



## Putting "Capitalism" in Its Place: A Review of Recent Literature

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# Putting "Capitalism" in Its Place: A Review of Recent Literature

Michael Merrill

**D**URING the 1950s, a group of revisionist, left-leaning historians (including Louis Hartz, Richard Hofstadter, and Arthur Schlesinger, Jr.) rejected the Progressive emphasis on the important role a transition to capitalism played in American history. They championed instead a view of the United States as a liberal, postfeudal society without a precapitalist past (except that associated with the precontact, indigenous peoples, whom the revisionists largely ignored). According to them, the European settler societies of North America were almost wholly capitalist from their earliest days.<sup>1</sup>

Eugene D. Genovese opened the first serious breach in this soothing perspective in the 1960s, arguing in *The Political Economy of Slavery* that the slave system of the South, "in its spirit and fundamental direction, represented the antithesis of capitalism, however many compromises it had to make." Genovese's subsequent work, both separately and together with Elizabeth Fox-Genovese, explores the implications of this insight, not only for the slave South but also for the entire country and, indeed, the Atlantic world.<sup>2</sup> Challenges to the revisionists' wholly capitalist narrative have also lately come from the new social history of the American countryside, which demonstrates the existence and continuing importance of noncapitalist (and even noncommercial) relationships over the course of the eighteenth century and much of the nineteenth, and from the new labor history of primarily nineteenth-century working-class movements and communities, which highlights the continuing resistance to capitalism by artisans and other small producers and by factory operatives and outworkers.<sup>3</sup>

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<sup>1</sup> Hartz, *The Liberal Tradition in America: An Interpretation of American Political Thought since the Revolution* (New York, 1955); Hofstadter, *The American Political Tradition and the Men Who Made It* (New York, 1948), and *America at 1750* (New York, 1971); Schlesinger, *The Vital Center: The Politics of Freedom* (Boston, 1949). On the differences between the Progressives and their critics see Hofstadter, *The Progressive Historians: Turner, Beard, Parrington* (New York, 1968).

<sup>2</sup> Genovese, *The Political Economy of Slavery: Studies in the Economy and Society of the Slave South* (New York, 1965), 23. See also his *The World the Slaveholders Made* (New York, 1971) and *Roll, Jordan, Roll: The World the Slaves Made* (New York, 1974) and Fox-Genovese and Genovese, *Fruits of Merchant Capital: Slavery and Bourgeois Property in the Rise and Expansion of Capitalism* (New York, 1983).

<sup>3</sup> For an introduction to the new social history of the American countryside see Steven Hahn and Jonathan Prude, eds., *The Countryside in the Age of Capitalist Transformation: Essays in the Social History of Rural America* (Chapel Hill, 1985). For the new labor history see Bruce Laurie, *Artisans into Workers: Labor in Nineteenth-Century America* (New York, 1989). For a synthesis that builds on both these litera-

Readers of this journal are no strangers to the continuing controversy.<sup>4</sup> Over the last fifteen years, the *William and Mary Quarterly* has featured articles on the imposition of and opposition to capitalist social relations in American manufacturing and the North Atlantic fisheries and on the evolution of slavery within the capitalist world system.<sup>5</sup> Historians of early America have learned a great deal more than most of us ever thought possible about the material lives of the laboring poor in Philadelphia and the eating habits of rural New Englanders.<sup>6</sup> We have been treated to reflections by members of the "humble classes" on the meaning of the American Revolution, the dangers of Federalist tax policies and fiscal plans, and the injustice of slavery.<sup>7</sup> At the same time, scholars have presented a variety of new approaches to the rural economy of New England, the Middle Atlantic states, the Chesapeake, and the trans-Mississippi frontier.<sup>8</sup>

Just what each of these studies has to do with a transition to capitalism in the United States has not always been explicit, but Edward Countryman and Allan

tudes see Bruce Levine et al., *Who Built America? Working People and the Nation's Economy, Politics, Culture, and Society*, vol. 1 (New York, 1989).

<sup>4</sup> A full list of citations is not possible here. Among the recent book-length contributions to this literature are Toby L. Ditz, *Property and Kinship: Inheritance in Early Connecticut, 1750-1820* (Princeton, 1986); Mary W. Schweitzer, *Custom and Contract: Household, Government, and the Economy in Colonial Pennsylvania* (New York, 1987); Stephen Innes, ed., *Work and Labor in Early America* (Chapel Hill, 1988); John R. Nelson, Jr., *Liberty and Property: Political Economy and Policymaking in the New Nation, 1789-1812* (Baltimore, 1987); Edwin J. Perkins, *Economy of Colonial America*, 2d ed. (New York, 1988); Charles G. Sellers, *The Market Revolution: Jacksonian America, 1815-1846* (New York, 1989); Christopher Clark, *The Roots of Rural Capitalism: Western Massachusetts, 1780-1860* (Ithaca, 1990); Winifred Barr Rothenberg, *From Market-Places to a Market Economy: The Transformation of Rural Massachusetts, 1750-1850* (Chicago, 1992); J. E. Crowley, *The Privileges of Independence: Neomercantilism and the American Revolution* (Baltimore, 1993); and Nancy Folbre, *Who Pays for the Kids: Gender and the Structures of Constraint* (London, 1994). For a recent overview from several points of view see Clark et al., "The Transition to Capitalism in America: A Panel Discussion," *History Teacher*, 27 (1994), 264-88.

