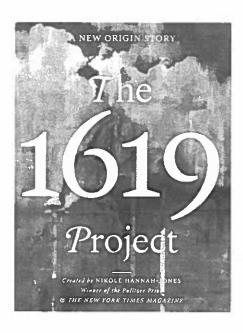


# 1619 Project Discussion Article Packet



# 1619 Project A New Origin Part 3 Slavery & Capitalism

June 9, 2022 6:30 - 8:00 PM

Zoom ID: 823 648 5349 | Password: 691353

## **Upcoming 1619 programs**

All programs on Zoom from 6:30 pm – 8:00 pm. Topics subject to change.

July 14, 2022

1619 Project: New Origin Story

Part 4: Dispossession & Inheritance

**AUGUST 11, 20222** 

1619 Project: New Origin Story

Part 5: Politics & Citizenship

Please check our 1619 Discussion homepage at: https://heightslibrary.org/services/1619-project/

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except without paint. From the enslavers' bedroom windows, the Whitney's cane fields stretch out to the horizon.

Before the Europeans arrived, all of this land was home to Taensa Indians. German farmers began showing up in 1719, after which the area was called the German Coast, because unlike most of the earliest colonial settlers to Louisiana, these particular newcomers were not French. The Whitney Plantation was built in 1752. From its rich soil, enslaved Africans, many of whom were from Senegambia, cultivated corn, indigo, and rice until sugar took over at the turn of the nineteenth century. The Whitney operated continuously until 1975. Today it is a museum. But unlike many plantation museums in the South, this one is designed not to glorify a past of putatively genteel masters and mistresses but to educate visitors and offer them a chance to bear witness to the exploitation and extraction that are the foundation of our modern world.

What little Americans are taught or think they know about the slavery-based economy is largely a success story of how cotton became the nation's leading export in the nineteenth century. Some people might also think of tobacco as a cash crop worked by enslaved people in places like Virginia in earlier eras. But even though cotton and tobacco dominated the colonial American economy, it was sugar that anchored the economy of the larger Atlantic world from the sixteenth century onward. Sugar slavery, which was uniquely destructive and deadly, made Brazil the focal point in the triangular trade in the century before twenty to thirty Africans landed in Point Comfort, Virginia, in 1619. Until then, European colonists had considered North America little more than an afterthought.

"White gold," as sugar was called, drove trade in goods and people, fueled the wealth of European nations, and, for the British in particular, shored up the financing of the North American colonies. Over the span of nearly three hundred years, from the mid-sixteenth century on, a succession of European nations—Portugal, Spain, the Netherlands, France, and Britain—plied an international slave trade, with African elites and dealers on one side of the ocean and an insatiable demand by white colonists for enslaved labor on the other.

It is not an overstatement to say that the crop they produced changed the world. Cane stalks still grow at the Whitney Plantation Museum, as they do on nearly every speck of fertile ground as far as the eye can see, a lush green testament to the unquenchable taste for the plant's sweet juice. The Whitney's tiny annual crop, which helps pay the museum's bills, is an infinitesimal portion of U.S. domestic sugar production, which itself is but a portion of a global sugar industry that produces some two hundred million tons per year. The world's leading sugar producer is Brazil; the United States ranks fifth in global

On the banks of the Mississippi River, a few dozen miles west of New Orleans, rusted sugar mills dot the fertile landscape of southern Louisiana. Rising high above country roads bordered on two sides by dense foliage, the mill smokestacks stand tall like rounded obelisks, monuments to Queen Sugar's regal history. Most of the plantation houses and fields that once fed these mills are less visible. They are concealed down long driveways, hidden behind thick underbrush, and trapped in a false memory of the past.

The Whitney Plantation is different. It sits on the northern edge of St. John the Baptist Parish, once home to dozens of thriving sugar plantations. But unlike the others, it beckons to passersby. When you approach the place at the edge of a gravelly entrance, a bright white sign with red lettering announces. THE STORY OF SLAVERY. Framed by lush trees in need of trimming, the Whitney Plantation's main residence, where generations of owners once lived, is a French colonial structure, built for the tropical climate. Its wide-hipped roof overhangs a two-level wraparound porch that offers maximal shade. Louvered doors and window shutters abound, a means of managing the insufferably hot, sticky air. Nine columns stand squat across the front of the house, seeming to reach deep down into the soil, like anchors to keep the Atlantic hurricanes from washing it into the waters from whence its enslaved workers originally came.

The rear of the house opens to a green expanse where all is visible. The first structure you see is the main kitchen, a detached building two hundred feet to the right of the house. Down a bit farther are a mule barn, a blacksmith's shop, the machinery of sugar making, and a half dozen slave quarters that resemble the dilapidated shotgun homes of New Orleans's Lower Ninth Ward,

production, with about nine million tons annually. Domestically, the sugar produced from sugarcane and sugar beets remains one of the country's most important agricultural products. Louisiana's sugarcane industry is by itself worth \$3 billion, generating an estimated 16,400 jobs.

As important as sugar has become to American agriculture, it's had an even bigger impact on the American diet—some 73 pounds of sugar and related sweeteners, such as high-fructose corn syrup, are consumed per person per year, according to United States Department of Agriculture data. That makes us the biggest per capita consumers of sugar in the world. Those nine million tons we grow each year aren't nearly enough to meet our demand, so we import an additional three million tons annually.

And sugar is no average foodstuff. What was once a luxury to adorn the lavish banquets of elites has become a toxic foodstuff for the masses. America's high rate of sugar consumption is a major factor in our poor national health. The average American's sugar consumption is nearly twice the limit the USDA recommends, based on a two-thousand-calorie diet, and sugar has been linked in the United States to diabetes, obesity, and cancer. Over the last thirty years, the group of Americans who are obese or overweight grew 30 percent among all adults, to 73 percent from 56 percent, according to the Centers for Disease Control and Prevention. During the same period, diabetes rates overall nearly tripled.

But if sugar is killing all of us, it is killing Black people faster. In the food deserts of many redlined Black communities, where supermarkets are scarce, cheap, sugary processed foods fill the shelves of convenience stores and the bellies of Black shoppers. African Americans are overrepresented in the national figures on obesity; diabetes rates among Black men and women are nearly one and a half times those of white men and women. One of the great ironies of sugar's history in the United States is that the brutal work of the enslaved created an industry whose success in producing unhealthy food for mass consumption has taken its greatest toll on Black communities today.

None of this was in any way foreordained, or even predictable. For thousands of years, sugarcane was a heavy and unwieldy crop that had to be cut by hand and immediately ground to release the juice inside; otherwise it would spoil within a day or two. Even before harvesttime, rows had to be dug, stalks planted, and plentiful wood chopped as fuel for boiling the liquid and reducing it to crystals and molasses. From the earliest traces of cane domestication on the Pacific island of New Guinea ten thousand years ago to its island-

hopping advance to ancient India in 350 B.C., sugar was locally consumed and remained little more than an exotic spice, medicinal glaze, or sweetener for elite palates.

This was in part because it was incredibly labor-intensive to produce. To achieve scale for export and trade, cane required tremendous coerced and coordinated human labor in warm climates and on fertile land. Arab enslavers from as far back as the eighth century are credited with spreading sugar plantations throughout the Mediterranean basin of southern Europe and North Africa—Sicily, Cyprus, Malta, Spain, and Morocco—as Muslim rulers conquered parts of the region over the next two centuries. "Sugar, we are told, followed the Koran," wrote the late anthropologist Sidney Mintz.<sup>5</sup>

As sugar spread in Europe in the Renaissance period, its high price marked it as a luxury good and a symbol of wealth-often in the form of sugar replicas of monumental castles, animals, and other self-aggrandizing objects fancied by nobles. It was after Christopher Columbus's second voyage across the Atlantic Ocean, in 1493, bringing sugarcane stalks with him from the Spanish Canary Islands, that everything changed. By then, Spain and Portugal had already begun to put enslaved Africans to work growing sugarcane on the Atlantic islands off the coast of North Africa, and the potential for an industry based on forced labor, fertile land, and a dawning era of global trade had reached an inflection point. "The true Age of Sugar had begun," Marc Aronson and Marina Budhos write in their book Sugar Changed the World. "And it was doing more to reshape the world than any ruler, empire or war had ever done." Over the next two centuries, on the sugar islands of the Greater Antilles-Saint-Domingue, Cuba, and Puerto Rico, among others-and the mainlands of Mexico and Brazil, European powers destroyed countless Indigenous lives as colonists staked out vast agricultural operations on their land and enslaved millions of Africans to work the fields.

By the mid-seventeenth century, in this already-established Atlantic world, the British would stake a claim to the sugar islands of Barbados and Jamaica and the North American colonies. Soon, they came to dominate the international slave trade, too. Although England first established trading posts for acquiring gold and ivory along a span of five thousand coastal Atlantic miles from present-day Morocco to South Africa, by 1672, King Charles II had conferred a monopoly on the Royal African Company specifically for the slave trade. The company used military personnel, government agents, and private investment capital garnered by selling stock to merchants to build the single most successful transatlantic slave-trading institution in history.

Ships traveled a sea route that in its simplest form resembled an isosceles

triangle. The voyage typically started with Royal African ships departing from Bristol, Liverpool, or London, heading to Africa carrying rum, guns, iron bars, fetters, glass beads, clothes, and copper pots to trade for people. Those ships would arrive, for example, in Cape Coast Castle, in present-day Ghana—Britain's West African slaving capital—where they would load African captives. With their human cargo, they would sail across the Atlantic. This became known as the Middle Passage, since it was the middle leg of the triangular route. Arriving in Barbados or Jamaica, the ships would exchange people for sugar, molasses, and lumber. From there they would return home to England, completing the last part of the triangle.

Other forms of this triangular route existed, with stops in the North American colonies to load rice, tobacco, flour, and rum, but the crucial leg of the journey was the Middle Passage. Without African lives as the human raw materials in the making of sugar, along with other wealth-producing plantation commodities—tobacco, rice, indigo, and cotton—the distribution of Atlantic peoples and the wealth of the world would likely be very different today. From finance to finished goods, the transatlantic trade spawned a dizzying array of British businesses, manufacturing ships and armaments, glass and iron, linens and pottery, and distilling rum and beer, which would be sold in Africa, the West Indies, and North America, as well as at home in the British Isles.8

"Are we not indebted to that valuable People, the Africans, for our Sugars, Tobaccoes, Rice, Rum, and all other Plantation Produce?" asked Malachy Postlethwayt, a London merchant, member of the Royal African Company, and author of *The African Trade: The Great Pillar and Support of the British Plantation Trade in America*, published in 1745. The more "Negroes imported," he wrote, the more British goods were made and exported for trade. "The Negrotrade," he emphasized, was the foundation of "an inexhaustible Fund of Wealth and Naval Power to this Nation."

Postlethwayt's bullish report was backed by solid evidence. In its first decade, the Royal African Company of England rapidly increased its share of the trade from one-third to three-quarters of the market. During the 1750s, England became the "supreme slaving nation in the Atlantic world," write historians James Rawley and Stephen D. Behrendt. In Bristol, England, a local annalist writing about the eighteenth century noted, "There is not a brick in the city but what is cemented with the blood of a slave."

