What Makes the History of Capitalism Newsworthy?

Seth Rockman

Journal of the Early Republic, Volume 34, Number 3, Fall 2014, pp. 439-466 (Article)

Published by University of Pennsylvania Press

DOI: 10.1353/jer.2014.0043

For additional information about this article
http://muse.jhu.edu/journals/jer/summary/v034/34.3.rockman.html
Review Essay
What Makes the History of Capitalism Newsworthy?

SETH ROCKMAN


Capitalism may be in crisis as an economic system, but it is thriving as a subject within the historical profession. The “history of capitalism” now organizes a book series at Columbia University Press, a seminar program at the Newberry Library, a MOOC at Cornell University, a graduate field at University of Georgia, and a tenure line at Brown University. Undergraduate courses on American capitalism are filling lecture halls at Princeton, Florida, and Loyola University Chicago, while the New School for Social Research has launched its new Heilbroner Center for Capitalism Studies. The topic has provided thematic unity to recent annual meetings of the Social Science History Association and the Organization of American Historians. In the American Historical Association’s state-of-the-field volume American History Now, the history of capitalism stands alongside established subfields like women’s history and cultural history. A front-page article last year in the New York Times carried the headline, “In History Class, Capitalism Sees Its Stock Soar.”

Seth Rockman is associate professor of history at Brown University. He thanks Julia Ott, Lukas Rieppel, Sandy Zipp, and JER editor David Waldstreicher for helpful advice with this essay.

“This is news?” one could hear many early republic historians ask with incredulity. The study of capitalism has long been a central concern of our field. Forty years ago, the “new labor history” began recovering the experiences of the first generation of American wage laborers in communities like Paterson, Rockdale, and Lowell. Very soon, artisans of every trade had a historian to recount their declining economic power in the face of capitalism’s rise. Graduate students in the 1980s cut their teeth on farmers’ account books and rural mentalités, and few qualifying exam lists lacked a section on “the transition to capitalism” debate. The generation coming of age in the 1990s had “the market revolution” looming over its head, and in the wake of a Journal of the Early Republic special issue on capitalism in 1996, social historians continued to argue with Gordon Wood and Joyce Appleby over the compatibility of capitalism and democracy. Over the last decade, SHEAR conferences have featured sessions on capitalism as a force of liberation or destruction, as a top-down or bottom-up phenomenon, and as ideology or a structure. As often as not, experienced commentators have alerted younger presenters to the classic works of Samuel Rezneck, Oscar and Mary Handlin, or George Rogers Taylor, extending the field’s historiographical genealogy ever deeper into the past. If academic generations define themselves against their immediate predecessors, how many “revisionist”

historians have humbly discovered that their scholarly grandparents had in fact been exploring the same questions half a lifetime earlier? This “new” history of capitalism might be a testament to good branding (appropriately) rather than original insight, less a new field than a fad.

Scholars identifying themselves with the “new” history of capitalism—and I count myself in these ranks—make no pretense of having discovered a new field. Many historians working under this rubric are quick to credit their undergraduate teachers and graduate advisors: Elizabeth Blackmar, Barbara Fields, and Eric Foner at Columbia, or Jean-Christophe Agnew and Michael Denning at Yale, to name only two clusters of influential faculty who have been talking about capitalism for decades. For those interested in parlor games, younger historians of capitalism can reach Agnew or Blackmar in about half the steps required to get to Kevin Bacon. Columbia- and Yale-trained students have been at the forefront of institutionalizing the history of capitalism elsewhere; none with more success than Sven Beckert, whose Program on the Study of Capitalism at Harvard has placed recent graduates into faculty positions at University of North Carolina–Chapel Hill, UC–Berkeley, Cornell University, and University of Pennsylvania. Yet, not all roads lead back to Cambridge, let alone New Haven and Morningside Heights, with the field’s institutional genealogy looking less like a family tree than an overgrown forest of departments, centers, and programs. Consider the range of affiliations of doctoral students receiving funding from the Library Company of Philadelphia’s Program in Early American Economy and Society or appearing on now-ubiquitous history-of-capitalism conference panels. Complicating matters further, many of the dissertations (recent and underway) in the field are directed by faculty members who do not identify themselves primarily as historians of capitalism; take, for example, William Cronon and Thomas Sugrue, two graduate mentors better identified with the respective subfields of environmental and urban history. But even doctoral advisors coming to history of capitalism through the more predicable routes of labor and business history—Nelson Lichtenstein and Colleen Dunlavy, for instance—would offer idiosyncratic accounts of the field’s origins. Sven Beckert might highlight the importance of Europeanists like Eric Hobsbawm, William H. Sewell, Jr., and E. P. Thompson in shaping a field that nonetheless maintains a distinctive Americanist lineage. One imagines Richard John making a compelling case for Alfred Chandler as history of capitalism’s progenitor, while the New Labor history of Herbert Gutman and David Montgomery
would feature prominently for Jefferson Cowie, Rosemary Feurer, and Scott Reynolds Nelson. William J. Novak, Robin Einhorn, and Brian Balogh might credit American Political Development (a move in 1980s and 1990s political science and sociology toward the history of institutions) with redirecting historians’ gaze toward the state’s role in the economy. A dozen other historiographies might appear in competing accounts of the field’s genealogy. Suffice it to say, the contours of the field stretch beyond just a handful of programs and advisors.