<sup>5</sup> Charles G. Steffen, "Changes in the Organization of Artisan Production in Baltimore, 1790 to 1820," *William and Mary Quarterly*, 3d Ser., 36 (1979), 101-18; Philip D. Morgan, "Work and Culture: The Task System and the World of Lowcountry Blacks, 1700 to 1880," *ibid.*, 39 (1982), 563-99; Sharon V. Salinger, "Artisans, Journeymen, and the Transformation of Labor in Late Eighteenth-Century Philadelphia," *ibid.*, 40 (1983), 62-84; and Daniel Vickers, "The First Whalemens of Nantucket," *ibid.*, 560-83.

<sup>6</sup> Billy G. Smith, "The Material Lives of Laboring Philadelphians, 1750 to 1800," *ibid.*, 38 (1981), 163-202, and "Inequality in Late Colonial Philadelphia: A Note on Its Nature and Growth," *ibid.*, 41 (1984), 629-45; Sarah F. McMahon, "A Comfortable Subsistence: The Changing Composition of Diet in Rural New England, 1620-1840," *ibid.*, 42 (1985), 26-65. See also Lorena Walsh et al., "Toward a History of the Standard of Living in British North America," *ibid.*, 45 (1988), 116-70.

<sup>7</sup> Alfred F. Young, "George Robert Twelves Hewes (1742-1840): A Boston Shoemaker and the Memory of the American Revolution," *ibid.*, 38 (1981), 561-623. The phrase is from Benjamin Bussey Thatcher's *Traits of the Tea Party: Being a Memoir of George R. T. Hewes* (New York, 1835), quoted in Young, "George Robert Twelves Hewes," 563. James P. Walsh, "'Mechanics and Citizens': The Connecticut Artisan Protest of 1792," *WMQ*, 3d Ser., 42 (1985), 66-89; Ruth Bogin, "'Liberty Further Extended': A 1776 Antislavery Manuscript by Lemuel Haynes," *ibid.*, 40 (1983), 85-105, "Petitioning and the New Moral Economy of Post-Revolutionary America," *ibid.*, 45 (1988), 391-425, and "'Measures So Glareingly unjust': A Response to Hamilton's Funding Plan by William Manning," *ibid.*, 46 (1989), 315-31.

<sup>8</sup> Bettye Hobbs Pruitt, "Self-Sufficiency and the Agricultural Economy of Eighteenth-Century Massachusetts," *WMQ*, 3d Ser., 41 (1984), 333-64; Darrett B. Rutman, "Assessing the Little Communities of Early America," *ibid.*, 43 (1986), 163-78; Daniel H. Usner, Jr., "The Frontier

Kulikoff have each surveyed the debate's wider historiographical context in the *Quarterly*. In a contribution to a symposium on Gordon S. Wood's *Creation of the American Republic*, Countryman suggested that Wood's reconstruction of the political thought of the Revolutionary generation rested on an implicit social and economic history of the new nation that needed to be laid bare: "Beneath *Creation's* concern with republicanism as a mode of political relations lies an awareness that its emergence was linked to that of liberalism as a mode of social relations and of capitalism as a mode of economic production and exchange."<sup>9</sup> Joyce Appleby had earlier made these connections the cornerstone of her view of the early republic, and Wood went on to win a Pulitzer Prize for a more explicit treatment of the social and economic subtexts of his work.<sup>10</sup> In the meantime, in a survey of the debate over "The Transition to Capitalism in America," Kulikoff suggested that those he called the "market historians" and those he called the "social historians" actually agreed on the central point at issue—the timing of the emergence of capitalism in the United States—which, according to him, both schools dated from the end of the American Revolution.<sup>11</sup>

A great deal of confusion still bedevils the literature on the so-called transition question, however. Much of this confusion stems from historians' uncritical acceptance of the conventional identification of capitalism with a free-enterprise market economy. Defining capitalism in this way, as almost everyone now does, consigns the great struggles over the proper place of capital and capitalism in American society to a semantic no-man's land. If capitalism is little more than a synonym for a market economy, then any opposition to capitalism necessarily becomes an opposition to markets—in other words, an opposition so rarified and unreasonable to most people as scarcely to matter historically, except as an instance of exemplary witness.<sup>12</sup> The conventional wisdom must take any successful farmer or artisan, any upwardly mobile journeyman or laborer, as, almost by definition, an expectant capitalist, and it must treat any public policy that helps farmers, artisans, journeymen, or laborers become successful and upwardly mobile as, in effect, a capitalistic policy.<sup>13</sup> This is a needlessly constricting view of