And that blood was spilled, more than anywhere else, in the production of sugar. As production grew and the market increased, the craze for the sweetener gradually trickled down from elites to the laboring poor. By 1850, sweetened tea, the combination of East and West Indian imports of tea and sugar.

was a stimulant, calorie boost, and hot meal substitute for English men, who were working more and more in city factories than on country farms. The increasing supply from sugar plantations lowered the cost and made cheap sugar "the single most important addition to the British working-class diet during the nineteenth century," according to Sidney Mintz.<sup>12</sup>

The voracious appetite for wealth creation and the unyielding desire for sugar combined to create the foundation of the modern world. From the first time Royal African Company slavers set sail for North America, through the years of the American Revolution, until the abolition of the international slave trade in 1808, roughly three million souls, many of them forever branded with the company's initials, RAC, on their bodies, would be forcibly removed from their homes, their kin, and their way of life, the majority of them to feed demand for a sweetener. Countless fortunes were made. In Liverpool, the Martins Bank Building, opened in 1932, and the former home of Barclays, memorialized the role of banks in financing the trade with a relief sculpture of two African boys fettered about the neck and ankles and holding bags of money.<sup>13</sup>

The slave trade was complex and evolved out of existing networks of exchange indigenous to Africa. Before European slavers arrived, African chiefs and merchants were already trading among themselves, along well-established routes from West to East, from the Saharan north to the sub-Saharan south and all points in between. In addition to trading palm cloth, copper jewelry ivory ornaments, cutlery, wood, and musical instruments, merchants would exchange enslaved people, captured in wars or village raids. Like elsewhere in the world, "a ready system of servitude" already existed, writes historian Sowande' Mustakeem, the author of *Slavery at Sea*. European traders "came as business partners" in what she calls "the human manufacturing process, which consisted of three violent stages of preconditioning—capture, trans port, and delivery—for the brutalities of work awaiting them on faraway suga plantations.<sup>14</sup>

African elites did not typically sell their own kin. Captives tended to be "culturally and ethnically alien to those who enslaved them," writes the histo rian James Campbell, the author of *Middle Passages: African American Journey to Africa, 1787–2005.* About half the captives were prisoners of war, according to Rawley and Behrendt. Another third were people labeled as criminals, un desirables, or outcasts and treated with disdain (similar to how the English regarded indentured servants forcibly shipped to their North American colc

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nies and Australia in the seventeenth and eighteenth centuries). The 20 percent remaining, Rawley and Behrendt estimate, were victims of kidnapping. 16

But some historians think that the kidnapping number is much higher. Mustakeem cites 70 percent for the proportion of "purchased slaves" who, by the eighteenth century, had been "snatched from their homes and communities" before being removed by sea.17 Certainly from the perspective of many of the men, women, and children who were put in the holds of slave vessels, the technical definition of kidnapping was a difference without distinction. Few non-elites were spared. One example, recorded in the testimony given to the British Parliament's House of Commons in the late 1700s, gives a sense of the violence of the enterprise. Off the coast of Bonny Point, in present-day Nigeria, a young woman was grabbed by two men, who "secured her hands behind her back, beat her, and ill-used her, on account of the resistance she made," according to testimony given by John Douglas, a slave trader. 18 Traders routinely tore families asunder as they captured and stole people away from mothers, fathers, sons, and daughters. Even some African traders ended up in fetters because of the treachery of it all. One measure of the horrors of kidnapping captives is evidenced by the British Parliament outlawing it in 1750.19

After being captured or sold, individuals were dragged to barracks, where they often lived for months-some of them died there-before slavers loaded them onto ships, one batch of bodies at a time. The transport phase of the human manufacturing process lasted anywhere from three to five weeks, depending on whether a ship was traveling to Barbados, Jamaica, or New England. Slavers who had originated in Bristol or Liverpool carried, during the peak years, an average of 356 captives on board.20 Strong, healthy African men in their prime, between fifteen and twenty-five years old, made up the bulk of the enslaved at sea. "Planters preferred adult males for work in sugar cultivation," Rawley and Behrendt write, and particularly favored men from Guinea, who were perceived to be "docile and agreeable." Ship captains aimed for a two-to-one ratio of men to women, with a small percentage of boys and girls.21 Fraders judged women's fitness by their reproductive potential, just as horse preeders might judge the qualities of a broodmare. In the House of Lords' Records of Certificate of Slaves Taken on Board Ships, one merchant re-:orded: "the Women in general having good Breasts were strong and well."22

Slavery at sea, as historians have long written, brought terrors to the capives beyond our worst nightmares. The extreme challenges of food preservation and water rationing made the transoceanic journey itself treacherous. The economics of the trade and financial incentives for captains and ship urgeons conspired to keep alive as many captives as possible. But there were

limits. Starting with space. The surgeon Alexander Falconbridge described conditions aboard his ship where captives "had not so much room as a man in his coffin, neither in length or breadth, and it was impossible for them to turn or shift with any degree of ease." Captain John Ashley testified before the members of the House of Commons that he "frequently heard them crying out when below for the want of air." Suffocating as if buried alive, with human waste uncontainable, men were shackled side by side as metal and iron tore into flesh with every jolt of the ocean. Mustakeem found a report in the archives of several men on the *Venus* who died from "Part of the Scrotum torn off w'th their Irons."

Slave crews typically separated men from women, leaving women in their own quarters, unchained and unprotected. All the easier for sailors to rape them. John Newton, a slave trader turned abolitionist who wrote the hymn "Amazing Grace," described this in his memoir: "they are often exposed to the wanton rudeness of white savages." Another ship's crew referred to the area where women were held as the "whore hole." Instances of sexual violation on these voyages are impossible to count definitively. But from ship logs, journals, and testimonies it is evident that they were numerous. On the British vessel *African* in 1753, William Cooney raped a pregnant woman; she was listed in the log as "number 83," following a common practice for a kind of deadnaming of captives. He took her "into the room and lay with her brute like in view of the whole quarter deck."<sup>27</sup>

In these moments, slave traders were conditioning Africans for plantation slavery. But the captives were also forming a new identity, a diasporic Blackness, forged out of their collective fate, as they found strength in one another with every miscrable day that passed. Uprisings of captives at sea were rare but were the most spectacular instances of collective resistance. A 1731 insurrection involved 140 Africans; they killed most of the crew and escaped with the ship. Much more frequent acts of resistance took the form of recalcitrance, a refusal by captives to eat or to exercise. They plotted conspiracies to poison the crew's food and beverage. And they also took complete control of their individual bodies and minds when they sought freedom in another realm. The surgeon Isaac Wilson recalled a man who threw himself into the sea and seemed to relish his own drowning. He "went down as if exulting that he got away," the physician remembered. Page 129

On the Middle Passage, mortality rates ranged from 5 to 20 percent, lowering as the centuries passed. Africans died most often from diseases, including scurvy (an acute vitamin C deficiency), smallpox, pneumonia, and tapeworms. The flux, or dysentery, the most common cause of death, produced its own

slow torture of blood-soaked diarrhea and incessant vomiting, triggered by a bacterial infection from contaminated food or water.<sup>30</sup> By the time captives became enslaved on the other side, they had experienced "layered cycles of violence, deprivation, and death," Mustakeem writes, seasoned "by the terrorizing dynamics of shipboard captivity."<sup>31</sup>

American slavers were the last to enter the trade. But from the ports of Rhode Island, beginning in 1709 and lasting officially to 1807, Rhode Islanders managed to make nearly a thousand voyages to Africa, procuring 106,544 enslaved people.<sup>32</sup> Illegal trafficking continued for decades. Alongside the triangular trade, American colonists opened direct lines of trade that didn't resemble a triangle at all. They traded directly with England, delivering mainland commodities produced by enslaved labor, such as rice, tobacco, and cotton, as well as flour and lumber, and returned home with manufactured goods and luxury items. On separate voyages, American colonists also exported North Atlantic dried cod, flour, and pine wood to plantations in the British West Indies, in exchange for sugar and molasses.

Molasses was a key part of the sugar trade.<sup>33</sup> It is made during the boiling stage of sugar production, when the cane juice is heated in huge kettles until sugar crystals begin to form as a result of evaporation. This granulation process is repeated several times, producing more crystals, which are filtered out or collected by a strainer. What is left behind is a thicker and thicker concentrate of liquid residue, which becomes molasses. Sugar was incredibly profitable, but molasses became an indispensable exchange commodity, too. It was crucial to the manufacturing of desserts, sweet rolls and buns, and other processed foods. It was also the key ingredient in the making of rum. And rum was the lubricant that helped make the international slave trade run like a well-oiled machine.<sup>34</sup>

Americans excelled at fermenting and distilling molasses to make millions of gallons of rum, which American-built slave ships, often called "rum vessels," brought to West Africa, among other places, to trade for African captives. Saide from being an essential "naval ration" in the Age of Sail, rum was "an essential part of the cargo of the slave ship, particularly the colonial American slave ship," writes the historian Eric Williams in *Capitalism and Slavery*. "It was profitable to spread a taste for liquor on the coast. The Negro dealers were plied with it, were induced to drink till they lost their reason, and then the bargain was struck." 36

The New England colonies, led by Rhode Island, operated several distilleries, which produced millions of gallons of rum and brought huge fortunes

to white Americans.<sup>37</sup> Eight years before the Boston Tea Party, colonists took part in a lesser-known Rhode Island revolt against the Sugar Act of 1764, which dramatically increased enforcement of duties collected on imported sugar and molasses. Rhode Islanders had avoided paying these taxes by illegally smuggling in molasses for their lucrative rum business from cheaper French West Indian suppliers, bypassing the British West Indies. On April 7, 1765, a group of men blackened their faces to disguise themselves as Native Americans and seized the cargo of the *Polly*, which included "barrel after barrel of molasses from the sugar islands," write Aronson and Budhos.<sup>38</sup> John Adams observed that the British Parliament had gone too far with its revenue scheme. "Molasses was an essential ingredient of American independence," Adams would later write.<sup>39</sup>

Though Britain's North American colonies participated extensively in the sugar trade, the climate of these regions favored other crops, such as tobacco, indigo, rice, and cotton. Americans today tend not to think of sugar as the primary crop of slavery, in part because production was mostly limited to the West Indies, colonies held by Spain, Britain, and France that did not ultimately become part of the United States. The main exception to this is Louisiana, which was occupied by the French until 1803. In New Orleans in 1751, French Jesuit priests planted the first cane stalks in the area, near Baronne Street. In the Gulf region of southern Louisiana, weather conditions were more like those in the Caribbean, a geographic space the historian Matthew Guterl called the American Mediterranean.<sup>40</sup> Given the city's tropical climate, the plant thrived, which it had failed to do in the British colonies of Georgia and South Carolina.

Within a few decades sugarcane production in Louisiana took root. In 1795, Étienne de Boré, a New Orleans sugar planter, granulated the first sugar crystals in the Louisiana Territory. With the advent of local sugar processing, sugar plantations exploded up and down both banks of the Mississippi River.

All of this was possible because of the abundantly rich alluvial soil, combined with the technical mastery of seasoned French and Spanish planters who had come to Louisiana from around the cane-growing basin of the Gulf and the Caribbean—and because of the toil of thousands of enslaved people. Estimates suggest that twenty to twenty-two thousand Africans were captured and brought to Louisiana between 1763 and 1812.41 Most of them, according to the Louisiana Slave Database, built in the 1990s by the historian

Gwendolyn Midlo Hall, had been born in Africa on the coasts of Senegambia, the Bight of Benin, the Bight of Biafra, and West-Central Africa. The most common ethnicities were Congo, Mandinga, Mina, Bambara, and Wolof.

One of the major contributors to the booming Louisiana sugar industry was the Haitian Revolution. More French planters and their enslaved expert sugar workers poured into Louisiana as Toussaint Louverture and Jean-Jacques Dessalines led a successful revolt in Saint-Domingue to secure independence from France in 1804. For decades, Saint-Domingue had been a top producer of sugar, and an especially brutal one, so perhaps it is no surprise that the African-descended inhabitants of that colony became the first enslaved sugar workers to stage a successful insurrection.

