961), 53. See also James T. Lemon, *The Best Poor Man's Country: A Geographical Study of Early Southeastern Pennsylvania* (Baltimore: Johns Hopkins University Press, 1972). For a succinct evaluation of consensus history, see James Henretta, "Communications," *William and Mary Quarterly* 37 (October 1980): 696–97; Peter Novick, *That Noble Dream: The "Objectivity Question" and the American Historical Profession* (New York: Cambridge University Press, 1988), 332–37.

10. Wood, *Radicalism of the American Revolution*, 369. The argument that the American Revolution gave birth to a flourishing liberal society does not come from the margins of the profession. Wood's efforts garnered the 1993 Pulitzer Prize in history. Joyce Appleby, the other leading exponent of this position during the past decade, has served as president of the Organization of American Historians, the American Historical Association, and the Society for Historians of the Early American Republic.

prove unnecessary. From this perspective, the persistence of unfree labor in the early Republic merely suggests that the kinks had yet to be worked out of the system. By conceptualizing unfree labor as a paradox or a logical inconsistency within capitalism, historians enshrine freedom as the true dynamic of American economic history.[11]

This essay suggests a reorientation: The so-called "contradictions" of capitalism in the early Republic are better understood as constitutive elements of American economic development. Capitalism in this era relied less upon unfettered markets and mobility than on its relationship with the sizeable segment of the American population laboring under various forms of unfreedom. The economic history of the postrevolutionary United States simply makes no sense without slavery and coerced labor as central components.[12] The point is not that the economy of the early Republic was not truly capitalist because of its dependence upon unfree labor. Nor is the point that slavery was actually a capitalist form of labor organization because of its contribution to American economic growth. These arguments miss the larger possibilities of placing unfree labor at the center of economic history in the early Republic. For too long capitalism and slavery have been narrated as separate histories, at the cost of recognizing the contingent relationship between American economic development and unfree labor.

In the first decades of the nineteenth century, some Americans came to live in a world of economic liberalism precisely because other Americans did not. Some Americans could engage in self-making, consumerism, and enterprise because other Americans did not. Some Americans experienced boundless opportunity because other Americans did not. Economic freedom for some and economic unfreedom for others were not coincidences but were inextricably linked. We become aware of these connections only when we acknowledge the range of unfree labor arrangements that structured early-Republic capitalism.[13] To that end, this chapter will explore how slavery might be integrated into the

11. Historians focusing on the paradoxical relationship of capitalism and unfree labor owe a great deal to Edmund Morgan, "Slavery and Freedom: The American Paradox," *Journal of American History* 59 (June 1972): 5–29. Engaging with Morgan, Christine Daniels suggested that "slavery was not the paradox in early America . . . it was the paradigm." Christine Daniels, "Comment: Race and Class Politics of Antebellum U.S. Artisans," paper presented at the American Historical Association annual meeting, New York, January 1997.

12. Several historians have given unfreedom a key role but have not focused exclusively on issues of labor. See Howard Zinn, *A People's History of the United States* (New York: Harper and Row, 1980); Ronald Takaki, *Iron Cages: Race and Culture in Nineteenth-Century America* (New York: Oxford University Press, 1990); Edward Countryman, *Americans: A Collision of Histories* (New York: Hill and Wang, 1997); Eric Foner, *The Story of American Freedom* (New York: W. W. Norton, 1998).

13. For explicit connection between unfree labor and capitalist development, see Jones, *American Work;* Eric R. Wolf, *Europe and the People Without History* (Berkeley and Los Angeles: University of California Press, 1982); Evelyn Nakano Glenn, *Unequal Freedom: How Race and Gender Shaped American Citizenship and Labor* (Cambridge: Harvard University Press, 2002).

broader history of capitalism in the late eighteenth and early nineteenth centuries, and will catalog the persistence of other forms of unfree labor within the emergent wage economy. But before we explore the unfree origins of American capitalism, we must first explain how unfree labor fell out of most historical accounts of economic development in the early Republic.

The Declining Fortunes of Unfree Labor

Joyce Appleby has noted that here, in "the most capitalistic country in the world," historians "have a difficult time making precise just what social relations the word, capitalism, refers to, not to mention how to characterize its development across the four centuries of American history." The story is, indeed, "vexed."[14] The key historiographical questions have centered on the timing of capitalism's arrival, the nature of the system it replaced, and the relative ease of the transition from one to the other. For some scholars, capitalism informed the very circumstances of New World colonization and was, in effect, present at the creation.[15] Many more scholars, however, have searched for an elusive "transition to capitalism" and have applied their energies to debating whether the transition to capitalism was uncontested (and thus quickly accomplished) or whether the transition met great resistance (and was thus accomplished slowly, piecemeal, and perhaps incompletely). Invariably this debate has involved an evaluation of the economy that came before (was it precapitalist, anticapitalist, protocapitalist?) and a value judgment as to whether the results of the transition to capitalism were positive or negative.[16] The new social history of the 1970s portrayed ordinary Americans as unreceptive to the logic of capitalist accumulation, eager to avoid unnecessary market participation, and ultimately injured by the triumph of market relations. In the past decade, however, historians have increasingly argued otherwise, contending that common Americans raced into the capitalist

14. Joyce Appleby, "The Vexed Story of Capitalism Told by American Historians," *Journal of the Early Republic* 21 (Spring 2001): 1–18.

15. William Cronon, *Changes in the Land: Indians, Colonists, and the Ecology of New England* (New York: Hill and Wang, 1983); Stephen Innes, *Labor in a New Land: Economy and Society in Seventeenth-Century Springfield* (Princeton: Princeton University Press, 1983); John Frederick Martin, *Profits in the Wilderness: Entrepreneurship and the Founding of New England Towns in the Seventeenth Century* (Chapel Hill: University of North Carolina Press, 1991); Denys Delage, *Bitter Feast: Amerindians and Europeans in Northeastern North America, 1600–64*, trans. Jane Brierley (Vancouver: University of British Columbia Press, 1993).

16. To borrow from Allan Kulikoff's useful description, while "social historians" were searching for an antimarket mentalité that resisted the transition to capitalism, "market historians" cataloged the profit-maximizing behavior of eighteenth- and early nineteenth-century farmers. Allan Kulikoff, *The Agrarian Origins of American Capitalism* (Charlottesville: University Press of Virginia, 1992), 15. The debate between the market historians and the social historians has been a heated one. See, for example, the exchange between Michael A. Bernstein and Sean Wilentz and Winifred B. Rothenberg in the *Journal of Economic History* 44 (March 1984): 171–78.

marketplace in search of opportunity and self-improvement. As this interpretation has gained preeminence, the relationship of capitalism and unfreedom has fallen from the picture. Because capitalism originated in the everyday aspirations of common people, the history of American capitalism necessarily appears as the history of American freedom.

To trace out this historiographical shift and its consequences, we must begin in the wake of E. P. Thompson's *The Making of the English Working Class.* Informed by labor and social history and the premise of an oppositional working-class culture, historians following Thompson recovered the efforts of American workers to resist and reject market relations. Journeymen denounced their entrepreneurial masters, who were jettisoning a timeless system of craft training and mutuality. Organizing politically and invoking their republican heritage, skilled artisans struggled to preserve their declining autonomy in commercial cities. Their rhetoric associated wage labor with a form of slavery.[17] In the countryside, farming families strove to produce household subsistence and rejected competitive market exchange that threatened their independence. Some historians have found rural communities striving against capitalism in the name of democracy as late as 1900.[18] The crowning contribution to this interpretation was Charles Sellers's 1991 tome, *The Market Revolution,* which characterized Jacksonian America as a pitched battle between urban capitalism and rural agrarianism. Sellers not only depicted these two forces as engaged in an irreconcilable *Kulturkampf* but declared that, "contrary to liberal mythology, democracy was born in tension with capitalism and not as its natural and legitimizing political expression." The ascent of capitalism in the United States required a revolution, one

17. Alan Dawley, *Class and Community: The Industrial Revolution in Lynn* (Cambridge: Harvard University Press, 1976); Howard B. Rock, *Artisans of the New Republic: The Tradesmen of New York City in the Age of Jefferson* (New York: New York University Press, 1979); Sean Wilentz, *Chants Democratic: New York City and the Rise of the American Working Class, 1788–1850* (New York: Oxford University Press, 1984); Steven J. Ross, *Workers on the Edge: Work, Leisure, and Politics in Industrializing Cincinnati, 1788–1890* (New York: Columbia University Press, 1985); Bruce Laurie, *Artisans into Workers: Labor in Nineteenth-Century America* (New York: Hill and Wang, 1989). The new labor history approach to the early Republic is surveyed in Richard Stott, "Artisans and Capitalist Development," *Journal of the Early Republic* 16 (Spring 1996): 257–71.