What makes the history of capitalism newsworthy is less institutional than intellectual, as the field has opened new vistas on the past by pursuing its questions differently from an earlier scholarship. First, the current scholarship has minimal investment in a fixed or theoretical definition of capitalism. Few works in the field begin with an explicit statement of what the author means by capitalism. If the goal is to figure out what capitalism is and how it has operated historically, scholars seem willing to let capitalism float as a placeholder while they look for ground-level evidence of a system in operation. The empirical work of discovery takes precedence over the application of theoretical categories: A question like “What might men’s grooming products or Congressional tariff debates tell us about capitalism?” organizes the inquiry, not “What does capitalism tell us about razors and rate schedules?” Recent work shows little interest in demarcating certain economic activities or actors as pre-capitalist or proto-capitalist relative to a predetermined standard of actual capitalism. By extension, “transitions” are not an overarching preoccupation of the recent scholarship, with less attention given to the timing of a “market revolution,” shifts between modes of production, or the contrast between Gemeinschaft and Gesellschaft. As the turmoil of the current global economy has revealed a system wildly inconsistent with theorized accounts of “pure” capitalism—it isn’t like the state has become less relevant to the economy today than it was in 1750 or that free markets have ended human trafficking—historians have shown greater comfort with the ambiguities of early America capitalism. Once-essential boundaries, as between mercantilism and capitalism, diminish in importance as scholars recognize the state’s geopolitical interest in organizing markets and generating revenue up through the present day. Likewise, the space between moral economy and market economy appears less obvious as historians assert that culture (implicit in traditionalism of the former) also governs the latter despite its presumed profit-maximizing rationality. The new scholarship embraces the “varieties of capitalism,”
to use the title of an influential volume in political science on the mutability of capitalism across chronologies and geographies.2

Secondly, recent scholarship alters the periodization of U.S. history, with particular consequence for early republic specialists who have long claimed capitalism’s story, or at least its rise, as their own. After all, ours is the era of the Erie Canal, de-skilled artisans, and trans-Atlantic radicals, plus three major panics and a bank war!3

Stealing some of our thunder, the history of capitalism tends to situate the early United States in the sweep of an early modern global history defined by commercial integration, the fiscal–military state, and the valorization of instrumental knowledge. For example, commodity studies like Jennifer Anderson’s *Mahogany: The Costs of Luxury in Early America* and Sven Beckert’s *Empire of Cotton: A Global History* dexterously bridge the eras of colonization and industrialization. Other scholars have similarly deepened the field’s chronological range: Recent syntheses by Joyce Appleby and Christopher Tomlins span more than three centuries.4

The more specialized scholarship on U.S. capitalism rarely confines itself to the decades between the American Revolution and the Civil War. Jonathan Levy’s *Freaks of Fortune: The Emerging World of Capitalism and Risk in America* begins with the 1841 Creole slave revolt and ends in the Progressive Era. Scott Reynolds Nelson’s *A Nation of Deadbeats:

---


An Uncommon History of America’s Financial Disasters starts with William Duer in debtors’ prison in 1792 and concludes during the New Deal. Paul Lucier’s excellent book on scientific entrepreneurs and the energy industry runs from 1820 to 1890, Caroline Fisk’s award-winning history of intellectual property travels from 1800 to 1930, and two recent dissertations on accounting (1750–1880) and actuarial science (1830–1930) boast chronologies that defy the neat bookends of the early republic. Indeed, neither the American Revolution nor the Civil War plays a determinative role in these narratives, marking a departure from an earlier historiography depicting capitalism as the consequence of the former and the cause of the latter.5

Third, consistent with its disavowal of theoretical definitions and recalibrated chronologies that span the Civil War, the new scholarship recognizes slavery as integral, rather than oppositional, to capitalism. Of course, slavery has long been central to debates over British capitalism, beginning with the 1944 publication of Eric Williams’s Capitalism and Slavery. Although the United States also had an industrial revolution reliant upon slave-grown cotton, the American historiography had generally considered slavery as a bounded regional economy, marking the South as a laggard, rather than a leader, in national economic development.6

A wave of new scholarship, however, has positioned southern slaveholders as architects of a capitalist system predicated on commodity


production, entrepreneurship, technological innovation, and lengthy chains of trans-Atlantic finance. The framework of “Second Slavery”—highlighting slavery’s nineteenth-century regeneration in Brazil, Cuba, and the U.S. under “modern” regimes of industrial management—has proven especially productive. By dislodging wage labor as the sine qua non of capitalism, historians of capitalism are able to consider labor exploitation in a wider range of contexts, and especially to appreciate the interdependence of plantation agriculture and factory production. Slavery also functioned as property regime in which, to quote one scholar, slaves were worked “financially as well as physically” to store and transfer wealth, to access credit, and to stabilize an under-regulated system of paper money. Relative to other subfields of U.S. history, the history of capitalism may be the place where slavery assumes the most central position within the larger national narrative.7

