

The circumscription of liberty in the name of national emergency has a way of outliving the emergency. [Milton Mayer]<sup>364</sup>

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## CHAPTER 4

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### *RUNNING THE GAUNTLET*

#### *PROGRESS AND POVERTY: THE GREAT SIDEWARD SURGE*

Patrick Edward Dove's *theory of human progression* quietly took the science of political economy beyond the point where Smith, Malthus, Ricardo and other more mainstream analysts would not, or could not, venture. Dove's contribution was not merely intellectual or abstract, but included a call for specific actions. Of the commitment required and the sacrifices to be made if justice was to be achieved, Dove was painfully aware:

[N]o science of politics, whatever be its form, or whatever be its matter, can hope to meet with impartial investigation. Whatever may be the real system of truth (and a truth there must be somewhere), that system cannot fail to controvert the opinion of multitudes and to be favorable or unfavorable to the pecuniary interests of multitudes.

Admit the fact of human progression, however (nor can it reasonably be denied), and all the objections, and all the difficulties connected with the habitual credence of a present generation, vanish into air. Let political truth be what it may, it cannot receive general adoption at any period. It must grow; it must be suggested, misunderstood,

denied, discussed, adopted in part, rejected in part, re-discussed, further adopted, and so on.<sup>365</sup>

Dove challenges his own and future generations to put aside prejudice and adherence to traditional ways of thinking, to become scientific and objective. He argues that the socio-political arrangements and institutions we develop will facilitate human progression only by continuous reinvention.

History reveals very clearly that the potential for aggressive, manipulative and monopolistic behavior exists in all of us. Some of us are more dominated by this side of our nature than others. To what extent this propensity is instinctive (i.e., biological) or learned the behavioral scientists have not yet fully discovered. At the same time, there has long been an even stronger instinctive abhorrence of behavior Locke described as *license*. Our moral sense of right and wrong has been very imperfect, of course, and this is where societal nurturing seems to play a crucial role. Moreover, even when there is near-universal agreement within a society that various forms of behavior fall into the realm of *criminal license*, some (even many) individuals do not exhibit sufficient self-control to control their own behavior. And so, the transnational struggles to find the appropriate balance under our laws that hold the individual accountable for behavior that violates the *liberty* of others while recognizing that unjust socio-political conditions sometimes drive individuals to desperate acts. Individuals who are systematically denied the basic goods of a decent human existence cannot be expected to hold the same values as those who live in a community where all or nearly all of its members are convinced they have a relatively equal opportunity to secure the goods needed to live a decent life. Is it murder (i.e., a form of criminal license) to kill members of a societal elite who use the police powers of the state to terrorize the majority of people living under their domination, or is it a justifiable means of self-defense? Transnational values almost always compete

with cultural relativism as the basis for bringing judgments against those who behave outside of broadly accepted norms. Today, tyrants are less able to act without being challenged by the transnational community—and, to a lesser extent, the leaders of those societies committed to some degree of social democracy—for violations of the human rights of their subjects. And yet, we would be fooling ourselves if we thought such abuses are nearing their end.

What history has already taught us is considerable. We have established that had the ancient migrants to the Americas been left to their own devices, they would have all eventually come to adopt a settled existence and establish socio-political arrangements and institutions quite similar to those that spread throughout the societies of Eurasia. From a purely scientific standpoint, the course of events that accelerated contact between the earth's settled and semi-nomadic peoples also disrupted the course of human progression characteristic of groups encountering one another under conditions of comparative technological equality. Nonetheless, and despite a world where many societies unequal in their organizational and technological ascent interacted as a matter of course, there remained at least until the middle of the nineteenth century societies protected and hidden from contact with those at the core, people who lived isolated and outside even the peripheral reaches of expansionist settled societies. A few would continue to function independently of the external world well into the post Second World War era. Others, subjected to domination by the hierarchical elites of powerful nation-states, struggled to preserve their own identity as a people in the face of intense coercion and oppression. Complete objectivity requires, of course, that we acknowledge that this circumstance has continued to exist not merely in the Americas or Asia or Africa, but within and between the groups of people who populated the Eurasian continent. There is perhaps no clearer example than that of the Irish, whose Celtic origins and continuous resistance to conquest have been earlier documented. The prospects for peaceful coexistence

and the operation of just law for all remains an elusive objective so long as some claim exclusive sovereignty over a portion of the earth.

