

Capitalism and Slavery in the United States: Where Do We Stand?

Discussion published by Stephen Leccese on Wednesday, July 15, 2015

Stephen R. Leccese of Fordham University offers H-Slavery the first of a series of topical guides concerning the study of slavery. The goal of this post is to provide a concise introduction of the major themes and works within this field with the hope of fostering more dialogue on the topic. Full citations of works mentioned appear in the bibliography below. H-Slavery invites and encourages its subscribers to use the "Post a Reply" feature to propose revisions to the author. A revised version of this post will soon appear as a webpage on H-Slavery's menu bar.

For over a century now, historians of the United States have been wrestling with the relationship between capitalism and slavery. They've asked questions inquiring whether capitalism and slavery are compatible, what role slavery played in capitalist development, and probably most infamously: Is slavery capitalism? Given the booming popularity of histories of capitalism, the time is right for a reassessment of slavery and its relationship to capitalism.

1) Slavery as Inefficient

Slavery was long considered non-capitalist because historians asserted that it was economically unproductive. In the United States, the roots of this viewpoint go back at least to Frederick Law Olmstead's writings. During his travels to the slave states in the 1850s, Olmstead produced numerous publications arguing that slavery made the South inefficient and economically backward in comparison to the North. These arguments informed the Republican Party's view that free labor was superior and more productive than slavery. The progressive historians of the early twentieth century used this inefficiency argument in their analyses of slavery, contrasting the unproductive slave South with Northern industrialism and capitalism. With the Civil War, the United States destroyed an economic system that was holding the country back and allowed Northern capitalists to lead the country to much greater prosperity. This viewpoint established a framework that went unchallenged until the mid-1900s.

The classic work in this field is Charles and Mary Beard, *The Rise of American Civilization* (1927). Following their lead are Howard K. Beale, *The Critical Year* (1930); and Matthew Josephson, *The Robber Barons* (1934). Thomas Cochran and William Miller, *The Age of Enterprise* (1942); and Eugene Genovese, *The Political Economy of Slavery* (1965) also assume the inefficiency of slavery in their social and economic analyses.

2) Slavery as Capitalism: Economic Productivity and Market Relations

Beginning in the 1950s, a new group of historians viewed slavery in a different light. Dubbed “cliometricians,” these historians used economic analysis to argue that slavery was indeed capitalism. They challenged many of the notions that historians had taken for granted before: slavery was not unproductive, but was in fact *more* productive than Northern free labor; planters owned slaves as an economic investment, not due to paternalistic obligations; the Southern economy was growing, not lagging behind the North’s. Embedded in this argument was a new view on slavery and capitalism. Slaveholders, the cliometricians argued, were capitalists for two reasons. First, their slaves were hugely productive and earned them a great profit. Second, they were in tune with the market and responded to its mechanisms. With these arguments, the cliometricians stand out as a notable group that considers slavery a form of capitalism.

Alfred Conrad and John Meyer are generally considered the founders of this movement. Their work *The Economics of Slavery* (1964) collects several of their essays from the 1950s reflecting the cliometric view. Other important works in the field are George Woolfolk, “Planter Capitalism and Slavery: The Labor Thesis,” *Journal of Negro History* (Apr. 1956); Robert Fogel and Stanley Engerman, *Time on the Cross* (1974); Fogel, *Without Consent or Contract* (1989); and Mark M. Smith, “Time, Slavery and Plantation Capitalism in the Ante-Bellum American South,” *Past & Present* (Feb. 1996).

3) Lack of Wage Labor

Easily the most common reason that slavery is not considered capitalism is the lack of wage labor. This view comes mostly from social historians, many of whom are influenced by the writings of Karl Marx. They are perhaps reflecting Marx’s own uncertainties about slavery; he devotes only a few sentences to it in *Das Kapital*. Taking this cue, Marxist historians emphatically deny that slavery is capitalism. They argue that the social relations produced by wage labor are the true marker of capitalism, not market conditions or level of productivity. Some view the Civil War as a bourgeois revolution that abolished slavery and allowed the South’s postwar transition to capitalism.

We can see these views in a slew of works from the 1980s and 90s. Major ones include Barbara J. Fields, “The Advent of Capitalist Agriculture” (1985); Allan Kulikoff, *The Agrarian Origins of American Capitalism* (1992); Joseph P. Reidy, *From Slavery to Agrarian Capitalism in the Cotton Plantation South* (1992); John Ashworth, *Slavery, Capitalism, and Politics in the Antebellum Republic* (1995); and Douglas Egerton, “Markets without a Market Revolution: Southern Planters and Capitalism,” *Journal of the Early Republic* (Summer 1996). A helpful overview of this debate is Mark M. Smith, *Debating Slavery* (1998). A challenge to these views comes from Edward Baptist’s, “‘Cuffy,’ ‘Fancy Maids,’ and ‘One-Eyed Men,’” (2001), which sees the commodification of human bodies under slavery as the essence of capitalism.

4) Problems of Definition

A critical eye can likely perceive the problem with these previous schools of thought. All have

a different definition of what exactly characterizes capitalism. For economic historians, productivity and market connections made slavery capitalism. Social historians argue that social relations and wage labor denote capitalism. Yet there are problems with both of these definitions. They are noticeably vague and trans-historic. Both wage labor and trade networks have been around since the earliest human civilizations. Focusing on either means that capitalism is not a development of the modern world, but one which was born with human civilization. This slavery/capitalism debate is representative of a larger problem: there is no coherent definition of capitalism. A select few historians have noted this problem and called the very term 'capitalism' into question, notably Gordon Wood, "The Enemy is Us: Democratic Capitalism in the Early Republic" (1997) and Richard Grassby, *The Idea of Capitalism Before the Industrial Revolution* (1999). If a term has no definition, they ask, why use it? Future scholarship in this debate must wrestle with this fact and come to a more concrete definition of capitalism, a topic that absorbed considerable attention in a recent *Journal of American History* "Interchange" on the History of Capitalism.

5) Most Recent Trends

The most recent writing on slavery and capitalism has dealt with the endless either-or debate by stepping outside the paradigm altogether. A survey of recent literature is Scott Reynolds Nelson's "Who Put Their Capitalism in My Slavery?" (2015). In the last few years, we've received a trio of books that examine slavery's relationship to American and world economic development: Walter Johnson's *River of Dark Dreams* (2013), Edward Baptist's *The Half Has Never Been Told* (2014), and Sven Beckert's *Empire of Cotton* (2014). Despite differences between these works, the basic message in all three is this: whether or not slavery itself is capitalism, capitalism could not have developed as it did without slavery. Johnson sums the issue up perfectly: "however else industrial capitalism *might* have developed in the absence of slave-produced cotton and Southern capital markets, it did not develop that way" (254). All three works go on to cover in detail how global capitalism in the nineteenth century depended on slavery. None of the authors says outright that slavery is capitalism. They do make clear, however, that no future historians can treat slavery and capitalism as antagonistic or anathema to one another, since slavery was so integral to the development of capitalism.

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