Fourth, the new scholarship on capitalism integrates a variety of subfields and methodologies under one capacious heading. If nothing else, the study of capitalism has woven together business history, labor history, economic history, political economy, and the history of economic

thought, and in doing so, has sought to revitalize subfields that (to put it politely) had fallen out of favor in the profession. Many un-cool topics—tariffs, infrastructure, marine insurance—are now hot. But the redemption of these subjects is neither a rear-guard action, nor a repudiation of the last thirty years of social and cultural history. To the contrary, the history of capitalism has shown such strength precisely for its embrace of critical theory and the experiences of workers, consumers, and entrepreneurs removed from the seats of power. For the early republic, just consider well-received books like Scott Sandage’s *Born Losers: A History of Failure in America*, Stephen Mihm’s *Nation of Counterfeiters: Capitalists, Con Men, and the Making of the United States*, Jane Kamensky’s *The Exchange Artist: A Tale of High-Flying Speculation and America’s First Banking Collapse*, and Brian Luskey’s *On the Make: Clerks and the Quest for Capital in Nineteenth-Century America*. Rosanne Currarino has recently identified the early republic as the most fertile site of a new “history of cultural economy,” by which she means the re-appropriation of the economic past by scholars willing to interrogate “the economic” as a cultural and linguistic construction. Evaluating cultural history more generally, James W. Cook foregrounds the history of capitalism for its innovative melding of “signs and structures.” As if to convey the blending of disparate methodologies, Cornell’s Louis Hyman has offered “Foucault and regressions” as the ultimate aspiration of the field.8

Finally, the history of capitalism fundamentally functions as critique, but not in ways that align with a single intellectual tradition or school of political thought. Scholars working in the field are dubious of the neoclassical orthodoxies that prevail in Economics departments, especially presumptions of utility-maximizing humans and self-regulating markets inexorably moving towards equilibrium. Many of the fundamentals of

Marxism appear equally teleological, especially a stadial theory of history that predetermines capitalism’s rise and fall. To be sure, a focus on “the commodity” and the presumption of a relationship between market, state, and society betray the field’s debt to Marx, but recent scholarship has shied away from Marxist terminology; half-jokingly, one might call the field *Marxish* since its commitment to that tradition often begins and ends with the project of demystifying capitalism. At the most basic level, the field’s intervention is to *de-naturalize* capitalism, to provide the history of a system that the dominant culture depicts as timeless and irresistible, even in the midst of crisis. Whether they take their cues from David Harvey, Cedric J. Robinson, or scholars writing under the standard of subaltern studies, from the photography of Allan Sekula, or from a spell of post-collegiate employment in management consulting, historians of capitalism refuse to give “markets” a trans-historical agency. “The market” is a euphemism for actual economic actors (people) and institutions (law and culture) that shape how economic power is exerted and experienced. Indeed, state power is never far from the surface, with attention particularly focused on the role of law in setting the rules under which economic activity takes place; for that reason, history of capitalism and political economy often appear as synonymous in calls-for-papers and job listings.

The history of capitalism might be thought of as comparable to Science Studies (or STS), an enterprise that similarly seeks to de-naturalize processes that appear inevitable under the heading of “progress.” Both undertakings interrogate their very subjects—science, capitalism—as contested terrain on which claims to authority and social power are made and exercised. Presuming nothing to be inevitable, historians of capitalism and STS scholars embed what they study in a matrix of social relations, cultural practices, and institutional arrangements operating under specific, yet always contingent, historical circumstances. The recent financial crisis promoted cross-fertilization between the fields, as scholars in the sociology, philosophy, and history of science like Donald MacKenzie and Philip Mirowski have interrogated economics, capitalism’s legitimating discourse, as a form of knowledge production complicit in creating the phenomena it purports to describe.  

---

Akin to historians of science who consider patronage, laboratory space, and the prevailing political climate as essential to new discoveries in chemistry or physics, historians of capitalism have also been drawn to questions of infrastructure—less in the literal sense of the roads and wires facilitating commerce and more in the sense of the submerged architecture—material, legal, and ideological—that makes a highway system or telecommunication network plausible in the first place. Like the popular David Macaulay books that rip the skin off a skyscraper or the walls off a castle, the current scholarship presumes that behind something as “simple” as a dollar bill or a phone bill there’s an entire universe waiting to be revealed. With an eye toward technology in the broadest sense of the word, the field’s governing questions are more likely “How does it work?” than “What does it mean?”

Other commentators might stress a different set of scholarly moves at the heart of the new history of capitalism. It is certainly in dialogue with efforts to revitalize business history and labor history, projects clearly articulated by the editors of leading journals in both fields. Walter A. Friedman and Geoffrey Jones re-launched Business History Review in 2010 with a call for ambitious, multidisciplinary work in dialogue with interlocutors other than the ghost of Alfred Chandler. On the pages of Labor: Studies in Working-Class History of the Americas, Leon Fink connected the robustness of the field to a newfound willingness to engage “the surrounding political economy of state and business enterprise.” It will not suffice to pin workers’ struggles on the abstraction of capital-C Capital, nor on a set of caricatured plutocrats resembling Mr. Burns from The Simpsons; the best work in the field understands factory owners, shop-floor supervisors, and anti-labor politicians as multifaceted actors operating from complex motives.10

---

The history of capitalism is also clearly in conversation with the New Institutional Economics. Both stress the socially constructed constraints that organize production, distribution, and consumption; but while economists like Paul A. David or Douglass C. North would credit formal and informal institutions with reducing transactional uncertainty, historians of capitalism would implicate law and culture in the unequal prospects and liabilities that disparate actors carry into the marketplace.11