18. Michael Merrill, "Cash Is Good to Eat: Self-Sufficiency and Exchange in the Rural Economy of the United States," *Radical History Review* 3 (Winter 1977): 42–71; James Henretta, "Families and Farms: *Mentalité* in Pre-Industrial America," *William and Mary Quarterly*, 3d ser., 35 (January 1978): 3–32; James Henretta, *The Origins of American Capitalism: Selected Essays* (Boston: Northeastern University Press, 1991); Christopher Clark, "Household Economy, Market Exchange, and the Rise of Capitalism in the Connecticut Valley, 1800–1860," *Journal of Social History* 13 (Winter 1979): 169–89; Christopher Clark, *The Roots of Rural Capitalism: Western Massachusetts, 1780–1860* (Ithaca: Cornell University Press, 1990); Steven Hahn, *The Roots of Southern Populism: Yeoman Farmers and the Transformation of the Georgia Upcountry, 1850–1890* (New York: Oxford University Press, 1983); Lawrence Goodwyn, *The Populist Moment: A Short History of the Agrarian Revolt in America* (New York: Oxford University Press, 1978). See also the essays in Steven Hahn and Jonathan Prude, eds., *The Countryside in the Age of Capitalist Transformation: Essays in the Social History of Rural America* (Chapel Hill: University of North Carolina Press, 1985).

that in Sellers's account undercut—rather than fulfilled—the democratic promise of the American Revolution.[19]

When *The Market Revolution* appeared, it seemed perfectly plausible that a left-leaning critique of capitalism reigned historiographically supreme. Graduate reading lists and undergraduate syllabi featured texts that made the transition to capitalism appear problematic, less than inevitable, and perhaps regrettable.[20] But ultimately a different story prevailed in the 1990s, describing the early emergence of a market economy and the lack of resistance it met, particularly in the countryside. Economic historians discovered farmers' willingness to cart produce great distances for better prices and their efforts to anticipate consumer demand several seasons ahead in allocating cropland and slaughtering livestock. Such strategies resulted in price convergences in rural Massachusetts, New York, and Philadelphia after 1780. Rather than standing in the way of a capitalist economy, northern farmers were at the forefront of the kind of behavior we associate with capitalism.[21] When they complained about the market, they were not nostalgic for a premarket past but were lamenting that producers like themselves sometimes lacked the same economic opportunities as merchants and bankers. Admittedly, rural families engaged in market activity in order to meet family subsistence needs and to pursue goals of household reproduction rather than limitless profit. These goals of competency nonetheless required competition and situated rural families firmly within the marketplace; there seemed little to suggest they wanted it otherwise.[22]

19. Charles Sellers, *The Market Revolution: Jacksonian America, 1815–1846* (New York: Oxford University Press, 1991), 32. In a forum devoted to the book, Sellers further expressed hope that scholars would question the relationship between capitalism and democracy: "Nothing could be more liberating for American historians—or more salutary in this hour of capitalist triumphalism—than recognizing our own embeddedness in the liberal ideology we should be subjecting to critical analysis." For assessments of Sellers, see "A Symposium on *The Market Revolution*," *Journal of the Early Republic* 12 (Winter 1992): 475; William Glanapp, "The Myth of Class in Jacksonian America," *Journal of Policy History* 6, no. 2 (1994): 232–59; Melvyn Stokes and Stephen Conway, eds., *The Market Revolution in America: Social, Political, and Religious Expressions, 1800–1880* (Charlottesville: University Press of Virginia, 1996). See also Tony Freyer, *Producers Versus Capitalists: Constitutional Conflict in Antebellum America* (Charlottesville: University Press of Virginia, 1994).

20. Christine Stansell, *City of Women: Sex and Class in New York, 1789–1860* (New York: Knopf, 1986); Paul E. Johnson, *A Shopkeeper's Millennium: Society and Revivals in Rochester, New York, 1815–1837* (New York: Hill and Wang, 1978); Michael Merrill and Sean Wilentz, *The Key of Liberty: The Life and Democratic Writings of William Manning, "A Laborer," 1747–1814* (Cambridge: Harvard University Press, 1993); Billy G. Smith, *The "Lower Sort": Philadelphia's Laboring People, 1750–1800* (Ithaca: Cornell University Press, 1990); Morton Horwitz, *The Transformation of American Law, 1780–1860* (Cambridge: Harvard University Press, 1977); Carolyn Merchant, *Ecological Revolutions; Nature, Gender, and Science in New England* (Chapel Hill: University of North Carolina Press, 1989).

21. Winifred B. Rothenberg, *From Market-Places to a Market Economy: The Transformation of Rural Massachusetts, 1750–1850* (Chicago: University of Chicago Press, 1992); Naomi R. Lamoreaux, "Rethinking the Transition to Capitalism in the Early American Northeast," *Journal of American History* 90 (September 2003): 437–61.

22. Daniel Vickers, "Competency and Competition: Economic Culture in Early America," *William and Mary Quarterly,* 3d ser., 47 (January 1990): 3–29; Richard L. Bushman, "Markets and

It also turned out that those militant urban artisans were incipient capitalists as well. Tina H. Sheller described the Baltimore artisan as "a rational man of business" who "employed the cheapest skilled labor available, offered a variety of goods and services to meet the demands of the local market, and invested his earnings in land and buildings."[23] Gary J. Kornblith profiled Joseph Buckingham, the Boston printer who "redefin[ed] independence as adherence to an ethos of enterprise."[24] Joyce Appleby located the "popular sources of American capitalism" in the ambition of indentured blacksmith Ichabod Washburn. Bound out by his widowed mother at age nine, Washburn spent the next decade laboring to purchase an early freedom in 1818. He soon started his own company, which produced lead pipe for woolen manufactories in Worcester, Massachusetts. By 1840 Washburn had become one of the nation's largest manufacturers of iron wire. "A prototype for the American self-made man," Washburn "hitched his star to the wagon of economic development."[25] Claiming the last word in the *Journal of the Early Republic*'s 1996 special issue on capitalism, Gordon Wood identified republican "laborers" and small producers as "the main force behind America's capitalist market revolution."[26]

In broad synthetic strokes, and lucid and compelling prose, Wood and Appleby made economic development and political democratization the same story. By shedding English rule and then dismissing the aristocratic pretension of the Federalists, common Americans created a society free of the hierarchy, rank, and station that had previously stifled ambition, ingenuity, and mobility. This was, in Wood's account, what made the American Revolution radical: it demolished "two millennia" of contempt for individual ambition and created "almost overnight, the most liberal, the most democratic, the most commercially minded, and the most modern people in the world."[27] In Appleby's version, "the rate of growth in the early republic was largely set by ordinary men and women whose propensity to move, to innovate, to accept paper money, and to switch

Composite Farms in Early America," *William and Mary Quarterly,* 3d ser., 55 (July 1998): 351–74; James Henretta, "The 'Market' in the Early Republic," *Journal of the Early Republic* 18 (Summer 1998): 288; Terry Bouton, "A Road Closed: Rural Insurgency in Post-Independence Pennsylvania," *Journal of American History* 87 (December 2000): 855–87; Martin Bruegel, *Farm, Shop, Landing: The Rise of a Market Society in the Hudson Valley, 1780–1860* (Durham: Duke University Press, 2002).

23. Tina H. Sheller, "Freemen, Servants, and Slaves: Artisans and the Craft Structure of Revolutionary Baltimore Town," in *American Artisans: Crafting Social Identity, 1750–1850,* ed. Howard B. Rock, Paul A. Gilje, and Robert Asher (Baltimore: Johns Hopkins University Press, 1995), 26–27. See also Donna J. Rilling, *Making Houses, Crafting Capitalism: Builders in Philadelphia, 1790–1850* (Philadelphia: University of Pennsylvania Press, 2001).

24. Gary J. Kornblith, "Becoming Joseph T. Buckingham: The Struggle for Artisanal Independence in Early-Nineteenth-Century Boston," in Rock, Gilje, and Asher, *American Artisans,* 134.

25. Joyce Appleby, "The Popular Sources of American Capitalism," *Studies in American Political Development* 9 (Fall 1995): 445–46.

26. Wood, "The Enemy Is Us," 306–7.

27. Wood, *Radicalism of the American Revolution,* 7–8.

from homemade goods once commercial ones were available paced the expansion of farming, commerce, credit, and information." These developments attested to the "imaginative linking of political and economic liberty into a single cause of prosperity."[28] Arguing from anecdotal evidence, Wood and Appleby repudiated three decades of quantitative social history documenting rising inequality in the postrevolutionary United States. Despite receiving significant criticism for ignoring the racial and gender inequalities that structured society in the early Republic, the Wood and Appleby accounts of democratic capitalism remain highly influential among academic historians and the history-reading public alike.[29]

Historians on both sides of the "transition-to-capitalism" debate must confront the stunning evidence of economic development during the early years of the Republic. The exponential growth of canal and turnpike mileage, the proliferation of banks and corporate charters, the impact of technological innovations in milling, manufacturing, and transportation—all contributed to the emergence of a national market that linked consumers and producers across hundreds of miles.[30] Falling transportation costs and travel times opened a world of possibilities for Americans, and historians have often used such statistics as benchmarks for dating capitalism's arrival. Indeed, most scholarship on early-Republic capitalism has been content to define capitalism by its effects: an improved transportation infrastructure that facilitated the movement of goods across great distances; the rationalization of productive processes and the increased orientation of farmers, artisans, and manufacturers toward market exchange; growing links between urban and rural Americans in a common consumer culture in which rich, middling, and poor might participate; the generating of capital and a cash medium to facilitate exchange; the recognition of corporations and the sanctification of property rights (over customary rights) in statutory and common law; the cultural legitimization of self-interested behavior and celebration of the self-made man who improved his lot through hard work and delayed