Exchange Economy of the Lower Mississippi Valley in the Eighteenth Century," *ibid.*, 44 (1987), 165–92; Alan Taylor, "A Kind of War": The Contest for Land on the Northeastern Frontier, 1750–1820," *ibid.*, 46 (1989), 3–26; Gregory H. Nobles, "Breaking into the Backcountry: New Approaches to the Early American Frontier, 1750–1800," *ibid.*, 46 (1989), 641–70; and Daniel B. Thorp, "Doing Business in the Backcountry: Retail Trade in Colonial Rowan County, North Carolina," *ibid.*, 48 (1991), 387–408.

<sup>9</sup> Countryman, "Of Republicanism, Capitalism, and the 'American Mind,'" *ibid.*, 44 (1987), 559; Wood, *The Creation of the American Republic, 1776–1787* (Chapel Hill, 1969).

<sup>10</sup> Appleby, *Capitalism and a New Social Order: The Republican Vision of the 1790s* (New York, 1984); Wood, *The Radicalism of the American Revolution* (New York, 1992).

<sup>11</sup> Kulikoff, "The Transition to Capitalism in Rural America," *WMQ*, 3d Ser., 46 (1989), 130. See also Kulikoff, "Households and Markets: Toward a New Synthesis of American Agrarian History," *ibid.*, 50 (1993), 342–55, and Thomas S. Wermuth, "Were Early Americans Capitalists? An Overview of the Development of Capitalist Values and Beliefs in Early America," *Mid-America*, 74 (1992), 85–97.

<sup>12</sup> For a fully developed account of American history from the standpoint of the opposition-as-exemplary-witness see Howard Zinn, *A People's History of the United States* (New York, 1980) and *Declarations of Independence: Cross-Examining American Ideology* (New York, 1990).

<sup>13</sup> I am thinking here, in particular, of Appleby's *Capitalism and a New Social Order* and Wood's

the matter that, I would argue, does not capture the nature of the struggle that accompanied (and occasioned) the actual transition.<sup>14</sup>

The recent publications of essays by James A. Henretta and by Kulikoff on the political economy of agrarian America and of collections of documents edited by Paul A. Gilje and Howard B. Rock on the early history of the labor movement in New York City provide a welcome opportunity to examine some of these issues in more detail.<sup>15</sup> When Henretta began writing in the mid-1960s, most colonial social historians—including, initially, Henretta himself—took the triumph of capitalism as preordained and explained the pattern of historical change in the colonial era by theories of economic growth and social mobility that economists and sociologists had developed with reference to the evolution of industrial society in the nineteenth century.<sup>16</sup> As Henretta subsequently pointed out, this approach exaggerated the differences between the Old World and the New before 1776 and obscured the degree to which alternative paths of development remained open—and were hotly contested—for many decades after the Revolutionary War. A more accurate account of early American history, he concluded, would have to draw on other disciplines (such as demography and anthropology), which were more appropriate to the analysis of an agricultural society, and acknowledge the existence of workable alternatives to capitalism through the early decades of the nineteenth century.<sup>17</sup>

In the spirit of this call, Henretta's essays in *The Origins of American Capitalism* range far beyond population history and analysis of colonial social structure to comment sensibly on an array of important matters. The volume collects Henretta's best-known articles on the society and economy of early America. It also includes a more obscure piece on the historical connections between Max Weber's Protestant ethic and the economic history of early America that offers a cogent account both of the constricted intellectual and social context within which New England merchants pursued their calling and of the "strong communal institutions, political as well as religious, and the . . . community-based exchange system" (*Origins of American Capitalism*, 59) that, espe-

*Radicalism of the American Revolution*. Other examples are discussed below. This line of interpretation has a distinguished career. See note 1 above.

<sup>14</sup> Vickers's stimulating essay on the economic culture of early America suggests another way of looking at these matters. See Vickers, "Competency and Competition: Economic Culture in Early America," *WMQ*, 3d Ser., 47 (1990), 3–29.

<sup>15</sup> Henretta, *The Origins of American Capitalism: Collected Essays* (Boston, 1992); Kulikoff, *The Agrarian Origins of American Capitalism* (Charlottesville, Va., 1992); Rock, *The New York City Artisan, 1789–1825: A Documentary History* (Albany, 1989); Gilje and Rock, eds., *Keepers of the Revolution: New Yorkers at Work in the Early Republic* (Ithaca, 1992).