It was just one year before, in 1803, that the Whitney Plantation had become a prosperous sugar operation, under the leadership of Jean Jacques Haydel, Sr., who had inherited the property from his father, Ambroise Heidel. In 1820, Haydel, Sr., passed the plantation on to his two sons and eventually to a widowed daughter-in-law, Marie Azélie Haydel, in 1840. Marie, in turn, became one of Louisiana's most successful planters. In the 1840s and '50s, the plantation produced hundreds of thousands of pounds of sugar, peaking in the 1854-55 season with 407,000 pounds. According to the Whitney museum's director of research, Ibrahima Seck, the Whitney's sugar output made it "one of the most important plantations in Louisiana."

The Whitney's economic success contributed to Louisiana's rapid growth in the global sugar trade. By the 1850s, Louisiana planters were producing a quarter of the world's cane-sugar supply. During her antebellum reign, Queen Sugar bested King Cotton locally, making Louisiana the second-richest state in per capita wealth. According to the historian Richard Follett, in 1840 the state ranked third in banking capital, behind New York and Massachusetts. The value of enslaved people alone represented tens of millions of dollars in capital that financed investments, loans, and businesses. Much of that investment funneled back into the sugar mills, the "most industrialized sector of Southern agriculture," Follett writes. 45 No other agricultural region came close to the amount of capital investment in farming by the eve of the Civil War. In 1853, Representative Miles Taylor of Louisiana bragged that his state's success was "without parallel in the United States, or indeed in the world in any branch of industry." 46

None of this growth was possible without trafficking in human lives. Or to put it in the words of the U.S. commissioner of agriculture in 1867: "Land without labor [was] worthless." After the official end of the international slave trade as of January 1, 1808, the domestic trade from the Upper South to the

Lower South exploded, while traffic continued on the Atlantic. As a result, Louisiana's enslaved population soared, quadrupling over a twenty-year period to 125,000 souls in the mid-nineteenth century. New Orleans became the Walmart of people-selling. The number of enslaved labor crews on its sugar plantations doubled. And in every sugar parish, Black people outnumbered white.

These were some of the most skilled laborers, doing some of the most dangerous agricultural and industrial work in the United States. Some enslaved workers mastered the technical skills of distillation, turning cane juice into raw sugar and molasses under intense time pressure, to ensure no spoilage and maximum yields. In the mills, alongside adults, children toiled like factory workers with assembly-line precision and discipline under the constant threat of boiling-hot kettles, open furnaces, and grinding rollers. "All along the endless carrier are ranged slave children, whose business it is to place the cane upon it, when it is conveyed through the shed into the main building," wrote the free-born upstate New Yorker Solomon Northup in *Twelve Years a Slave*, his 1853 memoir of being kidnapped while visiting Washington, D.C., and forced into slavery on Louisiana plantations.<sup>48</sup>

To achieve the highest efficiency, sugar houses operated night and day. "On cane plantations in sugar time, there is no distinction as to the days of the week," Northup wrote. "Fatigue might mean losing an arm to the grinding rollers or being flayed for failing to keep up. Enslavers often met resistance with sadistic cruelty.

A formerly enslaved Black woman named Mrs. Webb described a torture chamber used by her enslaver, Valsin Marmillion. "One of his cruelties was to place a disobedient slave, standing in a box, in which there were nails placed in such a manner that the poor creature was unable to move," she told a WPA interviewer in 1940. "He was powerless even to chase the flies, or sometimes ants crawling on some parts of his body." 50

Louisiana led the nation in destroying the lives of Black people in the name of economic efficiency. The historian Michael Tadman found that Louisiana sugar parishes had a pattern of "deaths greatly exceed[ing] births." Backbreaking labor and "inadequate net nutrition meant that enslaved people working on sugar plantations were, compared with other working-age enslaved people in the United States, far less able to resist the common and life-threatening diseases of dirt and poverty," wrote Tadman in a 2000 study published in *The American Historical Review*. Life expectancy was lower than on a cotton plantation and closer to that of a Jamaican cane field, where the most overworked and abused could drop dead after seven years of labor.

#### The 1619 Project

Nevertheless, some enslaved sugar workers managed to fight back. In 1811, in the German Coast area, near the Whitney Plantation, as many as five hundred sugar rebels joined a liberation army heading toward New Orleans, one of the largest revolts of enslaved people in United States history. They were soon cut down by federal troops and local militia; no record of their actual plan survives. About a hundred were killed in battle or executed later; many of their heads were severed and placed on pikes throughout the region. There were nearly twice as many executions as there were during Nat Turner's more well-known 1831 rebellion, according to historians' estimates.

There are no oral histories from the Whitney Plantation to preserve the firsthand testimonies of those who experienced the harsh brutalities of life there. The museum's archived inventory records of enslaved people at the time of Marie Azélie Haydel's passing in 1860, on the eve of the Civil War, suggest that the enslavers systematically sold children for profit, severing offspring from parents. According to Ashley Rogers, the Whitney's executive director, of the 101 people counted, most were adult men, several were Creoleidentified women, and 32 were young children, who could not be sold under Louisiana law unless accompanied by their mothers. "There were no children older than ten years," she told me. "None." 53

America's sugar slavery ended in 1865, but by that time sugar was a staple product everywhere in the world. After the Civil War, Black people sought to build lives on their own terms, and in the decades that followed, U.S. sugar plantations reorganized themselves around the labor of free Black workers. Though many Black Louisianans found that the crushing work with sugarcane remained mostly the same, during the early days of Reconstruction, Black political organizing in the form of Union Leagues swept the sugar region, along with the rest of the South.

Given the large Black populations in these areas, freedmen made significant gains overnight, electing Black state officials and inspiring economic changes and labor organizing on sugar plantations. Agents from the Freedmen's Bureau, the federal agency responsible for ensuring Black people's safety and welfare following the war, often noted in their reports that planters frequently complained that when they dismissed one worker, the others "would immediately quit work & threaten to leave the place." As new wage earners, Black sugar workers acting in solidarity negotiated the best terms they could, signed labor contracts for up to a year, and moved from one plantation to another in search of a life whose daily rhythms beat differently than before.

But the gains of Reconstruction were short-lived. As W.E.B. Du Bois so eloquently wrote in his 1935 book Black Reconstruction in America, 1860-1880: "The slave went free; stood a brief moment in the sun; then moved back again toward slavery."55 The domestic terrorism that ended Reconstruction and destroyed so many Black lives was particularly vicious in the sugar region. Striking sugar workers were often met with swift and violent reprisals. In November 1887, a decade after former Confederates had regained political control of the South and had terrorized and purged much of Louisiana's Black political leadership from office, a national union attempted to organize sugar workers. In three parishes during harvest season, workers had "downed their tools, walked off the job," and insisted on higher wages paid in cash rather than plantation credit, writes Follett. Strikebreakers and state militiamen responded with a show of force. Shots rang out, and at least thirty Black peoplesome sources estimated hundreds-were killed in their homes and on the streets of Thibodaux, Louisiana. "I think this will settle the question of who is to rulc[,] the nigger or the White man? for the next 50 years," a local white planter's widow, Mary Pugh, wrote, rejoicing, to her son.56

Sugar enslavers never lost their grip on the land. Compared with Black sharecropping on cotton plantations, where African Americans gained a small measure of physical independence as individual family units living and working on white-owned land, Black cane workers had little choice but to live in somebody's old slave quarters. As had been the case for centuries, making cane into sugar required access to huge swaths of land, large amounts of capital, and gang labor to plant, harvest, and mill the crop.

In spite of the substantial barriers of capital and racism, African Americans nevertheless aspired to own sugarcane farms or rent them from white owners. A small number of Black sugar farmers inherited land from their antebellum free Black ancestors or accumulated property on their own. But they faced discrimination at every turn and the threat of violence if their success challenged the Jim Crow racial order. The historian Rebecca Scott found that although "black farmers were occasionally able to buy plots of cane land from bankrupt estates, or otherwise establish themselves as suppliers, the trend was for planters to seek to establish relations with white tenants or sharecroppers who could provide cane for the mill." And if Black sugarcane farmers succeeded in the face of all these obstacles, they still had to face racist actions by government agencies, banks, and real estate developers who conspired to take their land.

Mechanization made matters worse, by rewarding large-scale farming and shrinking the number of jobs. Increasingly, only poorly paid seasonal work

remained. By World War II, many Black people in the sugar-growing regions sought opportunity and autonomy elsewhere, moving from the cane fields in Louisiana to car factories in the North. Today, the number of Black sugar farmers in Louisiana is likely in the single digits.

The Mississippi River is and always has been the lifeblood of the region, nurturing the southern Louisiana soil and linking this place to a many-centuries-old Atlantic market in sugar and the enslaved. It bears witness to all that has happened here—the human beings stolen, shipped, and sold on plantations, the harsh realities of lives cut short by sugar. The road that leaves the Whitney Plantation follows the river, which snakes along just beyond the grass-covered levees. On most days there's not much traffic. The land is quiet and sundrenched, with round hay bales that lie like small animals resting peacefully atop the grass. There is something idyllic about the landscape, but there is nothing innocent about the history of this place, where human beings corrupted nature to do great harm to humanity.

Though Black labor no longer plays a big role in producing sugar, sugar still plays a big role in the lives of Black people. Among all Americans, added sugar has been linked to growing rates of certain chronic illnesses, including those from which Black people suffer the most. African Americans are more likely to eat poorer-quality, processed foods with high amounts of added sugars. In 2013, public-health researchers at Johns Hopkins University used the U.S. Census and InfoUSA food-store data to analyze supermarket availability by census tract. As poverty increased, the number of supermarkets decreased, but the prevalence of junk-food-stocked convenience stores increased. And when poverty was held constant, the researchers found, Black communities still had the "fewest supermarkets." 58

In a 2015 study of healthful food availability in Topeka, Kansas, researchers at Kansas State University found that even low-income white neighborhoods were twice as likely to have a food store as Black ones. "Food deserts and food insecurity," they concluded, "are perhaps the most important deleterious consequence of residential segregation in the United States." The scarcity of realthful food options in Black neighborhoods is offset by the abundance of ad ones. Recent nutritional surveys by the National Center for Health Statisics found that among children, adolescents, and adults, Black people conume a higher percentage of their daily calories from fast food than do Iispanic and white people."

In addition, certain food companies have targeted Black youths with ad-

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vertising. A marketing analysis of television advertising dollars found a 50 percent increase, between 2013 and 2017, in ads for sweetened food and beverages, and snacks aimed at Black households. Shiriki Kumanyika, a co-author of the study and the chair of Drexel University's Council on Black Health, said of the findings: "At best, these advertising patterns imply that food companies view Black consumers as interested in candy, sugary drinks, fast food and snacks with a lot of salt, fat or sugar, but not in healthier foods."61

Since sugar came to these shores, there hasn't been a time when Black people weren't getting the short end of the cane stalk. From plantation to farm to table, African Americans have always paid the highest costs for sugar cultivation.

A couple of years before he was convicted of securities fraud in 2017, Martin Shkreli was the chief executive of a pharmaceutical company that acquired the rights to Daraprim, a lifesaving antiparasitic drug. Previously the drug had cost \$13.50 a pill, but in Shkreli's hands, the price quickly increased by a factor of 56, to \$750 a pill. At a healthcare conference, Shkreli told the audience that he should have raised the price even higher. "No one wants to say it, no one's proud of it," he explained. "But this is a capitalist society, a capitalist system, and capitalist rules."