28. Appleby, *Inheriting the Revolution,* 89, 253, 58–59.

29. Interestingly, some commentators have suggested that instead of celebrating the democratization of American life in the nineteenth century, Wood laments it: "No doubt that the cost America paid for this democracy was high—with its vulgarity, its materialism, its rootlessness, its anti-intellectualism" (*Radicalism of the American Revolution,* 369). Instead, his sympathies are with the Federalists and other elites who got bumped out of the way. See Joyce Appleby, Barbara Clark Smith, and Michael Zuckerman, "Forum: How Revolutionary was the Revolution: A Discussion of Gordon S. Wood's *The Radicalism of the American Revolution,*" *William and Mary Quarterly,* 3d ser., 51 (October 1994): 679–702. Wood received a more positive review in Newt Gingrich, *To Renew America* (New York: Harper Collins, 1995), 32–33. On growing inequalities, see Lee Soltow, *The Distribution of Wealth and Income in the United States in 1798* (Pittsburgh: University of Pittsburgh Press, 1989); Smith, *"Lower Sort."*

30. Carol Sheriff, *The Artificial River: The Erie Canal and the Paradox of Progress, 1817–1862* (New York: Hill and Wang, 1996); Daniel Feller, *The Jacksonian Promise: America, 1815–1840* (Baltimore: Johns Hopkins University Press, 1995); Harry L. Watson, *Liberty and Power: The Politics of Jacksonian America* (New York: Noonday Press, 1990).

gratification; and the establishment of a market in labor that allowed workers to choose their own employers, quit at will, and toil free of physical violence in exchange for wages. Although facets of capitalism appeared in Renaissance Venice and Puritan New England, this constellation of practices, institutions, and cultural ideals did not converge until the founding of the American nation.[31]

By locating capitalism in the early Republic's "culture of progress," however, historians have been blind to capitalism's underlying social relations.[32] As Michael Merrill has explained, historians err in seeing capitalism as "just an economic system based on market exchange, private property, wage labor, and sophisticated financial instruments." Instead, historians must define capitalism through the power relations that channel the fruits of economic development toward those who coordinate capital to generate additional capital, who own property rather than rent it, and who compel labor rather than perform it. In a capitalist economy, the primary mechanism for meeting and surpassing a subsistence standard of living and gaining access to additional productive property is the control of other people's labor power. In a capitalist economy, impartial market forces ostensibly set the rules of production and reproduction, but not all members of society can enter that market freely, to their own benefit, and with equal protection from its vagaries. These rules will be naturalized through cultural production and social practices, but ultimately the state serves as their enforcer and can deploy physical violence when necessary to uphold them. For those whose physical labor fuels economic development, it will be almost impossible to play by different rules, or to opt out of playing altogether, and they will have little control over the pace, structure, or remuneration of their work.[33]

31. Paul A. Gilje, ed., *The Wages of Independence: Capitalism in the Early American Republic* (Madison, Wis.: Madison House, 1997); Paul E. Johnson, "The Market Revolution," in *The Encyclopedia of American Social History,* ed. Mary Kupiec Cayton, Elliott J. Gorn, and Peter W. Williams (New York: Charles Scribner's Sons, 1993), 1:545–60.

32. Historians of the early Republic tend to eschew theoretical definitions of capitalism that center on social relations. Marx, Weber, Gramsci, and other social theorists rarely appear in footnotes, certainly not to the extent to which they inform the work of European historians and historical sociologists. See John R. Hall, ed., *Reworking Class* (Ithaca: Cornell University Press, 1998). At present, there is not a flourishing Marxist historiography, but see Rona S. Weiss, "The Market and Massachusetts Farmers, 1750–1850: Comment," *Journal of Economic History* 43 (June 1983): 476; John Ashworth, *Slavery, Capitalism, and Politics in the Antebellum Republic* (New York: Cambridge University Press, 1996).

33. Michael Merrill, "Putting 'Capitalism' in Its Place: A Review of Recent Literature," *William and Mary Quarterly,* 3d ser., 52 (April 1995): 322, 326; David Montgomery, *Citizen Worker: The Experience of Workers in the United States with Democracy and the Free Market During the Nineteenth Century* (New York: Cambridge University Press, 1993); William M. Reddy, *The Rise of Market Culture: The Textile Trade and French Society, 1750–1900* (New York: Cambridge University Press, 1984); Sonya Rose, "Class Formation and the Quintessential Worker," in Hall, *Reworking Class,* 133–66; James Schmidt, *Free to Work: Labor Law, Emancipation, and Reconstruction, 1815–1860* (Athens: University of Georgia Press, 1998); Robert Steinfeld, *Coercion, Contract, and Free Labor in the Nineteenth Century* (New York: Cambridge University Press, 2001).

When historians focus on the transformative effects of capitalism during the early years of the Republic—the acres of wilderness converted to production, the spread of urban fashion deep into the countryside, the pervasive rhetoric of self-making—it is easy to lose sight of the coercion of labor. But when historians explore the social relations of capitalism during this era, the story necessarily looks different. At the center of any analysis of capitalism stands "the labor question," or what Peter Kolchin has characterized as "Who should work for whom, under what terms should work be performed, and how should it be compelled or rewarded?"[34] The answers that emerged in the early Republic meant that the "culture of progress" would be built upon a series of exploitive relationships. Canals did not dig themselves any more than cotton picked itself and converted itself into shirts and pants. Early republican boosters and their historians have pretended otherwise, erasing unfreedom from the story of American capitalism. Let us now turn to the ways in which that story might be recovered.

Slavery and American Economic Growth

The period between 1790 and 1840 witnessed the rapid expansion of slavery in the United States. Between the ratification of the Constitution and the closing of the Atlantic slave trade in 1808, more than 235,000 enslaved Africans entered the new nation—almost as many new slaves in that brief twenty-year span as had been imported between 1700 and 1780. By the 1820s slave-grown cotton had generated fortunes for planters in the new states of the South. As millions of new acres were brought into cultivation, cotton quickly became the nation's most valuable export crop.[35] While arguably one of the key developments in the economic history of these years, the emergence of the cotton kingdom is usually told as a sectional history—namely, the rise of the South. Attention quickly focuses on southern distinctiveness and the extent to which slaveholders were complicit with or opposed to the changes accompanying the market revolution.[36] But no matter how frequently southern slaveholders denounced bourgeois liberalism, there can be little doubt that the slave system played an indispensable role in the emergence of a national capitalist economy. Nor must one accept Charles Sumner's famous accusation of a conspiracy between the lords of the loom and

34. Peter Kolchin, "The Big Picture: A Comment on David Brion Davis's 'Looking at Slavery from Broader Perspectives,'" *American Historical Review* 105 (April 2000): 468.

35. Herbert Klein, *The Atlantic Slave Trade* (New York: Cambridge University Press, 1999), 210–11; Robert W. Fogel, *Without Consent or Contract: The Rise and Fall of American Slavery* (New York: W. W. Norton, 1989), 61–72; Jones, *American Work*, 191–218; Stuart Bruchey, *Cotton and the Growth of the American Economy: 1790–1860* (New York: Harcourt, Brace & World, 1967); Johnson, "Market Revolution," 554.

36. Douglas R. Egerton, "Markets Without a Market Revolution: Southern Planters and Capitalism," *Journal of the Early Republic* 16 (Summer 1996): 207–21.

the lords of the lash in order to see the simultaneous expansion of slavery and capitalism in the early Republic as no mere coincidence.[37]

Sixty years ago, Eric Williams postulated that West Indian slavery financed English industrialization. Although much criticized as an explanation of British economic development, Williams's famous juxtaposition of slavery and capitalism still warrants consideration for the United States.[38] Although southern in its location, American slavery was not "regionally restricted," and it generated wealth, defined racial and class identities, and facilitated consumerism for men and women far removed from the actual buying and selling of African Americans.[39] American capitalism flourished within a "slaveholding republic," where slavery infused the nation's politics, culture, and economy. Slavery's protection and perpetuation was of national concern.[40]

As James Oakes has observed, "behind every task assigned to every slave every day stood the mill owners and factory hands of Old and New England."[41]

37. Charles Sumner asserted this proposition at an 1848 Whig convention in Worcester, Massachusetts. See Thomas O'Connor, *Lords of the Loom: The Cotton Whigs and the Coming of the Civil War* (New York: Charles Scribner's Sons, 1968), 47; Philip S. Foner, *Business and Slavery: The New York Merchants and the Irrepressible Conflict* (Chapel Hill: University of North Carolina Press, 1941).