## THE PRICE PAID FOR FREEDOM The Opportunity For Liberty Lost

By Act of Union, approved by the British Parliament in 1801, the people living in Ireland became full-fledged subjects of the empire. The Anglo-Irish Parliament in Dublin was abolished, and all *Irish* were from that point on represented in London by thirty individuals selected from the landed aristocracy. Many of those voting were, in fact, absentee landlords, living in England off of monopoly rents collected in Ireland from tenant farmers. Difficult as it is to appreciate today, long deplorable living conditions for most of the *Irish* worsened. In response, the centuries-long struggle against the absentee landlords and the occupying armies of Britain re-ignited Irish nationalism, the result of which was a prolonged and often violent quest for independence from British rule.

Britain's landed aristocracy thought of Ireland as a colony and its people as subjects. One victorious faction after another claimed the land of Ireland as the spoils of civil war and thought only of extracting as much rent as possible from tenant farmers until a changing global economy offered greater profits from raising sheep and cattle. Tenant farmers became expendable. By the early twentieth century, however, some British historians were ready to acknowledge the truth. In 1912, for example, A.F. Pollard<sup>366</sup> described the legacy of British rule over Ireland as follows:

Dominion...was not in the eighteenth century an end in itself, but a means for securing wealth. The age of commercial rivalry had set in during the latter half of the seventeenth century, and English traders, who had clamoured for the destruction of

the Protestant Dutch, valued their hold over Catholic Ireland as a means for exploiting its markets and crushing its competition. One after another of Ireland's infant industries was massacred to satisfy English jealousy....

All classes in Ireland, Catholics and Protestants, landlords and tenants, traders and farmers, were, however, involved in this common misfortune, which in its helpless position the Irish Parliament was powerless to avert;...<sup>367</sup>

A small minority of the approximately one million Protestants, descendants of settlers from Scotland and England, ruled over four million Irish Catholics and the Protestant poor. Full rights of citizenship for Catholics were denied by law, as was the freedom to practice one's religious convictions without interference from the State. Catholic peasants were actually required to contribute to the support of the Protestant church. Most Catholics were not only denied the right to own land but also denied the right to the value of whatever improvements they made to land farmed as tenants. Absentee landlords demanded rents that could not be paid, or, when paid, left them without sufficient produce for their own survival. Kept propertyless by land monopoly, high rents, tithes and the conversion of cropland to pasture, hundreds of thousands of *Irish* peasants starved or succumbed to illness caused by malnutrition. The more fortunate somehow found the means to emigrate. Yet such was the callousness of the absentee landlords that their response to reformers and humanitarians who charged them with criminal negligence that they simply denied responsibility. Henry John Temple (Lord Palmerston), himself a large landowner in Ireland, justified monopolistic license over land by reminding his fellow Members of Parliament that these practices were universal and not limited to Ireland. "*It is said,*" Temple declared, "*that the Irish landlord insists on the highest possible rent that can be extorted. Why, Sir, I believe that is not a singular circumstance; certainly in England the landlord does the same thing.*"<sup>368</sup> Temple's candid use of the term "*extorted*" is refreshingly honest. As a beneficiary of the system, however, he had no qualms about

championing its continuance. In his mind, privilege acted as the central means of maintaining the social order and stability of the State.

A Royal Commission appointed in 1833 to propose measures for the mitigation of poverty in Ireland issued a report recommending sweeping changes, including a vaguely worded call for redistribution of the land—but also encouraging emigration as a necessary means of reducing poverty. A British government headed by John Russell ignored the Commission's recommendations and proceeded to establish workhouses throughout Ireland. Peaceful reform of the land tenure system was out of the question, and emigration was both expensive and (from the standpoint of rent-seekers, whether purely landed or one of the growing number of industrial landlords) a threat to the equilibrium between available jobs and those seeking work. The existence of a large, unpropertied class favored those who controlled access to land and capital goods in their pursuit of monopoly profits. The landlords once again turned a deaf ear when, in 1838, Thomas Drummond put the blame squarely on their shoulders:

Property has its duties as well as its rights; to the neglect of those duties in times past is mainly to be ascribed that diseased state of society in which...crimes take their rise; and it is not in the enactment of statutes of extraordinary severity, but chiefly in the better and more faithful performance of those duties, and the more enlightened and humane exercise of those rights that a permanent remedy for such disorders is to be sought.<sup>369</sup>