<sup>16</sup> See, for example, Robert E. Brown, *Middle-Class Democracy and the Revolution in Massachusetts, 1691–1780* (New York, 1955); Richard L. Bushman, *From Puritan to Yankee: Character and the Social Order in Connecticut, 1690–1765* (Cambridge, Mass., 1967); and Charles Grant, *Democracy in the Connecticut Frontier Town of Kent* (New York, 1961). A recent survey that relies on a similar approach is John J. McCusker and Russell R. Menard, *The Economy of British America, 1607–1789* (Chapel Hill, 1985). See also Perkins, "The Entrepreneurial Spirit in Colonial America: The Foundation of Business History," *Business History Review*, 63 (1989), 160–86.

<sup>17</sup> See Henretta, "Social History as Lived and Written," *American Historical Review*, 84 (1979), 1293–1333, and "Families and Farms: *Mentalité* in Preindustrial America," *WMQ*, 3d Ser., 46 (1979), 3–32, reprinted in *Origins of American Capitalism*.

cially in the countryside, retarded the spread of capitalist practices.<sup>18</sup> The volume concludes with two less remarked contributions that consider more closely the impact of the American Revolution on the development of capitalism in the United States.

The book's main interest lies in these concluding essays. In "The War for Independence and American Economic Development," Henretta describes how the Revolutionary War simultaneously encouraged the rapid expansion of small-scale manufacturing by farm families and rural artisans and inhibited the emergence of a "fully capitalist system of manufacturing" (p. 255)—whether in the sense of a core of larger, more capital-intensive enterprises or of a network of small producers dominated by capitalist merchants. The Revolution, he concludes, did not hasten the development of capitalism in the United States and may even have impeded it. Merchant capitalists and other monied men found themselves greatly disadvantaged by the overall thrust of the Revolutionary movement, not least because of their close political and financial ties to Great Britain. The vacuum was filled by thousands of smaller entrepreneurs—household producers—who sparked a protoindustrial take-off that helped raise America per capita output dramatically.

Henretta's final essay, "The Transition to Capitalism in America," takes a slightly different tack. It suggests that the war effort drew thousands of ordinary Americans into the market, undermined the older and more paternalistic pattern of labor relations both north and south, and created a sophisticated, indigenous capital market distinguished by the number and complexity of financial instruments in circulation. These trends helped consolidate what Henretta refers to as "the institutional core of early modern capitalism" (p. 294)—private property, wage labor, capitalist credit, and market exchange—and "accelerated the transition to a regionally diverse capitalist society" (p. 286). Although the political triumph of a self-conscious class of small property holders, together with the other economic and social obstacles to capitalist development, may have prevented the transition from happening earlier, a new, capitalist market economy emerged, Henretta says, at the beginning of the nineteenth century (p. xxxiv).

Henretta reconciles these different emphases chronologically. A "market mentality and consumer values were not dominant among most northern farm families before 1750," he insists, but achieved "a prominent position" after 1800 (p. xxviii). Colonists expressed their ambivalence toward capitalist credit and an overdependence on the market during the Revolution by joining the patriotic boycott movements and by expanding the range and intensity of their household production. . . . in American ideology and society [that] foreshadowed the eventual triumph of the monied interest" (p. 294).

Allan Kulikoff makes a similar argument in *The Agrarian Origins of American Capitalism*, singling out the American Revolution and the ratification of the federal Constitution as "key events in the diffusion of capitalism throughout America" (p. 103). In his view, the region's colonial relationship with Great Britain had set chafing limits on investment opportunities in the colonies. The

<sup>18</sup> The essay has since been published in Hartmut Lehmann and Guenther Roth, eds., *Weber's Protestant Ethic: Origins, Evidence, Contexts* (Cambridge, 1993).

War for Independence removed this barrier to development and created a "new class of financial and industrial capitalists" (p. 105). The Constitution outlawed a range of local and interstate restraints on trade. It also satisfied property owners that the state and federal governments would protect their interests. According to Kulikoff, their faith proved well placed, as Congress and state legislatures soon offered "potent encouragement" (p. 109) to capitalist development by regulating markets to capital's advantage, financing internal improvements, expanding the banking system, encouraging freer trade, issuing patents to foster innovations, providing support for continued westward expansion, and refusing to nullify judicial adaptations of the common law that favored a more developmental view of property rights. These policies "transformed productive relations" (*ibid.*), giving rise to antagonistic classes of capitalists and wage earners and promoting the explosive growth of slavery.