38. Russell Menard, "'Capitalism and Slavery': Personal Reflections on Eric Williams and Reconstruction of Early American History," in *The World Turned Upside-Down: The State of Eighteenth-Century American Studies at the Beginning of the Twenty-First Century*, ed. Michael V. Kennedy and William G. Shade (Bethlehem: Lehigh University Press, 2001), 325. Williams, *Capitalism and Slavery.* For Williams-inspired scholarship, see note 1 above. For the critique of Williams, see Roger T. Anstey, "Capitalism and Slavery: A Critique," *Economic History Review* 21 (August 1968): 307–20; Howard Temperley, "Capitalism, Slavery, and Ideology," *Past and Present* 75 (May 1977): 94–118; Seymour Drescher, *Econocide: British Slavery in the Era of Abolition* (Pittsburgh: University of Pittsburgh Press, 1977); Seymour Drescher, *Capitalism and Antislavery: British Mobilization in Comparative Perspective* (New York: Oxford University Press, 1987); Thomas Bender, ed., *The Antislavery Debate: Capitalism and Abolitionism as a Problem in Historical Interpretation* (Berkeley and Los Angeles: University of California Press, 1992).

39. David Roediger and Martin H. Blatt, eds., *The Meaning of Slavery in the North* (New York: Garland, 1998), xiii–xiv. Larry Neal argues that slavery's contribution to national wealth in the period 1790–1850 was three times as great as that made by free immigrant workers. See Neal, "A Calculation and Comparison of the Current Benefits of Slavery and an Analysis of Who Benefits," in *The Wealth of Races: The Present Value of Benefits from Past Injustices*, ed. Richard F. America (Westport, Conn.: Greenwood Press, 1990), 91–105. Robert S. Browne observes: "Any effort to assess the contribution of slaves to the economy at the time (and to present economic shares) must conclude that the United States' emergence as an industrial nation was possible only because of the massive input provided by slave labor at a time when labor was the scarce factor in the production function." See Browne, "Achieving Parity through Reparations," in America, *Wealth of Races*, 202.

40. Don E. Fehrenbacher, *The Slaveholding Republic: An Account of the United States Government's Relations to Slavery* (New York: Oxford University Press, 2001); Ira Berlin, "North of Slavery: Black People in a Slaveholding Republic," paper presented to the Gilder Lehrman Center for the Study of Slavery, Resistance, and Abolition, Yale University, September 27, 2002; Paul Finkelman, "Slavery and the Constitutional Convention: Making a Covenant with Death," in *Beyond Confederation: Origins of the Constitution and American National Identity*, ed. Richard Beeman et al. (Chapel Hill: University of North Carolina Press, 1987), 188–225.

41. James Oakes, *The Ruling Race: A History of American Slaveholders* (New York: Knopf, 1982), 53; Rachel Chernos Lin, "The Rhode Island Slave-Traders: Butchers, Bakers, and Candlestick-Makers," *Slavery and Abolition* 23 (December 2002): 21–38.

These connections between slavery and capitalism, however, began well before the American Revolution. Enslaved workers played a key role in creating the physical infrastructure of commercial exchange during the colonial period. Enslaved Africans and African Americans improved Manhattan roads, erected Philadelphia counting-houses, and manned the ships that carried goods throughout the Atlantic.[42] In New England, according to Joanne Pope Melish, slaves performed inherently valuable domestic labor that "released white males to engage in new professional, artisan, and entrepreneurial activities, thus increasing productivity and easing the transition from a household-based to a market-based economy."[43] At the same time, many of the leading families of American industrialization made their initial fortunes in the broader Atlantic slave economy. The Cabots, who erected the Beverly Cotton Mill in 1789, were deeply immersed in the so-called triangular trade; the rum they produced from West Indian molasses in turn purchased West African slaves destined for West Indian sugar plantations. One of their mercantile agents foresaw Massachusetts "coarse cloths" as a valuable commodity in "the Guinea Market." The Hazards family propelled Rhode Island to the forefront of the "negro cloth" industry, which accounted for 79 percent of the state's woolen production by 1850. The Rhode Island Browns (financiers of Samuel Slater) and the Massachusetts Lowells (key partners in the Boston Associates) also raised capital from earlier ventures in the Atlantic plantation complex.[44]

Early in the nineteenth century slave-grown cotton became, to quote Robert Fogel, "the essential raw material for hundreds of thousands of factory hands in the North and Europe. It provided employment for several million other workers in transportation, in handicrafts, and in wholesale or retail trade."[45] Northern shippers and insurers made sure that slave-grown cotton arrived safely in England. The profits they deposited in northern banks were in turn lent to southern planters seeking capital to invest in additional land and labor. When

42. Peter Linebaugh and Marcus Rediker, *The Many-Headed Hydra: Sailors, Slaves, Commoners, and the Hidden History of the Revolutionary Atlantic* (Boston: Beacon Press, 2000); Graham Russell Hodges, *Root and Branch: African Americans in New York and East Jersey, 1613–1863* (Chapel Hill: University of North Carolina Press, 1999); Leslie Harris, *In the Shadow of Slavery: African Americans in New York City, 1626–1863* (Chicago: University of Chicago Press, 2003); W. Jeffrey Bolster, *Black Jacks: African American Seamen in the Age of Sail* (Cambridge: Harvard University Press, 1997).

43. Melish, *Disowning Slavery*, 7–8, 15–21. Melish expands on Lorenzo J. Greene, *The Negro in Colonial New England* (New York: Columbia University Press, 1942), and Edgar J. McManus, *Black Bondage in the North* (Syracuse: Syracuse University Press, 1973).

44. Ronald Bailey, "'Those Valuable People, the Africans': The Economic Impact of the Slave(ry) Trade on Textile Industrialization in New England," in Roediger and Blatt, *Meaning of Slavery*, 3–31; Myron O. Stachiw, "'For the Sake of Commerce': Slavery, Antislavery, and Northern Industry," ibid., 33–44. For an elaboration, see Ronald Bailey, "The Slavery Trade and the Development of Capitalism in the United States: The Textile Industry in New England," *Social Science History* 14 (Fall 1990): 373–414; Ronald Bailey, "Africa, the Slave Trade, and Industrial Capitalism in Europe and the United States," *American History: A Bibliographic Review* (1986): 1–91.

45. Fogel, *Without Consent or Contract*, 106.

slaveholders returned their own profits to northern banks, their deposits funded loans to northern entrepreneurs. Scholars—thanks to current lawsuits seeking reparations for slavery—are only now delving into the records of individual firms to discover the financial ties between slavery and capitalism. Already northern banking, shipping, and insurance companies have had to defend their eighteenth- and nineteenth-century relationship to slavery.[46] By 1859 as much as $462 million of southern wealth accrued to the northern states annually.[47]

However, more than interregional commerce made nineteenth-century economic development a national project. Although its labor force remained in chains, the southern states developed a manufacturing infrastructure, laid railroad track, and forged iron at a rate comparable to those of France, Germany, and Austria-Hungary.[48] Only in comparison with the North or England did southern industrial development seem slow. Moreover, the behaviors associated with market revolution nationally were not absent from the nineteenth-century South, especially as slaveholders' aspirations to feudal social relations required a deep immersion in the capitalist marketplace. Slaveholders responded promptly to market signals in terms of their crop allocation and slave purchases or sales; they embraced transportation technologies like steamboats to gain marketing efficiency; they gathered information assiduously in order to rationalize production; they regulated time in ways consistent with advanced production; they created a body of law around absolute property rights; and they constructed a middle-class identity through domesticity and consumerism. Slaveholders and capitalists shared perhaps more than they would have preferred.[49]

46. Eric Foner, "Slavery's Fellow Travelers," op-ed, *New York Times*, July 13, 2000; Brent Staples, "How Slavery Fueled Business in the North," op-ed, *New York Times*, July 24, 2000; "Forum: Making the Case for Racial Reparations: Does America Owe a Debt to the Descendants of its Slaves?" *Harper's* magazine (November 2000), 37–51; Randall Robinson, *The Debt: What America Owes to Blacks* (New York: E. P. Dutton, 2000). Aetna, the Hartford insurance company, recently apologized for policies it issued in the 1850s to slaveholders against the loss of their human property. FleetBoston Financial Corporation faced a reparations lawsuit as a corporate descendant of Rhode Island's Providence Bank. Under the direction of founder John Brown, Providence Bank had financed illegal slaving voyages after Americans were prohibited from involvement in the Atlantic slave trade. Wall Street's connection to slavery remains unexplored, although New York City's effort to secede from the Union in 1860 begs the question.

47. Douglass C. North, *The Economic Growth of the United States, 1790–1860* (Englewood Cliffs, N.J.: Prentice-Hall, 1961), 114–15.

48. Fogel, *Without Consent or Contract*, 87, 103.

49. Robert Fogel contends that slaveholders created "a flexible, highly developed form of capitalism." See ibid., 64–68, 94, 109; Mark Smith, *Mastered by the Clock: Time, Slavery, and Freedom in the American South* (Chapel Hill: University of North Carolina Press, 1997); Walter Johnson, *Soul by Soul: Life Inside the Antebellum Slave Market* (Cambridge: Harvard University Press, 1999); Michele Gillespie, *Free Labor in an Unfree World: White Artisans in Slaveholding Georgia, 1789–1860* (Athens: University of Georgia Press, 2000); Keith C. Barton, "'Good Cooks and Washers': Slave Hiring, Domestic Labor, and the Market in Bourbon County, Kentucky," *Journal of American History* 84 (September 1997): 436–60.

