

Roots of U.S. Capitalism

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Review of: Charles Post, *The American Road to Capitalism: Studies in Class-Structure, Economic Development and Political Conflict, 1620-1877*.

298 + xvii pages, including bibliography and index. Hardcover, Leiden and Boston: Brill, 2011. Short-listed for the 2011 Tamara Deutscher Memorial Prize. Haymarket Books is scheduled to release a paperback edition in March 2012 for \$28, with 20% pre-order discount [1].

Contents

- [The Transformation of Agriculture](#)
- [Driving Farmers to the Market](#)
- [Economics, Politics and \(...\)](#)

THIS IS A thoughtful, learned, stimulating, challenging and altogether valuable volume. It reprints a series of reflections by the Marxist sociologist Charles Post on various aspects of the rise and evolution of capitalism in North America between the colonial era and the late 19th century. The book is anchored in a wide-ranging study of (and it duly credits) the work of generations of historians. It parallels their analyses to some degree and on some subjects while taking issue with them elsewhere.

Post's effort to inform his subject with insights gleaned from the study of similar subjects in other times and places is also most welcome. So is the vigor with which he advances his own understanding of key events and processes. All serious students of the subjects treated here — Marxists and non-Marxists alike, whether or not they agree with its principal assertions — will greatly benefit from reading and grappling with this book.

Among the specific topics with which Post is principally concerned are the rise of commercial agriculture in the northern states, the relationship between plantation slavery and capitalism, the causes and consequences of the Civil War, and the usefulness of the category of bourgeois revolutions in general.

Each of these subjects is considered separately, but all are bound tightly together in Post's overarching vision of the era. Originally published over the course of almost three decades, those essays naturally display some relatively minor differences in interpretation and emphasis, but the intellectual continuity and consistency among them is far more marked.

The Transformation of Agriculture

The author's discussion of northern agriculture focuses upon the momentous transformation of production primarily for direct consumption (the norm in England's northern colonies) into production primarily for the market, which predominated throughout the U.S. northern states by about 1850. That such a transition took place is widely accepted. Post's concern is to identify its

cause.

Many writers (including this reviewer) have argued that even the early producers' limited involvement in the market was a wedge that could be driven further and further into a farmer's insularity and security. Any number of events — notably the introduction into rural areas of growing quantities of manufactured goods, goods that merchants offered at continually declining prices — helped induce farm families to venture more deeply into the market, reorganizing their productive efforts in order to obtain the money with which to purchase goods or cover other expenses.

Over time, such farmers found themselves more and more dependent upon such purchases, and the nature and pace of their productive activities were increasingly dictated by market pressures.

Post repeatedly and forcefully rejects this view. Commerce, he argues, could not by itself dissolve a pre-capitalist mode of production such as semi-subsistence agriculture (which Post calls "independent household production") and put commercial agriculture in its place. That transformation required the coercive efforts of merchant capitalists (including land speculators and creditors) and their political representatives, who raised land prices and taxes and imposed burdensome mortgages and other debt-repayment terms upon farmers.

It was those actions, which constituted a form of class struggle waged against the farmers, writes Post, that forced unwilling cultivators further and further into commercial agriculture (and so into subordination to the market's rhythms) in hopes of meeting their mounting expenses and holding onto their farms.

The commercialization of northern agriculture, in turn, created the domestic market for both consumer and producer goods that supported a very consequential boom in industrial production during the two decades before the Civil War.

The southern states, however, remained dominated by a mode of production that stunted the development of industry by sharply limiting the market for both consumer and producer goods wherever it existed. That was the case because slave-masters, owning their laborers, could not easily sell them off and replace them with labor-saving equipment.

Plantations therefore represented a very weak market for capital-goods manufacturers. Determined to become economically self-sufficient, meanwhile, slaveowners also bought only negligible quantities of foodstuffs from commercial farmers in the northern Midwest.

Meanwhile, plantation slavery's economic requirements were pushing it relentlessly westward. Slave-based agriculture's inability to increase efficiency technologically left it able to do so only by physically expanding onto new (and especially more fertile) lands. That expansionist drive, if allowed to succeed, would have blocked the necessary expansion of commercial agriculture and capitalist industry.