This is a capitalist society. It's a fatalistic mantra that seems to get repeated to anyone who questions why America can't be more fair or equal. But around the world, there are many types of capitalist societies. Some are more equitable, and some are more exploitative; some more restrained, and some more unregulated. When Americans declare that "we live in a capitalist society"—as a real estate mogul told the Miami Herald in 2018 when explaining his feelings about small-business owners being evicted from their Little Haiti storefronts—what they're often defending is our nation's peculiarly brutal version of capitalism: "low-road capitalism," the University of Wisconsin—Madison sociologist Joel Rogers has called it.<sup>2</sup> In a capitalist society like ours, wages are depressed as businesses compete over the price, not the quality, of goods, and so-called unskilled workers are typically incentivized through punishments, not promotions. Inequality reigns and poverty spreads.

The United States stands today as one of the most unequal societies in the history of the world. The richest 1 percent of Americans owns 40 percent of the country's wealth, while a larger share of working-age people (those eighteen to sixty-five) live in poverty than in any other nation belonging to the

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Organisation for Economic Co-operation and Development (OECD).<sup>3</sup> The OECD, an international consortium of democratic countries with market-based economies, scores nations along a number of economic indicators, such as how countries regulate temporary work arrangements and how easy it is to terminate employees. Scores in these categories run from 5 ("very strict") to 1 ("very loose"). When it comes to regulations on temporary workers, Brazil scores 4.1 and Thailand 3.7, signaling that in those countries, workers enjoy a range of toothy protections; farther down the list are Norway (3.4), India (2.5), and Japan (1.3). The United States scores 0.3, tied for second-to-last place with Malaysia. What about how easy it is to fire workers? Countries like Indonesia (4.1) and Portugal (3) have strong rules about severance pay and reasons for dismissal. Those rules relax somewhat in places like Denmark (2.1) and Mexico (1.9). They virtually disappear in the United States, ranked dead last out of seventy-one nations, with a score of 0.5.4

Those searching for reasons the American economy is uniquely severe and unbridled have found answers in many places (religion, politics, culture). But recently, historians have pointed persuasively to the gnatty fields of Georgia and Alabama, to the cotton houses and auction blocks, as an early example of America's low-road approach to capitalism.

As a source of the fledgling nation's financial might, slavery shaped our political institutions and founding documents, our laws governing private property and financial regulation, our management techniques and accounting systems, and our economic systems and labor unions. By the eve of the Civil War, the Mississippi Valley was home to more millionaires per capita than anywhere else in the United States.5 Cotton grown and picked by enslaved workers was the nation's most valuable export. The combined value of enslaved people exceeded that of all the railroads and factories in the nation. In the mid-1830s, New Orleans boasted a denser concentration of banking capital than New York City.6 Small wonder, then, that "American slavery is necessarily imprinted on the DNA of American capitalism," as the historians Sven Beckert and Seth Rockman have written. The task now, they argue, is "cataloging the dominant and recessive traits" that have been passed down to us, tracing the unsettling and often unrecognized lines of descent by which America's national sin is even now being visited upon the third and fourth generations.7

Colonial America was a relatively prosperous society. The Southern colonies were the wealthiest, as white planters reaped high returns on staple crops like

rice and tobacco.<sup>8</sup> But the Revolution left the colonies broke and vulnerable. Incomes plummeted in the final decades of the eighteenth century, and if the states could not come together to form a national government, they would be susceptible to foreign invasion and economic collapse. In the spring and summer of 1787, representatives of each state met in Philadelphia to draft a constitution and found a new nation.<sup>9</sup>

The delegates were deeply polarized over a host of issues, none more contentious than slavery. When the Revolution began, slavery was legal in all thirteen colonies, but during the 1770s, voices condemning human bondage had grown louder throughout New England and Britain. By the time the framers began writing the Constitution, states that did not rely heavily on enslaved labor within their borders, like Massachusetts and New Hampshire, had already outlawed it. On the other hand, states like Virginia and Georgia vehemently defended the right to own and sell Black people.

At several points, the issue of slavery ground the Constitutional Convention to a halt, and both Northern and Southern representatives threatened to dissolve the Union altogether. As James Madison, the "father of the Constitution," observed on June 30, 1787: "The States were divided into different interests not by their difference of size, but by other circumstances; the most material of which resulted partly from climate, but principally from their having or not having slaves." What pro-slavery advocates feared most was democracy itself: that Northern majorities would use the power of the federal government to dismantle slavery. This fear shaped our political institutions in ways still felt today.

To protect slavery, Southerners fought for and won several provisions that all but ensured that majoritarian rule over the South would be impossible. On May 29, 1787, Governor Edmund Randolph of Virginia rose and proposed that congressional representation be based on population and not the one-vote-per-state rule that had governed the Articles of Confederation. Northern and Southern delegates debated whether Black enslaved people should count toward a state's population, until the so-called Great Compromise was proposed in July. Congress would be divided into two houses, a lower house based on population—with each enslaved Black person counting as three-fifths of a citizen—and an upper house that gave all states an equal number of votes. The Southern advantage conferred by the Three-fifths Clause was extended to the executive branch through the Electoral College, proposed by Madison, which provided each state a number of electors that aligned with its representation in the lower house of Congress. Slaveholding states secured

outsized political power in both Congress and the presidency, which was controlled by pro-slavery advocates until the election of Lincoln in 1860."

The Constitution empowered all states with "a practical veto on national policy," according to historian Mark Graber, which made it effectively impossible for the federal government to regulate slavery without the South's consent. To this day, the fifteen states where slavery remained legal as of 1861 still hold the power to block a constitutional amendment supported by the other thirty-five.<sup>12</sup>

So if Washington often feels broken, that's because it was built that way. A 2011 study of twenty-three long-standing democracies identified the United States as the only country in the group that had four "veto points" empowered to block legislative action: the president, both houses of Congress, and the Supreme Court. Most other democracies in the study had just a single veto point. In those nations, parties govern, pass policies, and get voted in or out. Things happen at the federal level. But the United States government is characterized by political inaction—and that was by design. By creating political structures that weakened the role of the federal government's ability to regulate slavery, the framers hobbled Washington's ability to pass legislation on a host of other matters.

Chief among these was taxation. If they wished to raise an army and fund the government, the framers also had to devise a way to levy taxes on the citizenry. But delegates couldn't agree on the best way to do this because slavery kept getting in the way. It was impossible to debate taxes without also debating how to tax the enslaved. Should enslaved Black workers be taxed as people or property or not at all? The three-fifths clause provided a potential solution-treat enslaved Black workers as partial citizens for the purposes of taxation-but Southern enslavers quickly realized that that would require them to pay more than Northerners who didn't enslave people. For example, if the federal government established a poll tax levied on every person, in 1790 the three-fifths apportionment would have mandated that a Virginian be taxed \$1.39 and a South Carolinian \$1.45 for every \$1 charged to a free Northerner. Predictably, Southerners rejected this plan. "Our Slaves being our Property," argued South Carolina representative Thomas Lynch, "why should they be taxed more than the Land, Sheep, Cattle, Horses?" Lynch and other Southerners wanted their human property to count toward their congressional representation but not against their tax bill.14

The delegates finally decided that imports should be taxed. It was a tax everyone could agree on. A tariff could be levied without reference to slavery

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because it didn't require counting enslaved workers or estimating the value of their products exported to other countries. Merchants would foot the bill and pass the cost on to consumers. In this way, the tax was invisible and often optional, in the sense that you could decide to purchase an imported good or not.<sup>15</sup>

Though politically palatable, the import tax stunted the bureaucratic infrastructure of the nation, allowing the United States to neglect developing the administrative systems necessary for progressive taxation and government services. The result was the creation of a financially and bureaucratically weak federal government. It was not until 1861, when the bill for the Civil War came due, that the nation was finally forced to establish an income tax and an Internal Revenue Service to collect it (originally called the Bureau of Internal Revenue). The American public, which had never been made to pay income tax, reacted unkindly to this fledgling agency, calling it inefficient and corrupt. After the war ended, so too did the national income tax. Congress passed a modest income tax almost thirty years later, in 1894, but in a 5-to-4 decision, the Supreme Court ruled it unconstitutional. The federal government didn't acquire the power to "lay and collect taxes on incomes" until 1913, when the Sixteenth Amendment was ratified.

By 1900, an income tax supplied roughly 12 percent of government revenue in Italy and the United Kingdom and about 20 percent in Germany and the Netherlands. If Imagine if the United States had followed a similar path, establishing the Internal Revenue Service not in a moment of crisis but at the nation's founding. In this alternative universe, the IRS could have been given adequate financial backing and administrative support, enabling it to function efficiently and fairly. Taxes would not have been hidden in American consumerism (as was the import tax); rather, they could have been transparently collected as a portion of each person's income and seen as a patriotic duty, an investment in the nation. But, of course, this is not our history.

Progressive taxation remains among the best ways to limit economic inequality, funding public services like schools and healthcare and incentivizing business to work for the common good. America's present-day tax system, however, is regressive and insipid in part because it was born out of political compromise steered by debates over slavery. This generates inequality and enables large corporations to avoid paying their fair share—or any share. In 2018, sixty Fortune 500 companies, including Amazon, Chevron, Delta Air Lines, and Netflix, paid no federal income taxes.

Slavery shaped the Constitution in profound and lasting ways. "One consequence," writes the historian Robin Einhorn, "may well be the exceptionally

powerful devotion to individual property rights that made American business stronger, American labor weaker, and the American welfare state a comparative 'laggard.'"

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Private property is the cornerstone of capitalism. It is what allows someone to own a factory or a corporation, a piece of land or an apartment building, and to secure profit from the workers or tenants who do not own such assets. It is what allows the luxuries purchased from those profits to be protected by the full weight of the state. It is what enables a private landowner to fence off natural resources and forests and rivers, assets that originally belonged to no one and were stewarded by the surrounding community, transforming common goods into commodities controlled by a single person or business entity. Capitalism depends on private property, and private property depends on the law.

When private property extends to human beings, however, a particularly strong and expansive set of protections is required. Human beings, after all, can run away or revolt. The founders recognized this, and in the Constitution they safeguarded the human property of those who owned enslaved people through a number of provisions. Article I, Section 8 granted Congress the power to summon the militia to "suppress insurrections," understood to mean rebellions of the enslaved. Article I, Section 9 forbade Congress from ending the slave trade until 1808. Article V, Section 2 prohibited free states from emancipating runaways: human property in the South would remain human property in the North. The framers helped create a doctrine of private property strong enough to justify and enforce human trafficking, so much so that abolitionists publicly burned copies of the Constitution.