Finally, capitalism’s history is an urgent concern for some legal scholars and political scientists, especially those working under the auspices of International Political Economy (IPE). Disputing economists’ claims that markets summon money into being as an arbitrary marker of value to facilitate exchange, scholars like Christine Desan argue that currency is a product of public governance and an expression of political authority that shapes what is understood as “the market” in a given society and how it functions.12

A decade ago, readers of the Journal of the Early Republic previewed some features of the history of capitalism in a special issue entitled, “Whither the Early Republic?” There, James L. Huston anticipated that “governance and attention to the actual functioning of the marketplace” would increasingly organize scholarship under the capacious label of “political economy.”13

---


In the same volume, David Waldstreicher, Amy Dru Stanley, Stephanie Smallwood, and Walter Johnson planted slavery and its attendant ideology of white supremacy squarely at the heart of early republic capitalism. But more importantly, their essays developed one of the watchwords of the new history of capitalism: commodification. As Smallwood explained, “We know a great deal about commodities and their fetishization, but commodification—the process by which things are made into commodities—remains less rigorously interrogated.” Accordingly, the history of capitalism must dismantle the black box that obscures the substantial work involved in transforming aspects of the material world into exchangeable units. Very quickly, commodification directs attention to the social production of knowledge. Standards for measuring, grading, and pricing, for example, can never be presupposed, but emerge in contests over authority and expertise, whether regarding the legitimacy of any quantitative metric or the legitimacy of the technology deployed in rendering it or representing it. At bottom, commodification is a discursive process in which language and the means of its transmission—think of an early modern prices current, the legalistic formality of a contract, or a written IOU from the government—do the epistemological work of creating goods that can be bought, sold, and consumed. These insights inform much of the new scholarship and help explain the particular interest in the account book as a bedrock technology of capitalism and in money as a semiotic system.14


Standing alongside commodification in the scholarship is another processual noun: financialization. By recovering the vast amount of cultural, legal, and technological work involved in making securities markets, scholars have rethought the histories of investment, savings, and risk. Although the term financialization is often associated with the dominance of the “financial services industry” in the late twentieth century, historians see a transformational moment in England’s early modern “Financial Revolution” when sovereign debt proliferated and personal and commercial credit migrated from ledger books into circulating financial instruments that could be assigned, exchanged, repackaged into investment opportunities for third parties, and ultimately disassociated from such material referents as a bushel of grain or plot of land; one scholar has posited “credit fetishism” as a useful label for this process of abstraction. The allure of future revenue streams predicated on past acts of money-lending required new temporal horizons, a new mathematics for calculating depreciation and probability, and new understandings of mortality mediated through insurance policies and trusts. The chains of credit between large investment houses, state-chartered banks, and

entrepreneurial borrowers rendered property ownership into a social fiction, one whose flimsiness was all too often revealed whenever the chain broke. This was especially vivid in the financing of slavery, to which scholars attribute such macroeconomic crises as the South Sea Bubble and the Panic of 1837, as well as the personal tragedies of countless enslaved families left at the mercy of the auctioneer’s gavel whenever a planter went bankrupt. By following the money—whether to a farmer’s mortgage owned by the Massachusetts Hospital Life Insurance Company or to an annuity generating income for a London widow based on a minute fractional share of a West Indian plantation—historians of capitalism resist “investment” as a natural economic concept floating above social relations, cultural production, and political economy. The concept of financialization, like that of commodification, attests to the field’s abiding interest in de-naturalizing the entire range of goods and services that might otherwise be presupposed as inherent to “the economy.” As processes suggesting the agency of human beings rather than the autonomous operations of market forces, both terms impel scholars to excavate the relations of power that underlay what can be bought and sold (and by whom and on what terms) at a given moment in history.15

It would be hard to find a better introduction to the history of capitalism than Capitalism Takes Command, edited by Michael Zakim and

Gary J. Kornblith. The volume reflects the field’s multigenerational character, situating foundational scholars of early republic social history alongside the mid-career standard-bearers of cultural history, intellectual history, and political economy. An explicit homage to Siegfried Giedion’s *Mechanization Takes Command* and with gestures toward Karl Polanyi’s *The Great Transformation*, the book considers “the long nineteenth century,” attentive to the massive disjunctures of the Civil War and Reconstruction but not bound by them or indeed, by any other major milestones in American political history. These essays are consistent with a number of general trends in the field: resistance to a fixed definition of capitalism, relative indifference to the “worlds that were lost” perspectives of an earlier “transition” literature, attentiveness to slavery, ambitious blending of methods and subfields, and a preoccupation with unmasking the hidden operations of commodification and financialization. The editors position the volume as “a collective attempt to ‘bring the economy back’ into American social and cultural history” (7), but the book’s greater effect is showcasing the value of social and cultural history for understanding the economic past, especially in “arguing that there was nothing natural, preordained, or predictable” (7) about capitalism’s American incarnation. By title, *Capitalism Takes Command* indicates that something specific happened over the course of the nineteenth century, elegantly formulated as “capital’s transformation into an ‘ism’” (1). The logic and law of business spilled over from the realm of economic exchange to organize society and its politics, everyday practices, and culturally dominant understandings of self. To explain how, the editors suggest a new set of questions to guide historical inquiry: not “Who built America?” but rather “‘Who sold America?’ or perhaps more to the point, ‘Who financed those sales?’” (12). The subsequent essays show the fruitfulness of such an approach, but also expose the vulnerabilities of a volume lacking any contribution invested in that once-classic hallmark of the history of capitalism: proletarianization.