All this brings the author and his readers to the Civil War. Post holds that the political crises that produced that war arose in large part from the changes in the North's economy during the 1840s and 1850s — the expansion of commercial agriculture and the growth of an industrial-capitalist sector that subordinated mercantile capital to itself.

Until those last two antebellum decades, Post writes, merchant capitalists dominated northern politics, leaving that region's opposition to slavery and its expansion too weak to produce irreconcilable conflict with the South. It was weak, Post explains, because mercantile capitalists derived their profits from buying and selling commodities, not from producing them, and were therefore simply "indifferent" about whether those commodities were produced by legally free or

enslaved workers.

In contrast, industrial capitalists and commercial farmers recognized that slavery's spread into the western territories would block the expansion of their own modes of production. So their economic and political ascendancy in the boom years of the 1840s and 1850s, Post says, "radicalized the political demands" that northerners advanced to stop slavery's further spread. It was only that escalation of demands, Post concludes, that "induced the planters to make increasingly militant demands" of their own, creating a spiral that ended in war. (239)

Driving Farmers to the Market

So ambitious and bold a work as this one will inevitably provoke questions and objections. The biggest and most politically significant of these will concern the author's rejection of the concept of the bourgeois democratic revolution. Post dismisses that concept as a chimera because capitalism and democracy are demonstrably incompatible.

I find Post's treatment of this crucial subject very sketchy and fundamentally misguided. But to treat that huge subject with the care it deserves would require an essay of its own. Here I'll focus instead on other problems, beginning with those that arise in the author's treatment of northern agriculture and its evolution.

Post's emphasis on taxes and land speculation as forces helping to drive largely non-market farmers more deeply into market-involvement is an important and welcome contribution to our understanding of the era — and especially of the conflict between farmers (on the one hand) and creditors, merchants generally, and government officials (on the other) that studded the first decades of the United States' existence. But his insistent denials that other factors — especially increased access to and desire to obtain manufactures — were (or even could be) involved leaves me unconvinced.

Post believes that stressing the role of commerce in the decline of semi-subsistence agriculture represents a departure from Marxism. I don't see why or how. In *Capital* Marx wrote that commerce "has a more or less dissolving influence everywhere" on those forms of production "mainly carried on with a view to use-value. To what extent it brings about a dissolution of the old mode of production depends on its solidity and internal structure." [2]

In other words, commerce will act to dissolve older modes of production to the degree that aspects of the latter allow it to do so. In the case of our semi-subsistence farmers, such aspects included a persistent need (and understandable desire) for additional land and non-agricultural goods more varied and of higher quality than could be produced at home. The purchase of such things required farmers to sell at least a portion of their crops or other home-made goods. Even that limited involvement in the market left them susceptible to its lures and pressures.

This seems obvious in theory. A rise in the price fetched by certain crops might induce farmers to alter production plans in order to take advantage of that opportunity. An unexpected fall in such prices, or a bad harvest, or a pest, could land a farm family in trouble, unable to cover costs and so pushed into debt.

A relative increase in the price of land that a farm family might need for a number of reasons (especially to provide farms for its offspring) could produce the same result. (And land prices might rise not only when speculation drove those prices up but whenever population grew faster than did access to new acreage.)

Even farmers dependent upon market production to only a limited degree, moreover, might find themselves subject to competition from other producers that could undermine their independence. The North, after all, was not homogeneous. Some landowners engaged in predominantly commercial agriculture long before others made that switch. Successful “improvers” among those pioneers might offer better or cheaper goods on the markets. Doing that could deprive neighbors who were less entrepreneurial or well endowed (with land or children to cultivate it) of even the small cash incomes on which they depended.

Any one or combination of these developments could create financial pressures that a farmer might try to relieve by selling more (or different) crops and reorganizing production to do so.

I think it’s clear that all such things were perfectly possible. Many if not all of them occurred in fact, in one place or at one time or another. Post himself notes a case in which rising crop prices lured farmers into a bigger involvement with the market.