The ideology of the American Revolution, in Kulikoff's view, gave further impetus to the development of capitalism, which he defines as that mode of production where labor power, but not labor, is a commodity, bought and sold in the market like any other product or service. When gentlemen Revolutionaries in the colonies attacked Parliament's communalist idea of virtual representation in favor of a more individualistic notion of direct representation, their arguments indirectly emboldened common folk to embrace a vision of individual rights that rejected "all communal authority not sustained by popular demand" (p. 115). This political individualism, in turn, helped legitimate capitalism by linking public virtue to private interest, elevating "private [property] rights" over the "social rights inherent in traditional natural law" (*ibid.*), and giving wider currency to the "classical liberal ideas of free trade, unfettered development, and contractual labor" (p. 118). Such "bourgeois individualism" rooted political rights in property ownership—if only of one's self—and reduced liberty to the freedom to buy and sell property, including the capitalized labor of slaves and the commodified labor power of wage workers. The American Revolution thus not only "created the American bourgeoisie" but also diffused a "bourgeois" ideology throughout the whole society, setting the stage for capitalism's "ultimate victory" (p. 126).

At the same time, Kulikoff draws attention to the Revolution's other progeny—in particular, a self-conscious class of yeomen farmers and artisans who "resisted capitalist entrepreneurs, using Revolutionary ideology to legitimate their place in political and economic life" (p. 129). Most seventeenth-century immigrants to North America, he argues, "dreamed of regaining land they or their parents had lost" (p. 37). The relatively easy access to real property in the colonies helped many white immigrants realize this dream, encouraging the creation of a yeomen class of small property holders across the continent (p. 39). By the time of the Revolution, "while a diminishing proportion of Englishmen were freeholders, as many as two-thirds of eighteenth-century white adult male colonists owned land" (p. 66). The mobilization of this class of small farmers and artisans during the Revolutionary War radicalized the struggle against Great Britain and transformed the high-flown phrases of the Declaration of Independence into a defense of "the rights of mechanics and the poor to gain equal access to justice, property, and citizenship" (p. 116). With important differ-

ences between the North and the South, yeomen remained the dominant power in much of the country through the Civil War: "One can speak," Kulikoff writes, "of a yeoman social formation in the North [and] of yeoman classes within a slave social formation in the South" (p. 35 n. 5).

Kulikoff also has much to say about a range of other issues. *Agrarian Origins of American Capitalism* has a stimulating discussion of the wartime recruitment policies of Virginia's Revolutionary government, concluding that (at least in this regard) the patriotic planter elite, on balance, lived up to its professed egalitarian ideals. Two essays explore the ways in which the migration patterns of free persons and the forced relocation of slaves, both to and within North America, were related to the exigencies of the capitalist world economy during the first half of the nineteenth century. Reduced to the simplest possible terms, Kulikoff holds that immigrants (that is, nonslaves, including indentured servants and redemptioners) migrated to North America in an attempt to stay a step ahead of what Marx called "primitive accumulation," or the expropriation by capitalists of the "means of production" (especially land) of small producers—in effect, to escape capitalism.<sup>19</sup> Slaveowners, on the other hand, bought and sold slaves in their attempts to supply the rising demand for plantation products made possible, if not actually caused by, the accumulation of capital—in effect, to serve capitalism.

The international dimensions of Kulikoff's argument do not interest me here. I want instead to focus on his assessment of the prospects for noncapitalist development and economic growth in the United States after the Revolution. Like Henretta, Kulikoff accepts the existence of noncapitalist social structures during the eighteenth and nineteenth centuries. Also like Henretta, Kulikoff takes the "ultimate victory" (p. 126) of capitalism for granted, opening up the possibility of an alternative development path for American society only to treat its abandonment as a foregone conclusion. Henretta thinks that the Revolution gave the market "newfound centrality" that "foreshadowed the eventual triumph of the monied interest" (*Origins of American Capitalism*, 294). Similarly, Kulikoff describes a yeoman class "alienated from capitalist social and economic relations" and yet "embedded in capitalist world markets." As a result, he is "less surprised at the victory of capitalists, whether farmers, financiers, or farm women over yeomen, than at the intensity and great length of the struggle" (*Agrarian Origins of American Capitalism*, 36).

It is precisely here, it seems to me, that Henretta and Kulikoff (not to mention Appleby, Countryman, and Wood) seriously underestimate the viability and appeal offered by the noncapitalist, small producer economy. It also seems to me that Henretta and Kulikoff (and Appleby, Countryman, and Wood) are led into this underestimation by their definition of capitalism and, hence, their sense of what constitutes an alternative to capitalism. While their treatment of capitalism is admirably complex and variegated, they nonetheless accept the conventional notion that the expansion of trade, increased technological innovation, the rise of individualism, and the growth of free labor do excellent service as indexes of cap-

<sup>19</sup> Karl Marx, *Capital: A Critique of Political Economy*, vol. 1, trans. Ben Fowkes (Harmondsworth, Eng., 1976), 876.

italist development. If we write capitalism's history in this way, the expansion of any kind of trade—even if based on noncommercial forms of exchange, with their very different dynamics and structural effects—becomes a sign of capitalism. So, too, do any innovation in technique or process, regardless of the social relations in which it is embedded, any gain in individual freedom, even when associated with a relatively widespread distribution of property, and any growth in the number of wage laborers, regardless of their market position and political power. Proceeding in this fashion, the more successful Henretta's family economy or Kulikoff's yeomen classes were, the more capitalist they necessarily became, while those who opposed capitalist development and sought to push American society in a different direction were assured of defeat before they even began.