To be sure, steering clear of factory-based wage labor can also be seen as one of the book’s most productive gambits. An earlier scholarship had timed capitalism’s arrival to the moment when industry supplanted agriculture as the centerpiece of the economy. Capitalism presumptively came late to the United States as frontier farms lured would-be yeoman families westward; the land served as an impediment to, if not a bulwark
against, capitalism. The essays in *Capitalism Take Command* argue otherwise, making western lands—so readily rendered into securities—capitalism’s strength rather than its weakness. This is a move associated with the New Western History of the 1980s and 1990s, an influence on the history of capitalism too rarely acknowledged. Christopher Clark makes the expropriation of Indian lands foundational to American capitalism, as conquered territories became private property that sustained a credit economy in purchase mortgages for farms and advances on the crops that would soon follow. Clark does not use the fashionable “settler colonialism” to collapse imperialism, capitalism, and white supremacy into one totalizing force of dispossession; instead he considers an American version of “primitive accumulation” (36) in which common white families gained access to private property at the expense of Native people but soon found that land ownership left them more, not less, vulnerable to market forces they could not control. Indeed, these settler families organized politically against the more visible beneficiaries of their toil: eastern financiers, commodity speculators, and railroad barons. Clark finds multiple nineteenth-century capitalisms, including an admittedly ambivalent agrarian one that continued to rely upon family labor and local networks of exchange. He conveys his own ambivalence about placing farming families under the rubric of capitalism, even as he foregrounds the agricultural sector as the driver of nineteenth-century economic development.

American farms did not merely produce unrivaled amounts of grain and cotton: They also generated a host of securities that launched the American financial services industry. Elizabeth Blackmar begins this story with the commonplace observation that “when someone died, property changed hands” (93). The patriarchal system of inheritance that had long disciplined sons during a man’s life and sustained his widow upon his death gave way to a new kind of estate administration, one relying on the intermediation of large corporations to provision survivors and future generations with revenue from pooled investments. Probate courts encouraged estate executors to liquidate real and chattel property and to invest the resulting funds; put differently, sell the farm, park the money in a trust company, and then collect one’s patrimony in a regularized share of the trust’s returns from loaning money at interest to scores of other families trying to buy a farm. Enterprises like New York Life Insurance and Trust Company (chartered 1830) endeavored to protect and grow family wealth, but controversies arose over their turn
away from mortgages toward more speculative investments like railroad stocks: Was this a dereliction of fiduciary responsibility? Or was the greater dereliction in failing to seize upon lucrative investment opportunities? Although courts and legislatures in the 1850s and 1860s steered investment back toward land, new real-estate trusts funneled family wealth into late-nineteenth-century urban development. Downtown office buildings and other commercial properties now generated a stream of rents for the beneficiaries of the deceased, but also for the trusts’ own directors, managers, and in some cases, shareholders. Longstanding practices designed to protect widows and orphans ultimately blurred “family property and corporate property” (117), as patriarchal security and investment securities became irrevocably intertwined.

Jonathan Levy adds a further wrinkle to this story of “financial systemization,” namely the life insurance policies that purported to protect the “landed independence” of farming families. To establish a farm on the Great Plains in the 1870s and 1880s required substantial capital, and so settlers took loans to meet the high start-up costs. But because a mortgaged farm was not a secure asset to bequeath to one’s wife and children, many men availed themselves of life insurance to provide for dependents in the case of death or injury. This was more than a “hedge,” but a reconceptualization of value in the era of liberal self-ownership: “a mortgaged farmer’s human capital was his most valuable asset” (53–54), not the land on which he practiced subsistence agriculture. A man might have difficulty owning a farm, but he owned his own life and could sell it as “risk” to an insurance firm. Here’s where it gets interesting: Where did those insurance companies park all the premiums that flowed eastward from western farmers? In debenture bonds that clustered western farm mortgages into a single investment product backed by real property (the farms) and insulated against the default of any one particular farmer. “As the mortgage and insurance markets systematized and intersected,” explains Levy, “western farmers became both agents and objects of a newly abstract power” (41). The New England Mortgage Security Company and other firms responsible for these new financial instruments held western farmers to a rigid payment schedule, one that generated substantial stress for working families and a resigned sense that farming was no different from any other business in its urgent focus on generating income to meet bills. Levy does not glorify the independence of the antebellum yeomanry, but over the subsequent decades “[l]anded wealth
became a dematerialized abstraction” and western farmers “became cogs within an increasingly complex financial system” (41).