The class relations that constituted capitalism in the North also bore the mark of slavery. As David Brion Davis has explained, "the debasement of millions of workers to a supposedly bestial condition of repetitive time appeared to liberate other human beings to take control of their destiny, to 'remake' themselves." A commodity like sugar propelled millions of Africans into unprecedented extremes of misery, while providing an opportunity for self-fashioning to an emergent middle class.[50] Slavery also did essential cultural work to legitimate wage labor. Precisely because it was not slavery, wage labor moved from a badge of unrepublican dependence at the time of the American Revolution to the hallmark of liberal freedom during the Civil War. As Stanley Engerman explains, "If slavery is regarded as a unique mode of control of individuals, this would seem to make all nonslavery appear as freedom and, therefore, to be regarded as a progressive and desirable development." As the northern public became increasingly critical of slavery in the 1850s, wage labor attained a growing acceptance.[51]

For Euro-American members of the working class, slavery provided what W. E. B. Du Bois called a "public and psychological" wage that compensated for the meager cash wages they received at the hands of capitalist employers. That bonus consisted of membership in the white race and conveyed significant privilege and status in a white-supremacist society. Ultimately, the wage of whiteness sustained race as America's primary social division and muted class antagonisms between white workers and their bosses. Following Du Bois, scholars like David Roediger have contended that "white workers could, and did, define and accept their class positions by fashioning identities as 'not slaves' and as 'not Blacks.'"[52] Obviously, capitalist labor relations emerged in other places where workers did not have recourse to a therapeutic racial identity. But without question the vitality of slavery shaped the specific trajectory of American capitalism. The enslavement of several million African Americans clearly contextualized a Workingmen's Party circular decrying "wage slavery," a Lowell striker's placard insisting that "American Ladies will not be Slaves," or an Irish maid's retort that "none but *negers* are *sarvants*." If the satisfaction of not being a slave was enough to smooth white workers' entrance into wage relations, then

50. David Brion Davis, "Looking at Slavery from Broader Perspectives," *American Historical Review* 105 (April 2000): 455; Sidney W. Mintz, *Sweetness and Power: The Place of Sugar in Modern History* (New York: Viking, 1985); Oakes, *Slavery and Freedom*, 45.

51. Stanley L. Engerman, "Slavery at Different Times and Places," *American Historical Review* 105 (April 2000): 480; Marcus Cunliffe, *Chattel Slavery and Wage Slavery: The Anglo-American Context, 1830–1860* (Athens: University of Georgia Press, 1979); Jonathan A. Glickstein, "'Poverty Is Not Slavery': American Abolitionists and the Competitive Labor Market," in *Antislavery Reconsidered: New Perspectives on the Abolitionists*, ed. Lewis Perry and Michael Fellman (Baton Rouge: Louisiana State University Press, 1979), 195–218; Bender, *Antislavery Debate*.

52. W. E. B. Du Bois, *Black Reconstruction in the United States, 1860–1880* (1935; New York: Athenaeum, 1969), 700; David Roediger, *The Wages of Whiteness: Race and the Making of the American Working Class* (New York: Verso, 1991), 13.

slavery—simply as a negative referent—becomes essential to the development of American capitalism.[53]

Coercion and the Wage Economy

The commodification of labor was the central development of capitalism in the early Republic, as a craft economy based upon mutuality gave way to a manufacturing economy where employers and workers encountered one another at the cash nexus. While workers organized to protect their livelihoods within the new system, there seemed to be little question that labor was a legitimate market commodity. Future attorney general Caesar Rodney invoked the sanctity of unimpeded wage relations in defense of Philadelphia cordwainers facing conspiracy charges in 1806: "No person is compelled to give [workmen] more than their work is worth, the market will sufficiently and correctly regulate these matters." Likewise, the New-England Association of Farmers, Mechanics, and Other Working Men opened its 1832 constitution with the hope that "our labor may be offered and disposed of as any other article in market."[54] Indeed, political economists of the early Republic like Daniel Raymond, Theodore Sedgwick, and Henry Carey envisioned capitalists and laborers negotiating freely over the conditions of employment. This opportunity differentiated wage earners from workers trapped in servitude and divided the world of work into free and unfree labor.[55]

Historians have not been hesitant to examine the boundary between free and unfree labor. Slavery could resemble wage labor when slaveholders embraced a liberal ethos, worked their slaves in industrial production, used positive incentives to maximize labor output, and bought and sold human property without pretense of paternalism.[56] Conversely, wage labor could appear akin to

53. Eric Foner, "Workers and Slavery," in *Working for Democracy: American Workers from the Revolution to the Present*, ed. Paul Buhle and Alan Dawley (Urbana: University of Illinois Press, 1985), 20; Noel Ignatiev, *How the Irish Became White* (New York: Routledge, 1995). The scholarship on women and whiteness is thin. See Dana Frank, "White Working Class Women and the Race Question," *International Labor and Working Class History* 54 (Fall 1998): 80–102.

54. Gary Kornblith, "The Artisanal Response to Capitalism," *Journal of the Early Republic* 10 (Fall 1990): 319; David Montgomery, "The Working Classes of the Pre-Industrial American History," *Labor History* 9 (Winter 1968): 12.

55. Robert Steinfeld, *The Invention of Free Labor: The Employment Relation in English and American Law and Culture, 1350–1870* (Chapel Hill: University of North Carolina Press, 1991); James L. Huston, "Abolitionists, Political Economists, and Capitalism," *Journal of the Early Republic* 20 (Fall 2000): 487–521. See also Paul Conkin, *Prophets of Prosperity: America's First Political Economists* (Bloomington: Indiana University Press, 1980); Allen Kaufman, *Capitalism, Slavery, and Republican Values: Antebellum Political Economists, 1819–1848* (Austin: University of Texas Press, 1982); Jeffrey S. Kahana, "Master and Servant in the Early Republic, 1780–1830," *Journal of the Early Republic* 20 (Spring 2000): 27–57.

56. James Oakes, *The Ruling Race: A History of American Slaveholders* (New York: Knopf, 1982); Smith, *Mastered by the Clock;* Robert W. Fogel and Stanley Engerman, *Time on the Cross: The*

slavery in its material exploitation of unskilled workers and its reliance upon legal coercion to hinder labor mobility.[57] Historians typically use such findings to identify ambiguities in otherwise coherent—and antithetical—modes of production. But as Stanley Engerman and Robert Steinfeld have suggested, scholars should take the next step and "rethink the basic soundness of the binary opposition of free/unfree labor."[58]

By most accounts, free labor involves choice and unfree labor involves coercion. For example, free workers supposedly enter wage relations voluntarily; they *choose* to work rather than to starve. For Steinfeld and Engerman, however, if this is a matter of choice, the same could be said of a slave choosing to work rather than to incur a beating or be sold away from family. While classical economists would view the "work-or-starve" choice as the natural outcome of market forces, Steinfeld and Engerman see this dilemma as historically contingent, located in the actions of the state to narrow the range of alternative possibilities. Laws regularly constrain opportunities to pursue subsistence outside wage labor: by enforcing rules of trespass that make it impossible to produce one's own food; by deterring geographical mobility through residency requirements for the franchise or access to public welfare; by enforcing vagrancy statutes that make it illegal not to labor; by regulating entry into certain professions via licensing; by criminalizing collective labor bargaining; by providing employers with legal remedies against workers who violate terms of hire; by denying classes of workers legal standing to own property or protect property in the courts. The state defines the contours of free labor, just as it provides unfree labor with legal sanction for physical violence and public resources for suppressing uprisings and capturing runaways. Steinfeld and Engerman situate wage labor in the power relations "of law, not of nature." The "coercive content of these

Economics of American Negro Slavery (Boston: Little Brown, 1974); Charles Dew, *Bond of Iron: Master and Slave at Buffalo Forge* (New York: W. W. Norton, 1994); T. Stephen Whitman, *The Price of Freedom: Slavery and Manumission in Baltimore and Early National Maryland* (Lexington: University Press of Kentucky, 1997); Midori Takagi, *Rearing Wolves to Our Own Destruction: Slavery in Richmond Virginia, 1782–1865* (Charlottesville: University Press of Virginia, 1999); John Bezís-Selfa, "A Tale of Two Ironworks: Slavery, Free Labor, Work, and Resistance in the Early Republic," *William and Mary Quarterly*, 3d ser., 56 (October 1999): 677–700; Charles Steffen, "The Pre-Industrial Iron Worker: Northampton Iron Works, 1780–1820," *Labor History* 20 (Winter 1979): 89–110. For the cold calculus of the slave trade, see Michael Tadman, *Speculators and Slaves: Masters, Traders, and Slaves in the Old South* (Madison: University of Wisconsin Press, 1989).