The importance of this specific kind of private property—enslaved people—was both enshrined in the Constitution itself and affirmed by the Supreme Court's interpretations of the highest law of the land. After the Constitution was ratified in 1788, in case after case the Court protected private property in general, and slavery in particular, sometimes going to extraordinary lengths to deny Black freedom in the name of ownership rights. The 1812 case Hezekiah Wood v. John Davis and Others concerned the situation of John Davis, a Black man born to a mother who had never been enslaved. According to the law of matrilineal descent, this should have established Davis's own freedom, but Wood, an enslaver who claimed Davis as his property, argued that he had purchased Davis before his mother had proven her freedom. The Court sided with Wood. The following year, the Court's decision in the case of Mima Queen

and Child v. Hepburn denied Black people the right to provide hearsay evidence that supported their freedom claims, prioritizing the propertied interests of enslavers over the lives of people those enslavers claimed belonged to them.<sup>20</sup>

The Court's vigorous defense of human bondage, encased in property law, continued as amendments were added to the Constitution. The Fifth Amendment, which prohibited Congress from depriving anyone of "life, liberty, or property, without due process," informed the Supreme Court's decision to uphold slavery in its infamous 1857 *Dred Scott v. Sandford* case. Born into slavery, Dred Scott was moved to Alabama and Missouri, then to Illinois, before once more returning to Missouri. Having relocated from a free state (Illinois) to a slave state (Missouri), Scott sued his putative "owner" for his freedom, citing the state court doctrine of "once free, always free." The case pitted Scott's liberty against his enslaver's property, and when the Supreme Court heard the case, the justices ruled in favor of bondage. The Court decided that manumitting Scott would infringe on the property rights of his enslaver.<sup>21</sup>

Slavery, then, required "the magic of property." As historian Stephanie Jones-Rogers documents in her book *They Were Her Property*, elite white women were particularly invested in securing a jurisprudence that valued (white) property over (Black) freedom because their economic independence and influence depended on it. (Southern parents tended to give their daughters more enslaved hands than land.) Slavery demanded a legal defense of ownership rights much more far-reaching and severe than would have been necessary to secure, say, a house or a herd of cattle. Houses do not attempt to become non-property by running away. Cattle do not stage armed revolts. But humans treated as property were constantly doing both.<sup>22</sup>

After the Civil War, legal provisions originally developed to protect slavery were extended to strengthen corporate interests and promote laissez-faire capitalism. The Fifth Amendment's language protecting private property resurfaced in the Fourteenth Amendment, ratified during Reconstruction, which established legal and civil rights for Black Americans by mandating "equal protection of the laws" and prohibiting states from denying people "life, liberty, or property, without due process." It didn't take long for corporate attorneys to realize that the Fourteenth Amendment could help strengthen business interests too. This was affirmed in 1886 by Chief Justice Morrison Waite, who plainly stated before oral arguments for Santa Clara County v. Southern Pacific Railroad Co. that the Supreme Court believed that the Fourteenth Amendment applied to corporations as well as to people.<sup>23</sup>

The Fourteenth Amendment became the most cited amendment in Su-

preme Court cases, leaving a profound impact on private law. A 1912 study found that of the 604 Fourteenth Amendment cases decided by the Supreme Court, more than half involved corporations and largely protected their power, including by striking down attempts to end child labor and establish a minimum wage. Less than 5 percent of those cases concerned the rights of African Americans, who lost nearly all of the cases they brought. Once again, white ownership interests took precedence over Black freedom and safety. One of the most consequential Fourteenth Amendment cases was Lochner v. New York (1905). Joseph Lochner, the owner of a bakery in Utica, was fined by New York State for violating a labor statute that prevented bakers from working more than sixty hours a week or ten hours a day. Lochner appealed his case, and when it was heard in front of the Supreme Court, the justices ruled in his favor, finding that extending protections to bakery workers would infringe on the property rights of bakery owners.<sup>24</sup>

Today's law students are taught that *Dred Scott* and *Lochner* were wrong. But the Court's defense of corporate personhood has continued to the present day. In 2010, the Court ruled in *Citizens United v. Federal Election Commission* that corporations' political speech, including "independent expenditures"—spending in support of a candidate for office without making a direct contribution—was protected by the Constitution. The 2012 presidential election that followed *Citizens United* received nearly 600 percent more independent expenditures than the previous presidential election, in 2008, had.<sup>25</sup> Of course, the founders could not see this far ahead—how the political concessions made to protect the human property in the Constitution would fundamentally shape the nation's economy and the political institutions that governed it.

Just a few years after all thirteen states ratified the Constitution, American life changed utterly and invariably. The cotton gin was invented. Before the gin, enslaved workers grew more cotton than they could clean. The gin broke the bottleneck, making it possible to clean as much cotton as you could grow. This helped to ignite the cotton trade, which had a profound impact on America's economic development. A key factor that made the cotton economy boom in the United States, and not in all the other far-flung parts of the world with climates and soil suitable to the crop, was our nation's unflinching willingness to use violence on nonwhite people and to exert its will on seemingly endless supplies of land and labor.

Enslaved Black workers picked in long rows, bent bodies shuffling through

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cotton fields white in bloom. Men, women, and children picked, using both hands to hurry the work but careful not to snap a branch. Some picked in Negro cloth, their raw product having returned to them by way of New England mills. Some picked completely naked. Young children ran water across the humped rows, while overseers peered down from horses. "Hands are required to be in the cotton field as soon as it is light in the morning," wrote Solomon Northup in his 1853 memoir, Twelve Years a Slave, "and, with the exception of ten or fifteen minutes, which is given them at noon to swallow their allowance of cold bacon, they are not permitted to be a moment idle until it is too dark to see, and when the moon is full, they often times labor till the middle of the night."

Before the industrialization of cotton, people wore expensive clothes made of wool or linen and dressed their beds in furs or straw. Whoever mastered cotton could master textiles and make a killing. But cotton needed land. A field could tolerate only a few straight years of the crop before its soil became depleted. Planters watched as acres that had initially produced a thousand pounds of cotton yielded only four hundred a few seasons later. The thirst for new farmland grew even more intense after the invention of the cotton gin.<sup>29</sup>

The United States solved its land shortage by expropriating millions of acres from Native Americans, often with military force, acquiring Georgia, Alabama, Tennessee, and Florida. It then sold that land on the cheap—just \$1.25 an acre in the early 1830s (\$38 in today's dollars)—to white settlers.<sup>30</sup> Naturally, the first to cash in were the land speculators. Companies operating in Mississippi flipped land, selling it soon after purchase, commonly for double the price. Enslaved workers felled trees by ax, burned the underbrush, and leveled the earth for planting. "Whole forests were literally dragged out by the roots," John Parker, an enslaved worker, remembered.<sup>31</sup> A lush, twisted mass of vegetation was replaced by a single crop as American money exerted its will on the earth, bringing floods and erosion, erasing natural habitats, and otherwise spoiling the environment for profit.<sup>32</sup>

Cotton was to the nineteenth century what oil was to the twentieth: one of the most valuable and widely traded commodities in the world. It gave rise to factories, vast manufacturing enterprises, and large industrial proletariat workforces, forming whole industries around itself.<sup>33</sup> Unlike other staple crops grown by enslaved Black workers—rice in coastal South Carolina and Georgia, sugar in Louisiana—cotton could be cultivated throughout the South, relied heavily on industrial production, and was sought by consumers across the developed world.<sup>34</sup> Together, cotton planters, enslaved workers in the South, wage laborers in the North, and millers and consumers from across the

ocean helped fashion a new economy, one that was global in scope and required the movement of capital, labor, and products across long distances. In other words, one that was capitalist. "The beating heart of this new system," Beckert notes, "was slavery." 35

During this period, "Americans built a culture of speculation unique in its abandon," writes the historian Joshua Rothman in his book *Flush Times and Fever Dreams*. That culture would drive cotton production up to the Civil War, and it has been a defining characteristic of American capitalism ever since. It is the culture of acquiring wealth without work, growing at all costs, and abusing the powerless. It is the culture that brought us catastrophic downturns, like the Panic of 1837, the stock market crash of 1929, and the recession of 2008. It is the culture that has produced staggering inequality and undignified working conditions.<sup>36</sup>

As slave-labor camps spread throughout the South, cotton production surged. By 1831, the country was delivering nearly half the world's raw cotton crop, with 350 million pounds picked that year. Just four years later, it harvested 500 million pounds. Southern white elites grew rich, as did their counterparts in the North, who erected textile mills to form, in the words of Massachusetts senator Charles Sumner, an "unhallowed alliance between the lords of the lash and the lords of the loom."<sup>37</sup>

As America's cotton sector expanded, the value of enslaved workers soared. In New Orleans between 1804 and 1860, the average price of a male field hand aged twenty-one to thirty-eight grew from roughly \$500 to over \$1,500 (in 1830 dollars).38 Because they believed they couldn't grow their cotton empires without more enslaved workers, ambitious planters needed to find a way to raise enough capital to purchase more hands. Enter the banks. People could be sold much more easily than land, and in multiple Southern states, more than eight in ten mortgage-secured loans used enslaved people as full or partial collateral. As the historian Bonnie Martin has written, "slave owners worked their slaves financially, as well as physically," by mortgaging people to buy more people.<sup>39</sup> Access to credit grew faster than Mississippi kudzu would after being imported at the end of the century, leading one 1836 observer to remark that in cotton country "money, or what passed for money, was the only cheap thing to be had."40 Centuries before the home mortgage became the defining characteristic of Middle America, Southerners decided to use the people they owned as collateral for mortgages and took on immense amounts of debt to finance their operations.

The math worked out. The owner of a cotton plantation in the first decade of the nineteenth century could leverage his enslaved workers at 8 percent



interest and record a return three times that. So leverage they did, sometimes volunteering the same enslaved workers for multiple mortgages. Banks lent with little restraint. By 1833, Mississippi banks had issued twenty times as much paper money as they had gold in their coffers.<sup>41</sup> In several Southern counties, mortgages taken out on enslaved workers injected more capital into the economy than sales from the crops harvested by workers themselves.

Global financial markets had powered the slave economy for years. When Thomas Jefferson mortgaged his enslaved workers in 1796 to build Monticello, it was a Dutch firm that put up most of the money. The Louisiana Purchase, which opened millions of acres to cotton production, was financed by Baring Brothers, the well-heeled British commercial bank. Most of the credit that powered the sectors of the American economy based on the labor of enslaved Black people came from the London money market. Years after abolishing the African slave trade in 1807, Britain, and much of Europe along with it, was bankrolling slavery in the United States. To raise capital, state-chartered banks pooled debt generated by mortgages on enslaved workers and repackaged it as bonds promising investors annual interest. During slavery's boom time, banks did swift business in bonds, finding buyers in Hamburg and Amsterdam, in Boston and Philadelphia.

Banks issued tens of millions of dollars in loans on the assumption that rising cotton prices would go on forever. Speculation reached a fever pitch in the 1830s, as businessmen, planters, and lawyers convinced themselves that they could amass real treasure by joining a risky game that everyone seemed to be playing.<sup>44</sup> If planters thought themselves invincible, able to bend the laws of finance to their will, it was most likely because they had been granted authority to bend the laws of nature to their will, to do with the land and the people who worked it as they pleased. As the historical sociologist Orlando Patterson once remarked, "The slave variant of capitalism is merely capitalism with its clothes off." <sup>45</sup>

We know how these stories end. The American South rashly overproduced cotton, thanks to an abundance of cheap land, enslaved labor, and fast credit; consumer demand didn't keep up with supply; and prices fell. The value of cotton started to drop as early as 1834 before plunging like a bird winged in mid-flight, setting off the Panic of 1837. Investors and creditors called in their debts, and enslaved workers were taken from planters and sold by courts on behalf of creditors in an attempt to right the balance sheets. In the content of the product of the planters and sold by courts on behalf of creditors in an attempt to right the balance sheets.