Convoluted networks of finance had a longer history in the slaveholding South. In 1828, Baring Brothers began marketing the bonds of a state-chartered Louisiana bank to European investors. Thanks to favorable legislation, the bank’s bonds were guaranteed by Louisiana’s taxpayers. Using the money it raised abroad through these bond sales, the Louisiana bank made loans to local slaveholders, who used the very slaves they were purchasing with the loans as collateral. In this way, Louisiana’s slaves, coerced into producing cotton under a regime of intensifying violence and readily converted into cash on the auction block, sustained a trans-Atlantic chain of credit. This process was repeated numerous times in neighboring states and involved a number of prominent European banking houses. Foreign capital—not to mention, foreign demand for cotton—helped launch an economic boom, but at immeasurable human costs to enslaved men and women, who endured a second middle passage to the southwestern frontier, then an intensified labor regime in the cotton fields, and finally the forced sales accompanying the bust that arrived in 1837. “The financialization of American slavery,” argues Edward E. Baptist, “… turned people into numbers, the values of their bodies and labor into paper, chopped them, recombined them by legislative fiat, carried them in suitcases across the ocean, and sold them to people on other continents—some of whom undoubtedly believed that they believed in emancipation” (90–91). In an essay explicitly engaging the 2008 financial crisis, Baptist recreates an earlier moment when the “collusion of state and financial elites” (72–73) lowered regulatory checks on the securities market and normalized rampant speculation. Baptist places slavery at the center of the Panic of 1837, and reminds readers that the fictions of finance had real consequences of unimaginable horror in the lives of American slaves. Connecting the social history of the plantation to trans-Atlantic high finance, Baptist’s polemical and unsparing essay is the must-read of the volume.

The volume’s other essay on slavery is Amy Dru Stanley’s exploration of “slave breeding” and “free love,” two slurs in antebellum political speech that posited North and South as fundamentally different even as the national economy of cotton bound them closer together. Sectional partisans used these loaded terms to articulate the boundaries of the
market, resisting its intrusion on sacred intimate relations. Forced reproduction was a recurring theme in abolitionist exposes of slavery’s immorality, contributing to emerging northern understandings of freedom as predicated on individual choice and self-ownership. Love featured prominently in this discourse, especially once slaveholders seized on it to construct their discourse of paternalism and an accompanying critique of northern society as unnatural in its privileging of consent over obligation. “On both sides of the Mason-Dixon line, therefore, love became a potent measure of the opposition between slavery and freedom,” observes Stanley. “While proslavery doctrine exalted bondage as love, abolitionism validated the right of self-owning persons to love freely” (136). Likewise, enslaved men and women constructed their own notions of freedom around love and the ability to choose marriage partners for themselves. Although the essay disavows the empirical question of slave breeding as a plantation practice, it conclusively invests slaveholders in slaves’ reproduction. “Especially in disputes over inheritance, contract, and debt, masters and would-be masters told of aspiring to grow slaves, not just crops” (137), so long as the word “breeding” was never uttered aloud. Such disassociation did crucial work in creating what might be called the South’s capitalist culture. Abolitionists’ fixation on breeding set the terms of the North’s engagement with the market, making it possible to define freedom as a matter of the heart and not merely the pocketbook. Yet this too was self-delusion, as northerners lacked the capacity to see their commercial economy (especially their textile mills) as remotely connected to the South’s growing population of slaves.

The cultural history of capitalism revels in such ironies, with Tamara Plakins Thornton’s essay on the aesthetics of commercial infrastructure a case in point. Thornton follows American tourists to the docks of London and Liverpool where they encountered massive warehousing complexes of such scale that only the language of the sublime could describe them. This was a peculiar aesthetic response, for the sublime belonged to the natural world and conveyed a kind of pleasurable terror appropriate to witnessing an erupting volcano from a safe distance. But a shipping depot? As “spectacles of rationalized economic activity” (172), the British docks exuded a transcendent power to summon and organize the wealth of the world on a scale beyond the comprehension of any single individual. “The docks stood as an aesthetic marker of
emerging capitalist values: security, regularity, precision, impersonality” (196), and the kinds of Americans who might travel there and record their observations were precisely those who might find pleasure in the view. In other words, Thornton locates one of capitalism’s legitimating discourses, wherein “[s]ailors, laborers, pilferers, and smugglers, storms and tides, conflict and risk—all fade before the sublime vision of a perfect mechanism” (198). These erasures situate capitalism outside the realm of politics, using the association with nature’s vast power to suggest that resistance is futile. Although Thornton does not pursue the contemporary analogy, her essay could very well be about twenty-first-century container ships: massive, seemingly unmanned, storing vast outpourings of human labor in bland steel boxes, organizing global supply chains with a relentless efficiency, and also strangely beautiful.16

If capitalism found legitimacy in a visual aesthetic, those critiquing it took inspiration from a literary one: melodrama. Jeffrey Sklansky, who recently published one of the field’s most useful historiographical essays in *Modern Intellectual History*, here reconstructs the political world of William Leggett, the 1830s New York City democrat and fierce opponent of state-chartered banks. Before becoming an editor and essayist, Leggett had begun his career as an actor, which provided him “a repertoire of settings, characters, plots, themes, and standards that enabled him to find transcendent significance in the politics of corporations and currency” (201). Melodrama rose to popularity by virtue of its moral certainties, and from a young age Leggett saw the world in clear terms of right versus wrong, good versus evil. Entering journalism in 1829, Leggett became a spokesman for New York’s workingmen and received (but declined) the Locofoco nomination for mayor in 1836. The transformation of the urban economy proved incredibly disruptive for the city’s artisans, but what alarmed Leggett was not the wage system, but rather “the rise of paper money and the marble-columned banks from whence it flowed” (200). For Leggett, market relations could serve as a force of

liberation, unless corrupted by private corporations wielding state charters and issuing currency that lacked a basis in reality. Melodrama’s preference for transparency lent itself perfectly to attacking paper money as a kind of misrepresentation, while also dividing the world into honest laborers and the corrupt bankers who sought to defraud them. Leggett and other 1830s commentators situated “the money question” in popular politics, not some esoteric realm of financial expertise. Even before the dire conditions of the Panic of 1837, men like Leggett attributed economic instability to political misrule, thereby summoning a reassuring belief “that proper representation could reconcile older republican principles with new market practices, agrarian democracy with industrial capitalism” (220). Melodrama may have relied on stark dichotomies, but Sklansky reminds historians that Jacksonian-era political thought could not be reduced to simple pro-market and anti-market positions.17