57. On material conditions, see Peter Way, *Common Labor: Workers and the Digging of North American Canals, 1780–1860* (New York: Cambridge University Press, 1993); Matthew E. Mason, "'The Hands Here Are Disposed to Be Turbulent': Unrest Among the Irish Trackmen of the Baltimore and Ohio Railroad, 1829–1851," *Labor History* 39 (August 1998): 253–72; Smith, *"Lower Sort."*

58. Robert J. Steinfeld and Stanley L. Engerman, "Labor—Free or Coerced? A Historical Reassessment of Differences and Similarities," in *Free and Unfree Labor: The Debate Continues*, ed. Tom Brass and Marcel van der Linden (Bern: Peter Lang, 1997), 118.

practices [runs] along a continuum, rather than in terms of a single yes/no (coerced/free) decision."[59]

The asymmetry of power that structured wage labor was not lost on contemporaries in the 1820s and 1830s. Labor radicals like Seth Luther and Stephen Simpson railed against the enrichment of the wealthy on the backs of the working poor.[60] State-sponsored investigations revealed the prevalence of ear-boxing and open-handed slaps in the supervision of child factory workers.[61] The political economist Thomas Cooper captured the inequality in an imagined conversation between employer and employee: "Here I am, able and willing to work," says the worker. "Receive employment on my terms, or use your skill and strength where you please, elsewhere. The choice is in your power," responds the capitalist.[62] Cooper's conversation was telling in the employer's declaration that the exchange would be "on my terms." A free market in labor did not cost employers the ability to control their workers; it simply required a different set of tools—and perhaps a different set of workers—than had been used under the earlier system of familial labor and indentured servitude.

By most accounts, the simple logic of the market provided employers with the upper hand: economic necessity effectively "coerced" workers into selling their labor for wages. But as many legal historians have recently argued, economic pressure was secondary to legal pressure in regulating wage labor in the nineteenth-century North. The law did not create a neutral arena in which employers and workers could meet at the simple cash nexus. Instead, the wage economy took shape under a regime of judge-made law that curtailed workers' individual ability to switch employers at will and their collective ability to withhold labor from the market. Although republican jurists revised English precedents of master and servant and recognized the legal freedom of white male adults, they nonetheless ensured, according to Christopher Tomlins, "that the emerging world of wage labor would be a world riddled with important and lasting asymmetries of power." In Karen Orren's estimation, nineteenth-century

59. Ibid., 116, 121. See also Stanley L. Engerman, ed., *Terms of Labor: Slavery, Serfdom, and Free Labor* (Stanford: Stanford University Press, 1999).

60. Seth Luther, *An Address to the Working Men of New England, on the State of Education, and On the Condition of the Producing Classes in Europe and America . . .*, 2d ed., (New York: George H. Evans, 1833); Stephen Simpson, *The Working Man's Manual: A New Theory of Political Economy, on the Principle of Production the Source of Wealth* (Philadelphia: Thomas L. Bonsal, 1831). See also Edward Pessen, *Most Uncommon Jacksonians: The Radical Leaders of the Early Labor Movement* (Albany: State University of New York Press, 1967).

61. *Report of the Select Committee Appointed to Visit the Manufacturing Districts of the Commonwealth, for the Purpose of Investigating the Subject of the Employment of Children in Manufactories. Mr. Peltz, Chairman. Read in Senate, Feb. 7, 1838* (Harrisburg: Thompson & Clark, 1838).

62. Thomas Cooper, *Lectures on the Elements of Political Economy* (1829; New York: Augustus Kelley, 1971), 351. Along these lines, Michael Perelman argues that classical political economists of the late eighteenth and early nineteenth centuries espoused laissez-faire doctrines while also advocating policies that coerced workers into wage labor. See his *The Invention of Capitalism: Classical Political Economy and the Secret History of Primitive Accumulation* (Durham: Duke University Press, 2000).

labor law was so illiberal that it marked a regime of "belated feudalism." Such a characterization may seem extreme for an era when an increasing proportion of white laboring men gained access to the ballot box. However, as David Montgomery has suggested, when employers solidified power over workers in the realm of common law, they had little to fear from the expansion of the franchise. Subordination remained the lot of working people—even as personal subordination to a master gave way to impersonal subordination within a market and the liberal democratic nation-state.[63]

Even as the notion of labor as a market commodity became standard, employers continued to think of working people's labor as the property of the community as a whole. As the historian Linda Kerber has explained, one of the few "civic obligations" applying to working people within the Anglo-American political tradition was to deliver up their labor to their superiors who might best use it.[64] The Virginian St. George Tucker captured this sentiment perfectly in 1796, when he argued that society's "interests require the exertions of every individual in some mode or other; and those who have not wherewith to support themselves honestly without corporeal labour, whatever be their complexion, ought to be compelled to labour." When poorer men and women withheld their labor, they should face criminal charges as vagrants. When workers decided collectively to stop working, they ought to stand trial for conspiracy. "In every well ordered society," Tucker wrote, "and where the numbers of persons without property increase, there the coertion [*sic*] of the laws becomes more immediately requisite."[65]

American law circumscribed free labor in three critical ways. First, the sanction of wage forfeiture made it prohibitively expensive for workers to leave a job on short notice. American workers could not claim back wages if they did not fulfill the entirety of the stipulated term of labor. Because employers withheld pay until the completion of that term, a worker desiring a better situation elsewhere risked losing three months or more of accumulated wages. From the perspective of employers, forfeiture was "inexpensive and effective," and just as coercive as British practices of imprisonment for breach of contract.[66] Second, states brought criminal charges against workers who collectively withheld their

63. Christopher L. Tomlins, *Law, Labor, and Ideology in the Early American Republic* (New York: Cambridge University Press, 1993), 261; Karen Orren, *Belated Feudalism: Labor, the Law, and Liberal Development in the United States* (New York: Cambridge University Press, 1991); Montgomery, *Citizen Worker;* Schmidt, *Free to Work;* Stanley, *From Bondage to Contract.*

64. Linda Kerber, *No Constitutional Right to Be Ladies: Women and the Obligation of Citizenship* (New York: Hill and Wang, 1998), 51.

65. St. George Tucker, *A Dissertation on Slavery: With a Proposal for the Gradual Abolition of It, in the State of Virginia* (Philadelphia: Mathew Carey, 1796), 102.

66. Steinfeld, *Coercion, Contract, and Free Labor;* Peter Karsten, "'Bottomed on Justice': A Reappraisal of Critical Legal Studies Scholarship Concerning Breeches of Labor Contracts by Quitting or Firing in Britain and the U.S., 1630–1880," *American Journal of Legal History* 34 (July 1990): 213–61.

labor in search of better wages or conditions. Unable to locate any such cases in the colonial period, Christopher Tomlins counts twenty-three conspiracy trials in six states between 1806 and 1847. Striking shoemakers and tailors in New York, Philadelphia, and Baltimore faced prosecution as illegal combinations. Responding to the 1833 imprisonment of Connecticut carpet weavers, New England workingmen denounced "the use of the common jail in enforcing the regulations of a factory."[67] Finally, state power made it impossible for individual workers to exit the labor market. The enforcement of vagrancy statutes and trespass laws engaged the government in "policing people for the needs of a capitalist market system."[68] The early Republic's penal and welfare regimes—constructed around forced labor—offered a mechanism for labor discipline and the promise of instilling the habits of industry in the idle.[69]

As law set the parameters of free labor, employers sought out workers with the most tenuous legal standing, in particular those without access to full citizenship. Employers—who were almost always adult white men with full legal rights—used such categories as race, gender, and ethnicity in order to maximize their power over their workers. Ascriptive (or socially constructed) categories like race and gender gained a concrete reality as they determined a worker's legal standing, access to economic opportunity, and ability to opt out of labor altogether. Some workers could protect their wages in the courts, limit their hours with appeals to community standards, and even punish their employers through the ballot; other workers could do none of those things. Some workers could be physically coerced to work harder or punished for quitting early or breaking a tool. Some workers had a reasonable chance of accumulating enough productive property to withdraw from wage labor, while others faced insurmountable structural barriers to economic self-sufficiency. Whether through law, culture, or social practice, some workers were "available" to be paid less and worked more. Employers could take advantage of preexisting racial and gender inequalities that facilitated such distinctions; in turn, their collective hiring decisions could serve to reinforce those inequalities.[70]

With employers exerting power over workers of varying race, sex, ethnicity, age, and legal status, capitalism's success in the early Republic may have

67. Tomlins, *Law, Labor, and Ideology,* 128–79; Montgomery, *Citizen Worker,* 47.

68. Montgomery, *Citizen Worker,* 58; Schmidt, *Free to Work,* 53–92; Stanley, *From Bondage to Contract,* 98–137.

69. A large body of literature connects penology to the emergence of liberal capitalism. See Michael Meranze, *Laboratories of Virtue: Punishment, Revolution, and Authority in Philadelphia, 1760–1835* (Chapel Hill: University of North Carolina Press, 1996); Michael Ignatieff, *A Just Measure of Pain: The Penitentiary in the Industrial Revolution, 1750–1850* (New York: Pantheon Books, 1978); Dario Melossi and Massimo Pavarini, *The Prison and the Factory: Origins of the Penitentiary System* (Totowa, N.J.: Barnes and Noble, 1981); Michel Foucault, *Discipline and Punish: The Birth of the Prison,* trans. Alan Sheridan (New York: Pantheon Books, 1978); Richard B. Morris, "Labor Controls in Maryland in the Nineteenth Century," *Journal of Southern History* 14 (August 1948): 385–400.