It wasn't enough. Mississippi planters owed the banks in New Orleans \$33 million in a year their crops yielded only \$10 million in revenue. They couldn't simply liquidate their assets to raise the money. When the price of

cotton tumbled, it pulled down the value of enslaved workers and land along with it. Because enslavers couldn't repay their loans, the state-chartered banks couldn't make interest payments on their bonds. Shouts went up around the Western world, as investors began demanding that states raise taxes to keep their promises. After all, the bonds were backed by taxpayers, leaving states on the hook for the enslavers' debt. Facing a swell of populist outrage, states decided not to squeeze the money out of every Southern family, coin by coin. Furious bondholders mounted lawsuits, but the bankrupt states refused to pay. The South chose to cut itself out of the global credit market, the hand that had fed cotton expansion, rather than hold planters and their banks accountable for their negligence and avarice.<sup>48</sup>

Some planters lost their shirts. Others absconded to Texas (an independent republic at the time) with their treasure and their enslaved workforce. But many large-scale planters stayed put, drew on their reserves, and weathered the Panic just fine. They knew that cotton prices wouldn't stay down for long; global demand was simply too robust. The biggest planters owned not only more land but better land. They could afford a recession and could even profit from one, turning short-term loss into long-term gain by storing their crop and selling as much as possible when prices climbed in bumper years. Planters and their banks took the risk, but others paid the price. Enslaved Black workers paid for it, sold away from their families to settle debts. Small farmers unable to borrow money and commit to the high-risk/high-reward business of cotton farming paid for it, losing their land and livelihoods. Bank clerks and cashiers paid for it, committing suicide as debts went unpaid and their jobs dissolved. So

If slavery's economy sparked a "culture of speculation unique in its abandon," as Rothman put it, it was in part because enslavers realized they could enrich themselves by breaking the rules with little consequence. Such side effects of capitalism—"externalities," the economists call them—are routinely felt today. The Great Recession of 2008 caused the average Black family to lose a third of its wealth, and most Black businesses did not survive the downturn. Almost all of the major financial institutions responsible for that downturn, however, did survive. Such as a content of the survive of the sur

Slavery not only shaped America's political institutions, laws, and financial culture; it also helped mold modern management techniques. Historians have tended to connect the development of modern business practices to the nineteenth-century railroad industry, viewing plantation slavery as precapital-

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istic, even primitive. It's a more comforting origin story, one that protects the idea that America's economic ascendancy developed not because of, but in spite of, millions of Black people toiling on plantations. But management techniques used by nineteenth-century corporations were very similar to those implemented during the previous century by plantation owners.<sup>53</sup>

Planters aggressively expanded their operations to capitalize on economies of scale inherent to cotton growing, buying more enslaved workers, investing in large gins and presses, and experimenting with different seed varieties. To do so, they developed complicated workplace hierarchies that combined a central office, made up of owners and lawyers in charge of capital allocation and long-term strategy, with several divisional units, responsible for different operations. In her book *Accounting for Slavery*, the historian Caitlin Rosenthal writes of one Jamaican plantation where, in 1779, the owner supervised a top attorney (a kind of financial manager), who supervised another attorney, who supervised an overseer, who supervised three bookkeepers, who supervised sixteen enslaved head drivers and specialists (like bricklayers), who supervised hundreds of enslaved workers. This organizational form was very advanced for its time, displaying a level of hierarchal complexity equaled only by large government structures, like that of Britain's Royal Navy.<sup>54</sup>

Like today's titans of industry, planters understood that their profits climbed when they extracted maximum effort out of each worker. So they paid close attention to inputs and outputs by developing precise systems of record-keeping. Plantation entrepreneurs developed spreadsheets, like Thomas Affleck's *Plantation Record and Account Book*, which was first published around 1850 and ran into eight editions; it circulated until the Civil War.<sup>35</sup> Affleck's book was a one-stop-shop accounting manual, complete with rows and columns that tracked per-worker productivity. This book "was really at the cutting edge of the informational technologies available to businesses during this period," Rosenthal told me. "I have never found anything remotely as complex as Affleck's book for free labor." <sup>56</sup>

Enslavers used the book to determine end-of-the-year balances, tallying expenses and revenues and noting the causes of their biggest gains and losses. They quantified capital costs on their land, tools, and enslaved workforces, applying Affleck's recommended interest rate. Perhaps most remarkably, they also developed ways to calculate depreciation, a breakthrough in modern management procedures, by assessing the market value of enslaved workers over their life spans. Values generally peaked between the prime ages of twenty and forty but were individually adjusted up or down based on sex,

strength, and temperament: people reduced to data points. In her book *The Price for Their Pound of Flesh*, the historian Daina Ramey Berry shows that enslaved workers even had monetary value in death, their bodies sold as cadavers to medical schools and physicians.<sup>57</sup>

Detailed data analysis also allowed planters to anticipate rebellion. Tools were accounted for on a regular basis, to make sure that a large number of axes or other potential weapons didn't suddenly go missing. "Never allow any slave to lock or unlock any door," advised a Virginia enslaver in 1847. In this way, new bookkeeping techniques developed to maximize returns also helped ensure a monopoly on the tools of violence, allowing a minority of white people to control a much larger group of enslaved Black people. American planters never forgot what had happened in Saint-Domingue in 1791, when enslaved workers took up arms and revolted. In fact, many white enslavers overthrown during the Haitian Revolution had relocated to the United States and started over.

Overseers recorded each enslaved worker's yield. Accountings took place not only after nightfall, when cotton baskets were weighed, but throughout the workday. In the words of a North Carolina planter, enslaved workers were to be "followed up from day break until dark." Having hands line-pick in rows sometimes longer than five football fields allowed overseers to spot anyone lagging behind. The uniform layout of the land had a logic, one designed to dominate. Faster workers were placed at the head of the line, which encouraged those who followed to match the captain's pace. When enslaved workers grew ill or old or became pregnant, they were assigned to lighter tasks. One enslaver established a "sucklers gang" for nursing mothers, as well as a "measles gang," which at once quarantined those struck by the virus and ensured that they did their part to contribute to the productivity machine. 60

Bodies and tasks were optimized with rigorous exactitude. In trade magazines, owners swapped advice about the minutiae of planting, including diets and clothing for those they enslaved, as well as the kind of tone of voice an enslaver should use. In 1846, one Alabama planter advised his fellow enslavers to always give orders "in a mild tone and try to leave the impression on the mind of the negro that what you say is the result of reflection." The devil (and his profits) were in the details.

The uncompromising pursuit of measurement and scientific accounting displayed in slave-labor camps predates industrialism. Northern factories would not begin adopting these techniques until decades after the Emancipation Proclamation. As the large slave-labor camps grew increasingly efficient, the productivity of enslaved Black workers increased at an astonishing pace.

During the sixty years leading up to the Civil War, the daily amount of cotton picked per enslaved worker increased 2.3 percent a year. That means that in 1862, the average enslaved fieldworker picked not 25 percent or 50 percent more but 400 percent more cotton than his or her counterpart did in 1801. Historians and economists have attributed this surge in productivity to several factors—for example, Alan Olmstead and Paul Rhode found that improved cotton varieties enabled hands to pick more cotton per day—but advanced techniques that improved upon ways to manage land and labor surely played their part as well. 62

The cotton plantation was America's first big business, and the overseer was the nation's first corporate Big Brother. And behind every cold calculation, every rational fine-tuning of the system, violence lurked. Plantation owners used a combination of incentives and punishments to squeeze as much as possible out of enslaved workers. Some beaten workers passed out from the pain and woke up vomiting. Some "danced" or "trembled" with every hit. An 1829 first-person account from Alabama recorded how an overseer shoved the faces of women he thought had picked too slowly into their cotton baskets, then opened up their backs.

There is some comfort, I think, in attributing the sheer brutality of slavery to dumb racism. We imagine pain being inflicted somewhat at random, doled out by a stereotypical poor white overseer, full of racist hate. But many overseers weren't allowed to whip enslaved workers at will. Such punishments had to be authorized by the higher-ups. It was not so much the rage of the poor white Southerner as the greed of the rich white planter that drove the lash. The violence was neither arbitrary nor gratuitous. It was a rational part of the plantation's design. "Each individual having a stated number of pounds of cotton to pick," a formerly enslaved worker, Henry Watson, wrote in 1848, "the deficit of which was made up by as many lashes being applied to the poor slave's back." Overseers closely monitored enslaved workers' picking abilities. Falling short could get you beaten, but overshooting your target could bring misery the next day, because an overseer might raise your picking rate.

Planters' profits were harnessed through the anguish of the enslaved. Punishments rose and fell with global market fluctuations. Speaking of cotton in 1854, John Brown, a fugitive from slavery, remembered, "When the price rises in the English market, the poor slaves immediately feel the effects, for they are harder driven, and the whip is kept more constantly going." In making possible the pursuit of nearly limitless personal fortunes at someone else's expense, slavery put a cash value on our moral commitments.

Slavery, and the racism it nourished, also played a decisive role in weakening the American labor movement. Capitalists leveraged slavery and its racial legacy to divide workers—free from unfree, white from Black—diluting their collective power. Instead of resisting this strategy, white-led unions embraced it until it was too late, undercutting their movement and creating conditions for worker exploitation and inequality that exist to this day.

The large-scale cultivation of cotton by enslaved people hastened the development of the factory, an institution that propelled the Industrial Revolution and changed the course of history. In 1810, there were eighty-seven thousand cotton spindles in America. Fifty years later, there were five million. Slavery, wrote one of its defenders in *De Bow's Review*, a widely read agricultural magazine, was the "nursing mother of the prosperity of the North." The Northern textile mills that spun cotton grown and harvested in slave-labor camps helped usher in a new economic arrangement, one that required workers to sell not crops or goods but bits of their life: their labor. Cotton manufacturing required people to give up their old lives and join the "newly emerging factory proletariat."

What should have followed, Karl Marx and a long list of other political theorists predicted, was a large-scale labor movement. Factory workers made to log long hours under harsh conditions should have locked arms and risen up against their bosses, gaining political power in the formation of a Labor Party or even ushering in a socialist revolution. Britain experienced a militant working-class movement throughout the 1830s and 1840s, while France veered close to the wholesale adoption of socialism during the Second Republic (1848–51). An American labor movement did emerge in the nineteenth century, but it failed to bring about the kinds of sweeping reforms and political transformations that remade Western Europe. <sup>72</sup>

Had socialism taken root in America, perhaps the country would have adopted a kind of "social democratic capitalism" that combined a market-based economy with big state investments in public education and social-welfare programs. Perhaps workers' wages would be considerably higher and CEO compensation considerably lower. Income inequality decreases when unionization increases, as a result of organized labor fighting for better pay for the rank and file and keeping employer power in check. 14

But socialism never flourished here, and a defining feature of American capitalism is the country's relatively low level of labor power. In Iceland,

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90 percent of wage and salaried workers belong to trade unions authorized to fight for living wages and fair working conditions. In Italy, 34 percent of workers are unionized, as are 26 percent of Canadian workers. But only 10 percent of American wage and salaried workers carry union cards. The United States remains the sole advanced democracy missing a Labor Party, one dedicated, at least in original conception, to representing the interests of the working classes.

Initially, American workers resisted the concept of wage labor, finding it antithetical to freedom and self-sufficiency. But as industrialization forged ahead while white indentured servitude declined, paying workers' wages became, according to historian Erica Armstrong Dunbar, "the preferred labor system." As some of the world's first white industrial proletarians searched for a language to voice their grievances, they found traction in analogies to chattel slavery. Mill hands worked hours similar to those imposed on enslaved field hands, from dawn to dusk, and were dependent on factory owners for sustenance. In 1845, a labor newspaper referred to mill workers as "white slaves of capital." An immigrant from Germany, a shoemaker, put it this way: "We are free, but not free enough."76 At inception, the American labor movement defined itself as a movement of and for white workers, a bulwark against their downward slide into "wage slavery," Blackness, and un-freedom. "Do not let them make niggers out of you," a machine stitcher told a crowd of mill workers in 1860, encouraging them to strike and demand a higher wage." Whiteness colored the American labor movement's initial identity and governed its boundaries of solidarity, ultimately limiting its power.