The prototypical figure of capitalism’s ambiguous reception was the urban clerk, a striver with questionable prospects who Michael Zakim calls “a model citizen of market society” (224). In a captivating essay, Zakim places the clerk at the center of an organizational revolution predicated on paperwork. Capitalism’s paper technologies of invoices, inventories, and permits “turned the office into arguably the most important production site in the industrializing economy” (229), for it was here (in a Foucaultian turn) that clerks invented the “the market” through their means of administering it. Zakim is particularly interested in the “production of capitalist knowledge” and the material forms of its organization and dissemination, topics that have brought the history of capitalism into conversation with new scholarship in history of the book and science studies. A host of “commercial colleges” had emerged by the 1860s to teach young men to handle a ledger, and this “capitalist pedagogy” made penmanship into both an “industrial technology” and “a highly mobile form of property readily purchased on the open market at competitive prices” (242). A quick and clear hand was touted as a clerk’s best prospect for upward mobility, but in the end, the clerk would never be more than a hand, a replaceable worker “mass producing for an economy dependent on an exploding amount of information” (247). Still, his particular form of work was indispensible not merely to the rise of the bureaucratic office associated with Max Weber’s capitalist modernity nor

17. See note 1, above.
to our present-day fascination with the “knowledge economy,” but to “a redefinition of industry to mean the making of profits rather than the making of things” (224). For Zakim, capitalism did not cause, but was the product of a massive epistemological shift, albeit one relying less upon treatises of political economy and more upon the 1840s equivalent of *Excel for Dummies*.18

The administrative restructuring of firms into multidivisional units to seize upon the proliferation of commercial information characterized Gilded Age capitalism, but as Sean Patrick Adams argues, the transformational moment was a generation earlier during the Civil War era. Northern states issued corporate charters at an unprecedented pace during the war, and while general incorporation laws had become common over the previous decades, new provisions allowed firms greater autonomy to raise capital and particularly to operate in other states. For example, Massachusetts chartered seventy mining corporations in 1863 and 1864 to seek coal, copper, and gold in faraway Pennsylvania, Michigan, and California. States offered corporations greater leeway in the name of wartime exigencies, but soon came to depend on corporate taxes to meet wartime expenses. New taxes on corporate income (and not merely fixed property) comprised a growing percentage of state revenue, thus tying the fiscal health of states like Massachusetts and Pennsylvania to the well-being of their corporations. No firms were more important to this political economy than the railroads, which prospered during the war under

the combined support of government contracts and reduced regulation. The triumph of corporate interests was, in Adams’s estimation, “a domination born of wartime circumstances” (276). This future was augured in West Virginia, a compelling place to see wartime policymakers create a business-friendly regime from scratch. In its concessions to corporations, West Virginia’s constitutional framers typified the broader northern tendency “to construct an institutional framework that would attract investment from across the nation, maintain strong ties with important railroads, and abdicate significant regulatory prerogative in the interests of keeping their states ‘capital friendly’” (274). The Civil War was hardly bad for business (as economic historians had once argued), but “effected an emancipation of an altogether different kind in the Northern states” (251).

There is one outlier in Capitalism Takes Command, an essay that underscores the different sensibilities of traditional economic historians. Robert E. Wright gives the corporation an earlier prominence in American capitalism by tracing the growing sums of money that antebellum firms raised through the sale of securities. Here, high levels of investment make sense because corporations make sense: They allow for economies of scale, vertical integration, research and development, reduced production costs; and they channel capital to where it could do the most good. “Many Americans,” explains Wright, “. . . realized that corporations were engines of economic growth and an arena where the upstart United States led the world” (162). True, the 1830s witnessed the vilification of the corporation in political discourse, but if enough people had truly thought corporations evil, the quantity of money invested in them would have gone down rather than up. Wright fashions an early republic “ownership society” in which American clamored for more corporations in order to create more investment opportunities. “Ownership was unequal—the rich could of course afford to own more shares and bigger policies than the poor could—but it was open to all on equal terms” (161). Like the present-day high school janitor who ranks among the “investor class” by virtue of his municipal pension, the early republic domestic servant whose employer deposited her weekly wages in a
mutual savings bank (lest she spend them inappropriately) could already take pleasure in her “indirect corporate stock and bond ownership” (161).19

The only losers that Wright can identify in this new world of finance are investors themselves, who sometimes saw potential income from their investments sapped by “agency costs” associated with inefficient corporate governance. Wright has no use for the cultural work necessary to create a popular culture of investment, taking it instead as a human proclivity simply awaiting an available outlet. Panics and corporate malfeasance have no part in the story, for if widows losing their life savings at the hands of corrupt bank directors mattered in some larger way, then aggregate rates of investment would have fallen—and again, they didn’t. Unique among contributors to the volume, Wright seeks neither to denaturalize capitalism, nor to unmask its relations of power.20