70. Glenn, *Unequal Freedom.*

depended on a dysfunctional labor market in which categories of difference organized employment opportunities and wage rates. Nativism, sexism, and racism closed entire occupations to portions of the workforce and pitted groups against one another within the narrower confines of a segmented market. The workers at the forefront of capitalist wage relations possessed only nominal freedom, in many cases lacking the mobility to generate market competition. Moreover, wages did not always fluctuate with market forces when the broader culture sanctioned certain types of discrimination and deprived victims of legal recourse or the opportunity for physical relocation.[71]

Wage labor's relationship to marginal segments of the population remains a critical area for research. African Americans, for example, made up a significant proportion of manual laborers in port cities like New York, Philadelphia, and Baltimore. As street pavers, stevedores, and carters, they performed the labor that facilitated the flow of goods and commodities through the marketplace. Yet free black men worked for wages within the confines of a legal system that curtailed their alternatives. Exclusion laws kept free African Americans from pursuing opportunities in the western states and territories. Prohibitions on testimony against whites prevented free black workers from suing employers for breach of contract. As Baltimore newspaper editor Hezekiah Niles conceded, legal discrimination and public hostility kept African Americans from the "dreams of future independence which commonly lightens the white man's weary way and supports him in the severest drudgery and keenest privation."[72] Significantly, however, employers did not always seek out African American workers as the least free members of the labor pool. Employment decisions that placed black and white workers side by side or that excluded one or the other from a particular job had political and social consequences. Whatever choices employers made, the configuration of racial power within the early Republic provided them with an advantage over their workers.[73]

71. Much econometric literature seems to downplay exclusion, discrimination, and exploitation in setting the contours of the labor market. See Robert Margo, *Wages and Labor Markets in the United States, 1820–1860* (Chicago: University of Chicago Press, 2000). For a fascinating study that makes the lack of competition central to the emergence of capitalism, see Reddy, *The Rise of Market Culture*. For an overview of the debates on concepts of labor segmentation, see Ruth Milkman, *Gender at Work: The Dynamics of Job Discrimination by Sex During World War II* (Urbana: University of Illinois Press, 1987), 4–7.

72. *Niles' Weekly Register*, May 22, 1819. Harris, *Shadow of Slavery;* Hodges, *Root and Branch*.

73. "The willingness of northern industrial enterprises to hire women, families, and newcomers did not extend to African Americans. The region's industrial labor force, and its factory labor force above all, was cast firmly in whiteface." Jonathan Prude, "Capitalism, Industrialization, and the Factory in Post-Revolutionary America," *Journal of the Early Republic* 16 (Summer 1996): 251. But as Frank Towers has recently shown, Baltimore employers preferred free black workers to white immigrant ones, even when immigrant workers could be hired for a lower wage. Shipyard owners feared that "the substitution of white for black labor would enlarge the proportion of enfranchised wage earners" and thus jeopardize employers' tenuous advantage in city politics. See Towers, "Job Busting at Baltimore Shipyards: Racial Violence in the Civil War–Era South," *Journal of Southern History* 66 (May 2000): 250.

The research on gender ideology and women's labor reveals that legal bondage—organized through categories of social difference—was crucial to American capitalism. Politically disfranchised, lacking legal self-ownership, and assumed to be dependent on a male head of household, women were among the most tractable workers in the labor pool. For women, the most serious structural problem of emergent industrial capitalism was not unfettered market relations but the perpetuation of older forms of coercion and confinement. The wage economy offered women new cash-earning opportunities, but it did not create an efficient labor market where women could operate as autonomous agents. Ensconced in male households, most women lacked the physical mobility to pursue higher wages in a different locale. Social strictures prevented other women from following jobs from place to place— precisely the mechanism necessary for a free market in labor. Moreover, the underlying logic of coverture—a woman's assumed dependence within a male household—pegged wages at below-subsistence levels. Presumed to be secondary earners supplementing a family income, women garnered secondary wages. These low wages made female dependence a self-fulfilling prophecy. As Jeanne Boydston explains, "So long as principles of *feme covert* remained stubbornly embedded in the law, the growing importance of contract and free labor in the post-revolutionary United States could only put most women at a severe disadvantage."[74]

Without question, women's market labor was essential to household viability during the transition to capitalism. Midwifery, palm-leaf hat weaving, and dairying helped achieve the modest competency that rural families sought in the first decades of the nineteenth century. In urban areas, women transformed household labor into cash by taking in boarders, doing laundry for a sailor on shore leave, or finishing shirts for a tailor.[75] Capitalism transformed women's labor, but women's labor in turn proved central to capitalism's success. "Women and children comprised a major share of the entire manufacturing labor force during the initial period of industrialization," according to Claudia Goldin and Kenneth Sokoloff's study of manufacturing censuses. By 1820 women and

74. Jeanne Boydston, "The Woman Who Wasn't There: Women's Market Labor and the Transition to Capitalism in the United States," *Journal of the Early Republic* 16 (Summer 1996): 195; Seth Rockman, "Women's Labor, Gender Ideology, and Working-Class Households in Early Republic Baltimore," *Explorations in Early American Culture/Pennsylvania History* 66 (1999): 174–200; Deborah Valenze, *The First Industrial Woman* (New York: Oxford University Press, 1995); Alice Kessler-Harris, *Out to Work: A History of Wage-Earning Women in the United States* (New York: Oxford University Press, 1982), 20–72.

75. Claudia Goldin, "The Economic Status of Women in the Early Republic: Quantitative Evidence," *Journal of Interdisciplinary History* 26 (Winter 1986): 375–404; Thomas Dublin, "Women and Outwork in a Nineteenth-Century New England Town: Fitzwilliam, New Hampshire, 1830–1850," in Hahn and Prude, *Countryside in the Age of Capitalist Transformation*, 51–69; Joan M. Jensen, *Loosening the Bonds: Mid-Atlantic Farm Women, 1750–1850* (New Haven: Yale University Press, 1986); Laurel Thatcher Ulrich, *A Midwife's Tale: The Life of Martha Ballard, Based on Her Diary, 1785–1812* (New York: Knopf, 1990).

children accounted for more than 30 percent of the manufacturing workforce in the Northeast; that figure peaked at around 40 percent in the subsequent two decades.[76] From roughly 1750 onward, would-be manufacturers hatched schemes to consolidate female labor in the name of national welfare and commercial independence. As Alexander Hamilton noted in his 1791 *Report on Manufactures,* "women and children are rendered more useful, and the latter more early useful by manufacturing establishments than they would otherwise be." Hezekiah Niles praised Baltimore factory owners whose reliance upon female labor "transform[ed] some useless substance into pure gold." In New England mill villages, the daughters of yeoman farmers, followed by the wives of immigrant laborers, tended the spindles most associated with the Industrial Revolution in the United States.[77]

Women were most crucial to the emergence of capitalism in their combination of outwork and unpaid domestic labor. Entrepreneurial tailors and cordwainers subdivided production into simple and discrete components and realized great profit by paying piece-rates to women instead of wages to male journeymen. Employers of female outworkers were, in Christine Stansell's words, "at the forefront of industrialization" in the early Republic. Isolated in their own homes, female outworkers lacked the collective experience and voice that gave male journeymen political muscle and the ability to resist changes in rates or specifications. Performing this labor within the household reinforced the perception of women as secondary earners and kept their wages artificially low. A series of cultural assumptions regarding women's dependence—and not an impartial market—set the price of women's labor.[78] Those same assumptions

76. Claudia Goldin and Kenneth L. Sokoloff, "Women, Children, and Industrialization in the Early Republic: Evidence from the Manufacturing Censuses," *Journal of Economic History* 42 (December 1982): 773; Margaret S. Coleman, "Female Labor Supply During Early Industrialization: Women's Labor Force Participation in Historical Perspective," in *Gender and Political Economy: Incorporating Diversity into Theory and Policy,* ed. Ellen Mutari et al. (Armonk, N.Y.: M. E. Sharpe, 1997), 42–60; Gerda Lerner had argued this point some years earlier: "American industrialization, which occurred in an underdeveloped economy with a shortage of labor, depended on the labor of women and children." See "The Lady and the Mill Girl: Changes in the Status of Women in the Age of Jackson [1969]," in Gerda Lerner, *The Majority Finds Its Past: Placing Women in History* (New York: Oxford University Press, 1979), 24.

77. Hamilton cited in Jones, *American Work,* 161; *Niles' Weekly Register,* June 7, 1817, 227. On colonial-era efforts to put impoverished women to work in manufacturing, see Gary B. Nash, "The Failure of Female Factory Labor in Colonial Boston," *Labor History* 20 (Spring 1979): 165–88; Eric G. Nellis, "Misreading the Signs: Industrial Imitation, Poverty, and the Social Order in Colonial Boston," *New England Quarterly* 59 (December 1986): 486–507; Laurel Thatcher Ulrich, "Sheep in the Parlor, Wheels on the Common: Pastoralism and Poverty in Eighteenth-Century Boston," in Pestana and Salinger, *Inequality in Early America,* 182–200. On female factory labor, see Thomas Dublin, *Women at Work: The Transformation of Work and Community in Lowell, Massachusetts, 1826–1860* (New York: Columbia University Press, 1979); David Zonderman, *Aspirations and Anxieties: New England Workers and the Mechanized Factory System, 1815–1850* (New York: Oxford University Press, 1992).