During the American revolution, he writes, “state-governments began to purchase food, cloth and other supplies from Northern farm-households at inflated prices to support the war effort. As a result, farmers began to devote more and more family-labor to the production of commodities.” And because that reorganization of family labor left them “unable to produce the variety of goods previously manufactured in their self-sufficient communities, rural households borrowed from local store-keepers to purchase U.S.-manufactures during the War, and British manufactures after the War.”

Those voluntarily undertaken debts, however, then added to burdens imposed by post-war tax obligations to force farm families “to market larger and larger portions of both their subsistence- and surplus-output to maintain their landed property in the 1780s.” (187)

Doesn’t this acknowledged train of events place in question Post’s most categorical denials of commerce’s role in undermining semi-subsistence agriculture? No, he says. These developments “were not sufficient to undermine independent household-production.”

Now if he just means that these developments failed to put an end to semi-subsistence production as a whole, then he is undeniably right. But if he means more than that — if he means that such developments did not undermine the position of any independent household-producers — then surely he is on much weaker ground.

To buttress his argument, Post points to a period in 17th-century France. In that time and place, he tells us (quoting the account of historian Robert Brenner), conditions comparable to those that later faced our American farmers “seem to have worked their undermining effects on peasant proprietorship relatively sporadically and slowly.” (188)

But of course, “sporadically and slowly” does not mean “not at all.” And the French case, while suggestive, tells us nothing concrete about exactly how much the events that Post describes undermined the position of semi-subsistence farmers in North America.

Economics, Politics and Civil War

Other parts of Post’s economic analysis are also open to question, including his explanation of why the slave South failed to raise agricultural labor’s efficiency technologically in the way that the North did. More problematic is the author’s attempt to offer that economic analysis as an explanation for the Civil War and the political crisis that led to it.

The *American Road to Capitalism* focuses most of its attention on economic and social relations, no doubt because Post believes that most analyses of the North-South conflict have failed to root it in the soil of economic and social reality. But the result is a significant gap between some of the author's most important arguments and what we know about the era's political history. This gap is most obvious concerning his claim that industrial capital's rise to supremacy in the North between 1840 and 1860 was decisive in bringing on the war.

In an admirable magnum opus of his own, the British Marxist John Ashworth also portrays the expansion of industrial capital (more specifically, wage labor) as being crucial to this story. But Post rejects Ashworth's claim that the North's growing ideological veneration of wage labor crucially reshaped the nature of antislavery thought and rhetoric. As it happens I, too, doubt Ashworth on this point. But I'm not at all sure that the argument that Post has substituted for Ashworth's constitutes an improvement.

Post tells us that industry's growth in size and political weight radicalized the North's antislavery demands in the 1840-60 years. Those familiar with the history of the North-South conflict will certainly ask for evidence. Most of the North had already set its face firmly against slavery's expansion as early as 1820, when it opposed granting statehood to the Missouri territory unless Missouri initiated slavery's gradual abolition within its borders. Congress resolved that crisis only with some fancy parliamentary footwork.

An alternative view of the political crises of the late 1840s and 1850s, one to which I subscribe, sees it as the culmination of a struggle that was much longer in the making. That struggle pitted the interests and values of slaveowning planters against those not only of industrial capitalists but of the legally free producers in the North (urban and rural, wage-earners and self-employed small producers) more generally.

The basic elements of that contradiction were present from an early date but required time and changing political circumstances to impress themselves deeply enough upon the consciousness of all involved to create a full-blown national crisis.

Charles Post is certainly familiar with this alternative view. To replace it with his own will require a much fuller and more detailed examination of the Civil War's political history than he has provided here.

Bruce Levine

P.S.

* From *Against The Current* (ATC) 156, January/February 2012. <http://www.solidarity-us.org/>

Footnotes

[1] www.haymarketbooks.org/pb/The-American-Road-to-Capitalism; use code HM 2011

[2] vol. 3, pp. 332-333 of the Progress Publishers edition.