Christopher Clark's *Roots of Rural Capitalism* is an excellent example of an alternative approach to these issues. Clark presents us with a household economy capable of growing and developing without automatically becoming, simply as an artifact of his categories, an entirely different system. Thanks to his work, we can follow the history of the Connecticut River valley's household economy between the Revolution and the Civil War and trace the ways in which ordinary citizens strove to improve their material circumstances, lessen the burden of labor associated with their way of life, and resist the inroads of an alternative, more capitalistic structure of production and power that threatened to deprive either them or their children of property and standing. It was precisely this conflict between the familial independence promised by a prosperous household sector and the individual dependence associated with the capitalist alternative that defined the terms of the political and social struggle over the transition during the seventy-five years that followed the Revolution.<sup>20</sup>

In short, reducing capitalism to a series of economic indexes, as most historians do, ignores the role of politics in political economies. Capitalism, properly speaking, is not just an economic system based on market exchange, private property, wage labor, and sophisticated financial instruments. Such features are necessary conditions for the existence of capitalism, but they are not sufficient to distinguish it from other market economies. Capitalism, more precisely, is a market economy ruled by, or in the interests of, capitalists.<sup>21</sup> Acknowledging the importance of politics has decisive implications for the way we understand the provenance of noncapitalist alternatives in early America. The political economy preferred by most farmers, artisans, and laborers in the early republic differed from the capitalism favored by merchants, financiers, or budding master manufacturers, and it deserves to be called by a different name. Any number of labels might serve, including a yeoman economy, a household economy, or even a democratic economy. In the antebellum era, most Americans were not interested in encouraging the unlimited accumulation of private fortunes, or in expanding the most dependent forms of wage labor, or in increasing the financial opportunities available to the wealthy, or in commodifying everything. But they did want

<sup>20</sup> Clark, *Roots of Rural Capitalism*, 15–16, 87–93, 105–06, 220–27, and *passim*.

<sup>21</sup> This is Marx's own original usage of the term, which predominated for the first 75 years after it had been coined. See Michael Merrill, "The Anti-Capitalist Origins of the United States," *Review: A Journal of the Fernand Braudel Center*, 13 (1990), 470–74. See also John D. Stephens, *The Transition from Capitalism to Socialism* (London, 1979).

to protect the relatively widespread distribution of private property, to ensure that wage labor could continue to serve as a stepping stone to independent proprietorship, and to increase the financial opportunities available to the many. They also wanted to preserve, as a hedge against the vagaries of the market, broad access to goods and resources through noncommercial forms of exchange such as barter and inheritance.

These comments are not meant to detract from the enormous importance of Henretta's and Kulikoff's contributions to the literature on the transition to capitalism, from which I have learned a great deal. No one has done more to legitimate the notion of an alternative to capitalist development in the United States, especially in the countryside, than Henretta, and no one has done more to help scholars interested in the ensuing controversy understand what is at stake than Kulikoff. Nevertheless, by treating capitalism simply as an economic system uniquely characterized by market exchange, private property, wage labor, and capital accumulation, Henretta and Kulikoff make it harder for themselves accurately to describe the existing anticapitalist alternatives in American society. The most effective opponents of capitalism did not imagine doing away with commerce, innovation, or capitalists. More commonly, they simply resisted those policies and ways of organizing production that benefited capitalists at the expense of others. Their preferred alternatives did not involve a return to some precommercial natural economy, an economic Garden of Eden. They sought, rather, more equitable ways to share the benefits of expanded trade and increased innovation among the "producing" classes of society. They did not ask whether there would be a market; they asked who would control it and which social class would reap the lion's share of its benefits.<sup>22</sup>

Henretta and Kulikoff are not the only historians to treat capitalism as little more than the name for a generic commercial economy. Joyce Appleby's *Capitalism and a New Social Order* and Gordon Wood's *Radicalism of the American Revolution* also insist on reducing capitalism to commercial enterprise. As a result, they see the prosperity that followed the Revolution as a sign of an emergent, radically new, capitalist order rather than as the expansion of a dynamic, profoundly anticapitalist, and democratic old order. Of course, there were many capitalists who profited from the increase in trade and output after the war, and there were Revolutionaries who worried about the effect prosperity would have on popular virtue. But the radicalism of the Revolution was at least as much a matter of politics as economics. The Revolution had secured the independence, not just of the nation, but of all the free households that formed its building blocks. To most Americans, Independence meant prosperity, but it meant more particularly the power, guaranteed by a specific political economic framework many called democracy, to do whatever they could do, consistent with their God-given talents and ambitions, in whatever line of work they chose to pursue. Among other things, this democracy meant not having to work under someone else's control but being free to work for oneself. Most American patriots fought the War of Independence in order to establish democracy in this sense