White workers viewed Black workers, both free and enslaved, as a threat to their livelihood. According to the pro-slavery *New York Herald*, if four million enslaved Black workers were emancipated, they would flock to Northern cities and "the labor of the white man will be depreciated." As documented by historian Joe Trotter, Jr., white mobs throughout the first half of the nineteenth century attacked free Black workers in Cincinnati, Philadelphia, New York City, and elsewhere because they were motivated by the hope that running Black people out of town would drive up white wages."

Slavery pulled down all workers' wages. Labor power had little chance when the bosses could instead choose to buy people, rent them, contract indentured servants, take on apprentices, or hire children or prisoners. Within this environment, white workers formed labor unions and advocated for better pay, improved conditions, and shorter work days. Yet nearly all those unions withheld membership from free Black workers. White workers viewed Black people not only as rate busters but also as political adversaries, since Black

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constituencies were generally aligned with the Republican Party—the party of Lincoln and emancipation, but also the party of big business—while white union members sided with the Democratic Party, seen as more sympathetic to labor and immigrants.<sup>81</sup>

By upholding racial segregation within their unions, white workers made their fears of being undercut by Black labor a foregone conclusion. Closing the door on Black people created a pool of available and desperate men and women who could be used to break strikes and quell unrest. Companies hired Black workers to put down labor militancy in a number of industries, replacing steelworkers, meatpackers, longshoremen, railroad hands, and garment workers. To Black workers, strikebreaking was a means to gain a foothold in the growing industrial economy and to secure opportunities long denied them. Black leaders even encouraged strikebreaking and began promoting Black workers as safe investments for industrialists. Booker T. Washington, among the leading spokesmen for the Black community during the late nineteenth and early twentieth centuries, plainly said that Black workers were "very willing strikebreakers," noting on another occasion that they were "almost a stranger to strife, lock-outs, and labor wars." "82"

Given the choice between parity with Black people—by inviting them into unified unions—and poverty, white workers chose poverty, spoiling the development of a multiracial mass labor movement in America. That decision, wrote W.E.B. Du Bois, "drove such a wedge between white and black workers that there probably are not today in the world two groups of workers with practically identical interests who hate and fear each other so deeply and persistently and who are kept so far apart that neither sees anything of common interest." <sup>8,3</sup>

As Northern elites were forging an industrial proletariat of factory workers who would replace independent craftsmen, Southern elites, through the legislative and judicial branches they controlled, began creating an agrarian proletariat. In the mid-nineteenth century, planters denied farmers animal grazing rights on common lands, undermining the ability of poor white people to subsist on their own and making them dependent on large plantation owners. They could quit, but quit and do what? During the decade leading up to the Civil War, Southern planters buoyed by the tide of rising cotton prices squeezed white yeomen off their farms to expand their landholdings and plant more of the lucrative crop. The former freeholders often found work as overseers on the planters' ever-expanding estates, driving enslaved Black hands. In

Houston County, Georgia, for example, between 1850 and 1860, the number of households headed by overseers doubled, but the share of overseers who owned land declined dramatically, from 26 to 8 percent.<sup>85</sup>

The yeomen lost their farms but retained their whiteness as consolation. If liberty could not be materially secured through landholding, at least it could be somewhat felt. Witnessing the horrors of slavery drilled into poor white workers that things could be worse, and American freedom became broadly defined as the opposite of bondage. This had the effect of making "all nonslavery appear as freedom," as the economic historian Stanley Engerman has written. It was a freedom that understood what it was against but not what it was for, a malnourished and mean kind of freedom that kept you out of chains but did not provide bread or shelter or a means to get ahead. It was a definition of freedom far too easily satisfied, a freedom ready with justifications and rationalizations as to why some were allowed to live like gods while others were cast into misery and poverty, a freedom ready with the quick answer: "Hey, this is a capitalist society, a capitalist system, and capitalist rules."

The staggering inequality that warps today's America characterized life here in the nineteenth century as well. By 1860, the top 5 percent of income earners had grabbed over a quarter of the nation's income, while the bottom 40 percent took home only 10.7 percent. Before the Civil War, inequality increased most dramatically in the South Atlantic states, where among free households the share of income going to the top 1 percent almost doubled between 1774 and 1860, while the share going to the poorest 40 percent was cut in half. In 1860, two in three men with estates valued at \$100,000 or more lived in the South, and three-fifths of the country's wealthiest men were enslavers.<sup>87</sup>

In the aftermath of the Civil War, America established twinned economic and political systems that pushed capitalists and workers further apart, creating winners and losers, the rich and the rest. Many formerly enslaved Black workers were pushed into indentured servitude or imprisoned and leased out to companies as convict laborers, dual systems that "replicated the antebellum cycles of racial subordination and exploitation," writes the historian Talitha LeFlouria. Meanwhile, Northern white elites became the most powerful in the world, shrugging off the Puritan frugality and modesty of their forbears, who had been rich but not spectacularly so and had maintained an egalitarian affect. When Alexis de Tocqueville visited the United States in the early nineteenth century, he remarked on how wealthy Americans "keep on easy terms with the lower classes" and "speak to them every day." In fact, he

remarked, "The most opulent members of a democracy will not display tastes very different from those of the people."89

But the new elite, who had amassed significantly more money and power than the old guard, flourished their wealth, distanced themselves from "the people," and became suspicious of—even antagonistic toward—democracy, just as several of the founders had been. It was easier to be restrained, it seems, when the money was. In 1935 Du Bois described the spirit of this new ruling class: "Profit, income, uncontrolled power in My Business for My Property and for Me—this was the aim and method of the new monarchial dictatorship that displaced democracy in the United States."

Throughout the twentieth century, labor made attempts to check the bosses' power, but time and again these efforts were curtailed by the same racism that had divided workers both during and after slavery. In the years following World War I, racism pitted Black workers against white veterans, who felt entitled to the jobs Black people had filled during the war. At midcentury, Black factory hands, long shunned by unions, resisted white-led strike efforts, even coming to blows with picketers. Rare and muscular moments of multiracial solidarity—wildcat strikes that brought Black and white workers shoulder to shoulder; biracial coalitions that sprang up spontaneously during walkouts so massive they humbled whole cities—provide a glimpse of what might have been. These were exceptions, however. More common was a labor movement prevented from realizing its full potential, hobbled by white workers too often persuaded that their whiteness was advantage enough.

America has evolved into one of the world's most inequitable societies. Today, the richest 10 percent of Americans own over 75 percent of the country's wealth, with the top 1 percent owning well over a third. Many of the political systems, legal arrangements, cultural beliefs, and economic structures that uphold and promote this level of inequality trace their roots back to slavery and its aftermath. If today America promotes a particular kind of low-road capitalism—a union-busting capitalism of poverty wages, gig jobs, and normalized insecurity; a winner-take-all capitalism of stunning disparities not only permitting but rewarding financial rule-bending; a racist capitalism that ignores the fact that slavery didn't just deny Black freedom but built white fortunes, originating the Black-white wealth gap that annually grows wider—one reason is that American capitalism was founded on the lowest road there is.



#### **BACKGROUNDER**

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# Capitalism in the 1619 Project

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#### KEY TAKEAWAYS

Study of slavery's impact on the American economy is critical to understanding how slavery affected the development of American capitalism.

However, 1619 is a political project riddled with factual errors, and its theories on capitalism should not be conflated as an accurate historical account.

Only complete and accurate histories belong in classroom curricula; hence, the 1619 Project should not be taught as history in our schools.

#### Introduction

In 1913, historian Charles Beard published a book that argued that the drafting and ratification of the U.S. Constitution was more driven by the desire of those involved to protect their economic interests than by any strong commitment to life, liberty, and the pursuit of happiness. Beard maintained that the Constitution was shaped primarily by "the moneyed interest" to control and ultimately crush the democratic aspirations of some plantation owners and more humble folk such as farmers and those heavily in debt. This argument formed part of a wider theory, advanced by the Progressive movement, that interpreted the American Revolution as consisting of two phases: a rebellion against Britain (1776) and a fight over who would rule the new republic (1788).

This paper, in its entirety, can be found at http://report.heritage.org/bg3576

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In 1958, historian Forrest McDonald followed Beard's own approach to the subject and found that most delegates to the constitutional convention did not promote economic ideas that would have directly benefited them.<sup>2</sup> This conclusion raised questions about the Progressive interpretation of the Revolution that underpinned Beard's approach to the subject.

Similar patterns emerge when we examine the 1619 Project, an ongoing initiative by the *New York Times Magazine*. Drawing upon a range of materials, this paper summarizes and analyzes the economic ideas shaping the 1619 Project's curricular materials and instructional apparatus<sup>3</sup> as well as particular factual claims that underpin this material's treatment of economic topics. It then considers their likely impact upon teachers and students and assesses the curriculum's relevance to contemporary economic policies. My conclusion is that, because of numerous deficiencies, this material should not be used as educational curricula.

#### **Defining Capitalism**

At no point does the 1619 Project's treatment of economic issues attempt to arrive at a definition of capitalism. No effort is made to identify the habits and institutions of capitalism—such as private property, rule of law, private contracts, free exchange, entrepreneurship, and a government whose economic functions are clear but also limited—and to distinguish them from other economic systems.

Lack of definitional precision also means that substantial and important historical differences are ignored or glossed over. Slavery flourished in the mercantile economic systems that dominated the Western world from the late 1500s until the early 19th century, whereas in the capitalist economics that started emerging in the late 18th century, slavery underwent substantive decline throughout the Western world. This imprecision characterizes the 1619 Project's overall approach to economic history and makes the material too ambiguous to be used in a classroom.

#### **Debating American Capitalism**

A second problem is the 1619 Project's animus against the American form of capitalism.

The 1619 Project's lead essay on economic questions, written by the sociologist Matthew Desmond, refers to "the brutality of American capitalism" —one characterized by, among other things, "poverty wages, gig

jobs and normalized insecurity; a winner-take-all capitalism of stunning disparities." According to Desmond:

In the United States, the richest 1 percent of Americans own 40 percent of the country's wealth, while a larger share of working-age people (18-65) live in poverty than in any other nation belonging to the Organization for Economic Cooperation and Development (O.E.C.D.)."

A significant problem with this claim is spelled out by the OECD itself:

The poverty rate is the ratio of the number of people (in a given age group) whose income falls below the poverty line; taken as half the median household income of the total population. It is also available by broad age group: child poverty (0-17 years old), working-age poverty and elderly poverty (66 year-olds or more). However, two countries with the same poverty rates may differ in terms of the relative income-level of the poor.<sup>7</sup>

OECD poverty rates measure relative poverty within nations rather than between nations. They say nothing about which nations are poorer than others. Hence, while the OECD identified a higher poverty rate in America (17.8 percent) than in Mexico (16.6 percent) and Turkey (17.2 percent), World Bank statistics tells us that 35 percent of Mexico's population and 8 percent of Turkey's population live on less than \$5.50 per day, compared to just 2 percent in America.\*

Desmond then states that capitalism in countries such as Indonesia is more civilized because they have, for example, high levels of labor market regulation. Yet Indonesia's last recorded gross domestic product (GDP) per capita was \$11,051.00, compared to the United States' \$65,143.00.9 In short, while Indonesians enjoy stronger legal protections for severance pay, they are far less well off in terms of wealth compared to Americans.

These differences reflect what economists call trade-offs. American capitalism has generally traded off lower levels of state-provided economic security in return for greater economic liberty. Over time, that generally translates into lower unemployment, more economic mobility, and greater overall wealth but also less employment security and lower levels of state welfare. By contrast, capitalism in many other countries prioritizes state-provided economic security at the expense of liberty. This contributes to higher unemployment levels.