78. Christine Stansell, "The Origins of the Sweatshop: Women and Early Industrialization in New York City," in *Working-Class America: Essays on Labor, Community, and American Society,* ed.

made women responsible for the maintenance of their families. Women converted the cash wages of other household members into meals and clothing, and performed unpaid labor such as mending and washing that would otherwise need to be purchased at market. Jeanne Boydston has found that the value of a woman's unpaid contribution to the family economy amounted to twice the cost of her maintenance and perhaps exceeded her husband's total wages. Employers could pay below-subsistence wages to men precisely because women's unpaid household labor recovered the difference. The savings in labor costs that accrued to employers fueled capital accumulation and were "critical to the development of industrialization in the antebellum Northeast." But as Boydston has observed more recently, historians still "presume [women's labor] to have existed outside of, and been largely ineffectual in, the transition to a free labor economy."[79]

Even as capitalism transformed labor into a market commodity, employers showed a continued interest in workers who themselves could be bought and sold. Although the numbers of European servants declined dramatically in the early Republic, twenty-five thousand servants and redemptioners arrived in the United States between 1776 and 1820, including 5,300 Germans in the 1810s alone. Developers of the national transportation infrastructure remained most committed to unfree labor. Importing five hundred British indentured laborers in 1829, the directors of the Chesapeake and Ohio Canal Company thought it cheaper to transport workers across the ocean than to hire from within a tight labor market. Although the C&O's canal workers were famously unwilling to abide by their contracts, their employer repeatedly asserted its claim to indentured workers. Ethnic contract labor remained central to the building of the railroads later in the nineteenth century.[80] The hope of setting slaves to industrial labor also remained strong. For example, Mathew Carey recommended in 1827 that Virginia masters put their slaves to work in textile manufactories; one hundred slaves would prove more productive than a similar number of white female

Michael H. Frisch and Daniel J. Walkowitz (Urbana: University of Illinois Press, 1983), 80. Outwork trapped women in a struggle between male journeymen and their profit-seeking masters. As a result, issues of gender were central to labor politics in the 1800s. See Mary H. Blewett, *Men, Women, and Work: Class, Gender, and Protest in the New England Shoe Industry, 1780–1910* (Urbana: University of Illinois Press, 1988); Sonya Rose, *Limited Livelihoods: Gender and Class in Nineteenth-Century England* (Berkeley and Los Angeles: University of California Press, 1992); Anna Clark, *The Struggle for the Breeches: Gender and the Making of the British Working Class* (Berkeley and Los Angeles: University of California Press, 1995).

79. Jeanne M. Boydston, *Home and Work: Housework, Wages, and the Ideology of Labor in the Early Republic* (New York: Oxford University Press, 1990), 137–38; Boydston, "Woman Who Wasn't There," 186. On the connection between production and reproduction, see Merchant, *Ecological Revolutions;* Heidi L. Hartmann, "Capitalism, Patriarchy, and Job Segregation by Sex," *Signs* 1 (Spring 1976): 137–70.

80. Fogleman, "Slaves, Convicts, and Servants," 75; Richard B. Morris, "The Measure of Bondage in the Slave States," *Mississippi Valley Historical Review* 41 (September 1954): 221; Steinfeld, *Invention of Free Labor,* 166–70; Howard Lamar, "From Bondage to Contract: Ethnic Labor in the American West, 1600–1890" in Hahn and Prude, *Countryside in the Age of Capitalist Transformation,* 293–324.

operatives. When Thomas P. Jones spoke later that fall to the Franklin Institute in Philadelphia, he called for new textile manufactories that employed slaves. "Why are the slaves employed?" he asked his audience. "Simply because experience has proved that they are more *docile,* more constant, and *cheaper,* than freemen, who are often refractory and dissipated; who waste much time by visiting public places, attending musters, elections, &c. which the *operative slave* is not permitted to frequent."[81]

That citizenship decreased laborers' productivity was not news to employers in cities like Baltimore and Richmond. Master artisans, shipbuilders, and manufacturers in these border cities hesitated to jettison slavery despite the growing number of free workers available in the local labor market. Enslaved workers compared favorably to free workers in productivity, skill, regularity, discipline, and cost. In seeking to stem flight and thus assure the profitability of industrial slavery, employers often paid wages to slaves and held out opportunities for self-purchase. The result was what Richard Morris called "a twilight zone of bondage" where black and white laborers collectively "dwelt in a shadowland enjoying a status neither fully slave nor fully free."[82] Once again, the suggestion is that capitalist enterprise displayed only minimal interest in the competitive labor market of classical economics. A workforce lacking physical mobility and political voice proved far more appealing.

Creating a New Narrative

This chapter has explored the absence of unfreedom from accounts of the early U.S. economy. Despite a substantial body of scholarship identifying unfree labor as crucial to American capitalism, historians have remained committed to a narrative that makes freedom the operative force in American economic development. This vision of America's past has particular resonance because it corresponds so well to how Americans conceptualize their world at the present

81. "Slave labour employed in manufactures . . . [Signed] Hamilton, Philadelphia, October 2, 1827," Library of Congress Rare Book and Special Collections Division, Washington, D.C., Printed Ephemera Collection, portfolio 153, folder 3; Thomas P. Jones, *An Address on the Progress of Manufactures and Internal Improvement, in the United States; and particularly, On the Advantages to be Derived from the Employment of Slaves in the Manufacturing of Cotton and Other Goods. Delivered in the Hall of the Franklin Institute, November 6, 1827* (Philadelphia: Judah Dobson, 1827), 11.

82. Christopher L. Tomlins, "In Nat Turner's Shadow: Reflections on the Norfolk Dry Dock Affair of 1830–1831," *Labor History* 33 (Fall 1992): 494–518; T. Stephen Whitman, "Industrial Slavery at the Margin: The Maryland Chemical Works," *Journal of Southern History* 59 (February 1993): 31–62; Barbara Fields, *Slavery and Freedom on the Middle Ground: Maryland During the Nineteenth Century* (New Haven: Yale University Press, 1985), 40–62; Takagi, *Rearing Wolves,* 17–36. In 1812 David Ross, who oversaw production at the Oxford Iron Works near Richmond, Virginia, considered slaves "ten time better than any you can hire." See Bezís-Selfa, "Tale of Two Ironworks," 679. Morris, "Measure of Bondage in the Slave States," 220.

moment. Global economic development and political democratization have been the goals of American foreign policy since the end of World War II. But the events of the past decade or so—the demise of the Eastern Bloc, the transformation of Russia, the modernization of China, and even the terrorist attacks on the United States on September 11, 2001—have confirmed for most Americans that capitalism functions as a force of human liberation. Capitalism and democracy no longer exist as modes of social organization or power relations, but as synonyms for individual choice. Increasingly, Americans understand society as a perpetual plebiscite, so that participation in the market (consumption) becomes an act of democratic expression. Freedom has nothing to do with electoral politics or self-governance and everything to do with buying athletic shoes or downloading music to an iPod. Capitalism brings choices, and choices define democracy. Our "democracy in cupidity" is by no means new, but its legitimacy has never been more secure and more consistently reinforced in op-ed columns, television commercials, and campaign speeches.[83]

The rhetorical melding of capitalism, democracy, and freedom is so central to American political discourse that many historians lack the critical distance to interrogate the relationship between capitalism and freedom in the nation's past. The story equating capitalism and freedom has been told and retold so many times that the very notion of "unfree origins" may strike some as inconceivable. An American history that hinges on unfreedom, however, need not be an exercise in self-loathing or a catalogue of atrocities. Instead, it simply recognizes that, in the words of Edward Countryman, "The glory did not come free. It had a price, and Americans ought to be comfortable enough with ourselves to recognize that the price and the glory can not be pried apart."[84] To embrace this fact opens up a far more dramatic history. Unfreedom demands contingency, creating a narrative that links freedom for some to the lack of freedom for others. The triumph of liberal capitalism in the early United States depended on unfreedom—the expansion of plantation slavery, the household subordination of women, and the legal confinement of wage earners. To acknowledge such contingencies does not deny that new kinds of freedom transformed countless lives in the early Republic. Rather, an awareness of the unfree origins of American capitalism places those freedoms in a far richer context and reminds us of their costs and consequences.

83. Thomas Frank, *One Market Under God: Extreme Capitalism, Market Populism, and the End of Democracy* (New York: Doubleday, 2000); Terry Bouton, "Welcome to the Global Economy: Rethinking Class and the American Revolution," paper presented at "Class and Class Struggles in North America and the Atlantic World, 1500–1820," Montana State University and University of East Anglia conference, Big Sky, Montana, September 2003.

84. Edward Countryman, "Indians, the Colonial Order, and the Social Significance of the American Revolution," *William and Mary Quarterly* 53 (April 1996): 362. See also Michael Meranze, "Even the Dead Will Not Be Safe: An Ethics of Early American History," *William and Mary Quarterly* 50 (April 1993): 367–78; Huggins, "Deforming Mirror of Truth."