<sup>22</sup> See Merrill and Sean Wilentz, eds., *The Key of Liberty: The Life and Democratic Writings of William Manning, "A Laborer," 1747-1814* (Cambridge, Mass., 1993).

and not in order to make the monied elite more powerful. Their Revolution was a profoundly anticapitalist enterprise.<sup>23</sup>

Defining capitalism too broadly obscures all this from view. Just how much is obscured is illustrated by two recently published collections of documents on New York City artisans and laborers after the Revolution. Howard Rock's *The New York City Artisan, 1789–1825: A Documentary History* focuses on the artisan community, presenting a wide range of material illustrating the political and economic interests of various trades together with evidence concerning changing relations between masters and journeymen. *Keepers of the Revolution: New Yorkers at Work in the Early Republic*, edited by Paul Gilje and Rock, has a wider reach, including contemporary descriptions of and personal testimony from apprentices, casual laborers, African Americans, and women, as well as masters and journeymen. Both these superbly edited collections contain numerous examples of working people's efforts to protect and promote a more democratic political economy and underscore the important role working people played in the political and economic affairs of the early republic. At the same time, by failing adequately to distinguish between the capitalism of the monied few and the democratic political economy favored by many (if not most) farmers, mechanics, and laborers, the introductions and headnotes in both collections miss much of what was going on.

In *The New York City Artisan* Rock argues that artisans favored a "capitalism for the common man . . . an open, accessible marketplace that would permit the meritorious—however humble their origins—to rise in the social order" (p. III). In *Keepers of the Revolution* Gilje and Rock stress that the expanding scale of enterprise created difficulties for the "spirit of expectant capitalism" (p. 3) that the Revolution had ignited within the artisan community. "How could the harmonious workshop of the independent artisan survive," they asked, "if fewer and fewer journeymen were able to reach the standing of independent proprietor?" (p. 4). The emphasis in the documents is very different. The journeymen represented there seem much less concerned with mobility and the opportunity to rise than with equity and the opportunity for "every class of society"—including the most humble—"to benefit in proportion to its usefulness" (*New York City Artisan*, 234).

The journeymen tailors, for example, had made their peace with the expanding scale of enterprise. In an 1804 dispute with the Merchant Tailors Society of New York, the journeymen focused their attentions on those "impositions from employers, or from each other" (p. 219) that undermined their ability to earn a reasonable living as journeymen. Indeed, none of the journeyman societies organized after the Revolution thought masters had no role to play in setting prices and wages. The journeymen cabinetmakers, in an 1802 strike appeal, asked only that the setting of prices be jointly done "by the mutual consent of both parties" (p. 226). Nor did the journeymen house carpenters complain about their status;

<sup>23</sup> For more on these themes see *ibid.* and Merrill, "Anti-Capitalist Origins of the United States." For the more personal meanings of Independence to the Revolutionary generation see Edwin G. Burrows and Michael Wallace, "The American Revolution: The Ideology and Psychology of National Liberation," *Perspectives in American History*, 6 (1972), 167–308.

in an 1810 open letter, they simply wanted the masters to treat them as equals. The "haughtiness and overbearance" of those masters who insisted on unilateral control, the officers of a journeymen carpenters society warned, "better fits [employers] to give laws to slaves, than [to] assume the prerogative of depriving freemen of their just rights" (p. 235).

Finally, the journeymen in these collections did not protest against a master's success. The journeymen cabinetmakers quoted above wanted to be treated with "justice and humanity" (p. 226). The journeymen house carpenters thought masters who can "glide in their Carriages, or build brick houses for themselves" after a short time in business were the first to cry out when journeymen "require just compensation" (*ibid.*, 235). But they did not decry mastership as such. For example, the self-declared "unlettered mechanic" and journeyman tailor who in 1819 presented arguments "against the use of women" in his trade thought that everyone "must perform the part allotted him" in the "grand theater of human action." Even the most humble and inconspicuous "ought nevertheless to be justly supported, or the whole drama would fall." Those whose "only object" was "to accumulate money," he observed, usually proved "perfectly regardless of the wants of the Journeymen who[m] they employ" (pp. 222, 224).