So indifferent is Wright to capitalism’s human costs as documented over generations of social history that the reader becomes nostalgic for social history’s master narrative of struggle and resistance. And that’s when the reader confronts the relative absence of privation in the volume as a whole. Except for the collateralized slaves of Baptist’s essay, capitalism seems to generate anxiety but not real hardship, a sense of resignation but not a politics of outrage. This is a capitalism born without blood

19. For a comparable example of the gulf between traditional economic history and the considerations of power and culture that characterize the history of capitalism, see Ann M. Carlos and Frank D. Lewis, Commerce by a Frozen Sea: Native Americans and the European Fur Trade (Philadelphia, 2010).

dripping from its gaping maw, a capitalism that floats above the messiness of class conflict. In a thoughtful afterword, Jean-Christophe Agnew identifies the tradeoffs involved in building capitalism’s history on “the ordinary material practices that habituated Americans to the new systemic rules of capitalism as a market forms of life, and that did so in a way of which most Americans at the time were only dimly and bemusedly aware” (279). The sense of contingency at the heart of the history of capitalism project can disappear from view if capitalism is effectively a non-event. And without state violence, the anomie of factory labor, and the hunger pains of grinding poverty, a capitalism built upon the imperceptible processes of commodification and financialization is a capitalism that appears the product of inexorable and irresistible forces; in other words, it becomes re-mystified, not de-mystified.21

One remedy, as Agnew notes, would be to introduce more individual capitalists into the story, specific actors to combat the anonymity that prevails in the volume. Recent work in the field has brought an anthropological eye to nineteenth-century elites, situating their financial strategies in a range of domestic arrangements, intellectual engagements, and cultural blindspots. Works like Richard White’s *Railroaded: The Transcontinentals and the Making of America* are hardly flattering portraits of capitalist heroes, but even the most prudent men of finance like Nathaniel Bowditch and Lewis Tappan led lives reflecting the central conflicts of nineteenth-century America. Early republic scholars might be surprised to learn that Cornelius Vanderbilt’s career was far more interesting in the first half of the nineteenth century than in the era of the Robber Barons; born in 1794, the young Vanderbilt was the foremost pilot in the tri-state area during the War of 1812 and by the 1840s had built what still functions as the Northeast Corridor’s transportation network. John Jacob Astor and the fur trade have received more popular than scholarly attention, but following eastern capital westward to places like Astoria would have the further advantage of engaging Native Americans as participants in the history of capitalism.22

21. These criticisms are also articulated in Carico and Orenstein, “Fictions of Finance.”

Another remedy, of course, is to pay more attention to labor, whether in its workbench materiality, its trans-Pacific organization (an important topic in the global history of unfree labor), or its unwaged performance in the service of social reproduction. The concept of the Industrial Revolution has largely disappeared from the history of capitalism, but there remains much to discover by grounding a history of innovation in shopfloor discoveries and contests over work processes and intellectual property. As the history of energy regimes is now attracting scholarly attention, historians might focus on the labor relations structuring the extraction of petroleum, whale oil, camphene, coal, and guano. The question of what capitalism did for (or, to) women is a longstanding subject of inquiry, but scholars continue to find new insights from women’s participation in the formal and informal sectors of the urban economy. Indeed, working people’s strategies in the informal sector may reveal a competing history of finance and speculation. Because the early republic labor market was so functionally dependent on categories of social difference, work provides the clearest vantage on capitalism’s investments in patriarchy and white supremacy.23


Going forward, early republic scholars might find a productive conversation at the intersection of the history of capitalism and the history of science. Already, there is a developing scholarship on the role of organic chemistry in commercial farming, the rise of scientific consulting, the relationship of materials engineering to building standards, and the legal protection of intellectual property, to name only a few promising avenues in recent research. The history of capitalism should find inspiration here, both as history of science expands to subsume all forms of knowledge production (including that about “the economy”) and as the history of capitalism continues to recognize processes like commodification as epistemological. At a moment when more things are for sale than ever before—the right to pollute or bandwidth or “biocapital,” for example—it seems urgent to develop a longer history of how technologies, discoveries, and the natural world enter the marketplace. The early republic’s ranks of entrepreneurial tinkerers, its enthusiasm for “useful knowledge,” and its technological utopianism may provide an instructive origins story for our contemporary culture’s valorization of the so-called STEM fields and their ability to generate jobs and revenue.  

---


The history of capitalism is unquestionably expansive, and it is difficult to say exactly what it excludes. As a Russianist colleague quipped upon reading a job advertisement for a historian of American capitalism, “This is a tautology, tantamount to a search for an historian of Soviet socialism!” The history of capitalism need not structure a new synthesis for the entirety of the American past, nor should scholars in other subfields fear its imperial reach. Early republic specialists can remain confident in that era’s importance to capitalism’s history, even as the newer scholarship suggests that the chronological frame needs to extend earlier than the American Revolution and beyond the Civil War. As a provocation to come at familiar and seemingly timeless phenomena with fresh eyes, the history of capitalism will not reduce every historical query to a single one-word answer. “Capitalism” will not suffice as an explanation for the Lowell mill girls, speculation in ginseng, savings accounts, or Unitarianism, but any of these things may help explain capitalism. And that’s the point: Capitalism is proving productive to think with; perhaps it need not do more. If nothing else, it provides historians the opportunity to reclaim the economic past, a huge swatch of human experience far too important to leave to the economists.