From this standpoint, we see that different policy choices have different economic consequences. But above all, one has to ask: If America's economy is indeed so brutal, why do millions of people throughout the world

consistently want to enter it? Why do they initially settle for low wages and even work several jobs?

One reason is that American capitalism has offered them opportunities for mobility less evident in the crony-capitalist and corporatist economies in much of Latin America or the social democratic arrangements in many Western European countries. Economist James D. Agresti writes that "the U.S. is so economically exceptional that the poorest 20% of Americans are richer than many of the world's most affluent nations." Reference to such realities, however, are not to be found in the 1619 Project.

### Truth, Advocacy, Facts, and Sources

These definitional problems and evidence of an a priori animosity against American capitalism raise questions about the suitably of using 1619 Project materials in an educational curriculum. So, too, should the ambiguity surrounding the 1619 Project's objectives.

Those directing the project have claimed on different occasions to be pursuing an objective properly described as historical: that is, analyzing the past to uncover the full truth about features of the contemporary United States, including how slavery shaped American capitalism and how its effects persist today.

This sits uneasily with the second objective of the 1619 curriculum: advocacy of particular causes. Those involved in 1619 have stated that they want to challenge and change what they call the narrative about American history—including its economic history—in public settings. This translates into two things.

One is an effort to tarnish contemporary American capitalism with an association with slavery, even at the risk of making exaggerated claims or giving partial or inaccurate accounts of historical developments. The second is to encourage acceptance of economic policies conventionally described as "liberal," "progressive," or "social democratic" insofar as it is implied that one way to address slavery's alleged effects is for the state to take on more proactive economic functions.

Historical scholarship and political activism do not, however, go together. Historians are concerned with uncovering and increasing understanding about the truth about the past, no matter how difficult and complicated that truth may be. One cannot enter into this enterprise believing that a major objective is to promote predetermined political goals in the present. Therein lies the path to compromising the scholarly standards that help elucidate the complexities of the past.

When historians study the past to shape contemporary policy, the temptation to distort or ignore facts that do not fit the narrative or are unlikely to help realize the policy objective is overwhelming. That is not conducive to an accurate understanding of the past and how it shapes the present. As observed by the economic historian Phillip W. Magness, "[A]dvocacy journalism is held to much lower standards of accuracy than scholarship, and intentionally blends factual content with normative propositions aimed at espousing a favored political stance."

The problems associated with pursuing two incompatible objectives are apparent in the essay written by Desmond, entitled "Capitalism." Desmond's core argument is that many of the contemporary business practices, protocols, and institutions that characterize modern American capitalism go back directly to the brutal world of Southern plantations. Some of the same practices, it is suggested, helped fuel the rise of international capital markets.

There are two difficulties with these arguments. The first concerns basic facts about cause and effect. The second is its reliance upon one highly contested school of economic history.

#### **Factual Errors**

For many people, the modern corporation is a major symbol and expression of capitalism, particularly American capitalism. Referring to the experience of working in a modern corporation, Desmond states:

Everything is tracked, recorded and analyzed, via vertical reporting systems, double-entry record-keeping and precise quantification. Data seems to hold sway over every operation. It feels like a cutting-edge approach to management, but many of these techniques that we now take for granted were developed by and for large plantations. When an accountant depreciates an asset to save on taxes or when a midlevel manager spends an afternoon filling in rows and columns on an Excel spreadsheet, they are repeating business procedures whose roots twist back to slave-labor camps. <sup>19</sup>

Yet the roots of double-entry bookkeeping go back to Italian medieval merchants, as does the practice of depreciating assets.<sup>14</sup> Indeed, most modern financial techniques can be traced back to the medieval world.<sup>15</sup>

Other essays in the 1619 Project addressing economic topics have similar flaws. Take, for example, Mehrsa Baradaran's short piece, "Cotton and the Global Market," in which she states:

dependent upon cotton. This argument was outlined in detail in Baptist's 2016 book, *The Half Has Never Been Told: Slavery and the Making of American Capitalism.* "Cotton," he argues, "was the most important raw material of the industrial revolution that created the modern world." <sup>301</sup>

Baptist's thesis has been strongly contested. One economic historian, Adam Olmstead, writes:

Baptist's carelessness with numbers when coupled with his fundamental misunderstanding of economic logic leads to a vast overstatement of cotton's and slavery's "role" on the wider economy and on capitalist development. He asserts that cotton production circa 1836 was valued at about \$77 million and made up about "5 percent of the entire gross domestic product." Then, by double counting and with a wave of his wand, he succeeds in boosting cotton's role to more than \$600 million, "almost half of the economic activity of the United States in 1836."

These features of Baptist's claims lead Olmstead to state that "Baptist's study of capitalism and slavery is flawed beyond repair." Dlmstead concludes his review of Baptist's work by stating, "All and all, Baptist's arguments on the sources of slave productivity growth and on the essentiality of slavery for the rise of capitalism have little historical foundation, raise bewildering and unanswered contradictions, selectively ignore contradicting evidence, and are error-ridden." 331

Complementary points are made by a financial economist, Peter L. Rousseau:

IAIt the peak of the pre-I837 cotton boom, the total value of cotton produced in the United States was about \$71 million, or somewhere between 5 and 6 percent of GDP.... The bottom line is that, while cofton was of course the key component of U.S. exports, there were a great deal of other pursuits going on at the time, and the driving influence of cotton simply does not square with economists' quantitative understandings.<sup>24</sup>

If the slavery-dominated cotton industry was not anywhere near as significant as Baptist (and Desmond) argue, then claims about its centrality to American capitalism and international capital markets look very fragile indeed. This further underscores the unsuitability of using 1619 materials in any curriculum for students.



#### Instructional Material

A curriculum's foundational texts shape the instructional material to which teachers and their students are exposed. One purpose of instructional material is to help students develop critical reasoning skills so that they can learn how to assess the validity of what they are reading.

In the case of the 1619 Project's approach to capitalism, the instructional material is not only burdened by foundation texts that, as noted, embody significant errors; materials used to facilitate the instruction of students—whether lessons, video instruction, or activities designed to extend student engagements—appear driven by a desire to promote particular ideological outlooks rather than helping students to develop their critical reasoning and grow in appreciation of the intricacies of historical truth.

We see this in those parts of the 1619 reading guide that address American economic history. These start with two excerpts from Desmond's "Capitalism" essay, specifically:

In the United States, the richest 1 percent of Americans own 40 percent of the country's wealth, while a larger share of working age people (18-65) lives in poverty than in any other nation belonging to the Organization for Economic Cooperation and Development (O.E.C.D.).

Those searching for reasons the American economy is uniquely severe and unbridled have found answers in many places (religion, politics, culture). But recently, historians have pointed persuasively to the gnatty fields of Georgia and Alabama, to the cotton houses and slave auction blocks, as the birthplace of America's low-road approach to capitalism.<sup>36</sup>

Three guiding questions for reflection on these paragraphs are then offered:

- 1 How does the author describe capitalism in the U.S.?
- 2. How did slavery in the U.S. contribute to the development of the global financial industry?
- What current financial systems reflect practices developed to support industries built on the work of enslaved people?<sup>36</sup>

The first and second questions ask students to repeat the author's description of American capitalism and his assertion about the connection between slavery and the international financial system. We have already seen that these are highly contestable claims. Moreover, students are not asked whether these accounts accord with facts or if the cause-effect logic that they propose is accurate.

The third question simply assumes that the American financial system reflects practices developed in slavery. But, as observed, whether the practice is double-entry bookkeeping, futures trading, or asset depreciation, these practices were not developed to support industries based on the work of enslaved people. Neither instructors nor students are given any indication of these facts.

#### **Impact**

The 1619 Project purports to be focused upon moving the experience of black Americans and the impact of slavery to the center of the study of American history. To the extent that such experiences and the role played by slavery in American economic history have been neglected, ignored, or misrepresented, this is a worthy goal. However, the way in which the 1619 Project pursues this goal is likely to have two negative impacts.

First, the significant factual errors as well as problematic argumentation and sources of the 1619 curriculum will result in the perpetuation of misleading claims about slavery and its significance for American capitalism. Second, it will encourage students to take a more favorable view of extensive government intervention into the economy, whether in the form of more public ownership, greater regulation, or wider redistributions of income and wealth.

Desmond, for example, portrays the 2008 financial crisis primarily as resulting from deregulation that begin in the 1980s. Nowhere does his essay consider the role played in the financial crisis by mistakes in interest-rate policy pursued by the Federal Reserve from the early 2000s onwards or the part played by Clinton Administration housing policies enacted in the late 1990s to encourage wider home ownership. Poor decisions by bankers, private banks, and financial houses as well as outright greed contributed to the financial crisis. But many of those bad decisions reflected change in incentives associated with financial regulations enacted by governments and regulatory agencies.

Understanding the full scope of the causes of the financial crisis is important for grasping what happened in 2008-2009. Many of these causes,

however, are not mentioned by Desmond, presumably because they suggest that many forms of government intervention often do more harm than good.

#### **Policy Implications**

The 1619 Project curriculum does not articulate detailed proposals for contemporary economic policy. Yet the curriculum implies that more state intervention is needed to overcome slavery's economic effects. In the reading guide, for example, one question for students is:

How have policy and exclusion from government wealth-building programs limited black Americans' opportunities to accumulate wealth?"

The term normally used to describe "government wealth-building programs" is welfare. Some welfare programs provide permanent assistance to those who truly need it because of disability or old age. Other welfare programs provide a temporary safety net until recipients can get back on their feet. In short, the purpose of welfare programs is not to build wealth. The premise of the question above is flawed.

Just as important are the questions that the 1619 Project does not ask about policy. These include the ways in which government economic interventions often hurt those on society's margins—including many black Americans. Distinguished economic historians such as Amity Shlaes have illustrated how many Great Society policies of the 1960s contributed to the economic problems of those they were designed to help, including (again) black Americans. As she states:

Black unemployment, which had been the same as whites in the 1950s, from the 1960s rose above white unemployment. The gap between black and white unemployment widened. Welfare programs funded by presidents Johnson and Nixon expanded rolls to an appalling extent—appalling because welfare fostered a new sense of hopelessness and disenfranchisement among those who received it, "Boy, were we wrong about a guaranteed income!" wrote that most honest of policymakers [Daniel Patrick] Moynifian in 1978 looking back on a pilot program that had prolonged unemployment rather than met its goal, curtailing joblessness."

There is evidence that black Americans have been discriminated against when it came to their ability to access various welfare programs. This was unjust. But an underlying theme of the 1619 Project is that wider access and

more integration into various government programs is the way forward, despite considerable counter-evidence to the contrary. If a history curriculum is going to encourage students to reflect upon different economic policies, it should give equal time to counter-arguments. But the 1619 Project does not.

#### Conclusion

Study of slavery's role in shaping economic life in America is essential if we are to understand American capitalism. History curricula, however, should accurately represent facts, place them in their proper context, and draw on a range of sources. In these areas, the 1619 Project comes up short. It contains factual errors, presents ambiguous genealogies of ideas, draws heavily upon one particular and deeply contested school of thought about slavery and capitalism, and effectively puts history at the service of contemporary ideological and policy agendas. It also fails to teach students how to critically assess what they are reading and pays no attention to alternative accounts that call into question the central thesis that American capitalism is deeply tarnished by slavery, even to this day.

For all these reasons, those involved in school curriculum should decline use of the 1619 Project to study American economic history. A history curriculum should be underpinned by a commitment to truth. In that regard, the 1619 Project comes up short.

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