These journeymen favored a political economy that left considerable room for both commerce and innovation, and they accepted wage labor and high finance as permanent facts of life, especially in the city. They did not all seek to become capitalists themselves or to prevent those who were capitalists already from accumulating more wealth. The journeymen house carpenters and typographers, for example, wanted a system in which a skilled artisan received "sufficient compensation for [his] labour" and could "provide for himself a comfortable subsistence" (pp. 235, 216). The house carpenters did worry about the effect a master's increasing wealth would have on his willingness to treat them justly, but they did not condemn all "bosses." They condemned those "monopolising Bosses" who were unwilling to grant that "journeymen should have an existance [sic] as well as themselves" (pp. 237). Such tolerance did not mean—and ought not to be taken to mean—that the journeymen carpenters favored capitalism. Such a conclusion ignores the larger problem that lies at the heart of the whole transition question—namely, which social class would control the process of economic development and reap the largest share of its benefits.

In point of fact, there are many different market economies, not all of which ought to be called capitalist. To call them so necessarily denies essential intellectual ground to all attempts to create market economies that were not capitalist or not dominated by the interests and priorities of the monied classes. Most anticapitalist radicals, from the plebeian democrats of the nineteenth century to the social democrats of the twentieth, have sought to abolish neither markets nor the market economy. They have sought rather to ensure that markets operated equitably. To equate capitalism with any market economy brands all such efforts as fundamentally wrongheaded and says, in effect, that there is no way to oppose capitalism without opposing markets, that the only acceptable alternative to capitalism is a society without markets. Such utopian dreams admittedly have played an important part in the history of American society. Yet, for much of the last two centuries, other more democratic political economies, simultaneously pro-

market and anticapitalist, have flourished alongside the romantic gestures of the antimarket radicals, not only in northern and western Europe but also in the United States. If we can ever come to accept capitalism as merely one market economy among many, we may finally be able to write the real history, not only of capitalism but also of markets.

At the center of this real history, as recent studies make clear, lies the question of wage labor and its relation to both capitalism and slavery.<sup>24</sup> The appearance of a formally free labor market, for Weber as well as for Karl Marx, signaled the emergence of capitalist production.<sup>25</sup> Most historians have followed their lead, crediting capitalism with the end of serfdom and the phasing out of restrictive regulations on labor mobility and artisanal production. But, as Weber and Marx were quick to point out, capitalism too depends on what Marx called the "enslavement of the workers." According to him, the advance of capitalism over feudalism—and, we might say, of both over chattel slavery—consisted not of an end to workers' servitude but of a change in its form.<sup>26</sup> By restoring the question of power to our histories of capitalism, we will simultaneously restore questions about the nature of that servitude to these histories.<sup>27</sup> Among other things, we will then be in a position to understand, perhaps for the first time, not only how chattel slaves and wage earners differed from each other but also what they had in common and why the ideology of free labor appealed to both, not as a description but as a promise.

<sup>24</sup> See Jonathan A. Glickstein, *Concepts of Free Labor in Antebellum America* (New Haven, 1991); David R. Roediger, *The Wages of Whiteness: Race and the Making of the American Working Class* (London, 1991); Robert J. Steinfield, *The Invention of Free Labor: The Employment Relation in English and American Law and Culture, 1350–1870* (Chapel Hill, 1991); David A. Zonderman, *Aspirations and Anxieties: New England Workers and the Mechanized Factory System, 1815–1850* (Oxford, 1992); and David Montgomery, *Citizen Worker: The Experience of Workers in the United States with Democracy and the Free Market during the Nineteenth Century* (New York, 1993).

<sup>25</sup> Marx, *Capital*, trans. Fowkes, I, 874; Weber, *The Protestant Ethic and the Spirit of Capitalism* (New York, 1958), 21–22.

<sup>26</sup> Marx, *Capital*, trans. Fowkes, I, 875. While Weber's criticism of capitalism is less emphasized, he did not hide his views. Consider, for example, the following well-known passage from his *Protestant Ethic*:

The Puritan wanted to work in a calling; we are forced to do so. . . . [T]he tremendous cosmos of the modern economic order . . . is now bound to the technical and economic conditions of machine production which to-day determine the lives of all the individuals who are born into this mechanism, not only those directly concerned with economic acquisition, with irresistible force. Perhaps it will so determine them until the last ton of fossilized coal is burnt. In [the Puritan minister Richard] Baxter's view the care for external goods should only lie on the shoulders of the "saint like a light cloak, which can be thrown aside at any moment." But fate decreed that the cloak should become an iron cage [p. 181].

For a very fine account of Weber's life and thought that develops this theme in more detail see Arthur Mitzman, *The Iron Cage: An Historical Interpretation of Max Weber* (New York, 1969).

<sup>27</sup> For important work along this line see Karen Orren, *Belated Feudalism: Labor, the Law, and Liberal Development in the United States* (Cambridge, 1991).