After 1841 and the fall of the government led by William Lamb (Lord Melbourne), the Irish nationalists mobilized for repeal of the Act of Union. Conservative interests in England responded with all the political power they could muster. In 1844 Robert Peel saw to it that charges of sedition and conspiracy were brought against the Irish leader, Daniel O'Connell, who was convicted and sent to prison. Although later freed by action of the House of Lords, O'Connell died three years later at the

height of the great famine. Despite these political obstacles and the worsening economic deprivation, Irish nationalism hardened into an activist movement. Another Commission, this one appointed by Robert Peel in 1845, condemned the behavior of the landlords in Ireland, and, as had its predecessor, recommended sweeping changes. Reform measures were introduced into the House of Commons in 1845 and again in 1846 but never made their way to the floor for a vote. Instead, the landed Members of Parliament united behind legislation that encouraged land speculators to acquire the landed estates of Irish landowners who managed to get themselves heavily in debt; ironically, these measures stimulated a land price boom in Ireland that also took rents far beyond what any of the tenant farmers could pay. Wholesale defaults occurred; and, in 1860, Parliament added to the misery of the tenant farmers by empowering landlords to evict tenants for nonpayment of rent. This measure proved less important than might appear on the surface because between 1846 and 1860 the combination of continuous crop failures, the spread of cholera and the actions of consolidating landlords left rural Ireland with a much reduced population. During 1847 alone, nearly 300,000 *Irish* somehow made their way to Liverpool; another 90,000 emigrated to Glasgow. Nearly 90,000 others were jammed into the hulls of ships destined for Canada, under such deplorable conditions that over 15,000 perished en route. Thus began the great exodus of the *Irish* to Canada, Australia and the United States. As historian Cecil Woodham-Smith records, the total disregard by the English who ruled over Ireland for the rights of the Irish population was to have grave consequences:

No faintest apprehension of the fatal result crossed the minds of landlords, statesmen, and philanthropists. As the "coffin ships" made their slow voyage across the Atlantic, a voyage said by men who had experienced both to transcend in horror the dreaded middle passage of the slave trade, they bore with them a cargo of hatred. In that new world which had been called into being to redress the balance of the old there

was to grow up a population among whose animosity to England was a creed, whose burning resentment could never be appeased, who, possessing the long memory of Ireland, could never forget. The Irish famine was to be paid for by England at a terrible price; out of it was born Irish America.<sup>370</sup>

During the twenty year period 1840-1860, around 2,900,000 Irish emigrated to the United States<sup>371</sup> in order to escape deepening poverty and probable starvation. Those who remained behind turned their frustration, their desperation, and their rage against the authority of English rule. Frederick Engels, who made a number of visits to Ireland during the 1850s, observed that, “[t]he attempts of the Irish to save themselves from their present ruin... take the form of crimes. These are the order of the day in the agricultural districts, and are nearly always directed against the most immediate enemies, the landlords’ agents, or their obedient servants, the Protestant intruders, whose large farms are made up of the potato patches of hundreds of ejected families.”<sup>372</sup> The survivors who remained, their children and children’s children, would wage a guerilla war against the English landlords, which with each passing year was carried on with the assistance of financial resources and arms received from the exiled Irish in North America.

## HOPE FACES REALITY

### Pluralism and the Great Melting Pot

The arrival of such large numbers of Irish and other people of Eurasian heritage to North America during the decades prior to the war between the *American* states significantly changed the course of socio-political development in the New World as well as the Old. Added to the ongoing struggle—between traditionalists, entrenched agrarian landlords, new industrial landlords and reformers—was the rapidity of demographic change. A growing majority of those who now came from



the Old World were uneducated, unskilled and poor. They struggled for an existence as wage laborers or indentured workers in competition with free African-Americans and the smaller number of *Americans* whose parents, grandparents or some earlier generation had arrived but not been drawn upward in economic status as the nation grew.

To be accurate, a small minority of immigrants brought with them to North America their academic training, business acumen or political savvy. Among the German political refugees, for example, was Carl Schurz (1829-1906), who escaped to England in 1848 and then emigrated to the United States four years later, finally settling in Wisconsin. Schurz became a leading abolitionist, and in 1861 received an appointment from Abraham Lincoln as Minister to Spain. The future President of the Detroit Trades' Assembly, Richard Trellick (1830-1895), had been born in the Scilly Isles (Britain) and was already a well-known agitator for workers' rights when he emigrated in 1857. Louis Agassiz (1807-1873), an internationally-respected naturalist, arrived in 1846 from Switzerland to play a central role in the forging of a European-style scientific community.

The presence of these and countless other immigrants, adding to the continuous migration of native-born *Americans* into the new States and territories, brought the traditional Anglo-American values of the East into conflict with the new demands of an increasingly heterogeneous population. Not only were new population centers arising all along the Ohio and Mississippi River valleys, the northern coastal cities were becoming less and less Anglo-American. How these periodic waves of immigration and internal migration produced a uniquely *American System* eventually attracted the attention of a generation of historians, with Frederick Jackson Turner emerging as the recognized spokesperson. As has in an earlier chapter been noted, Turner wrote of the central role played by a seemingly endless supply of virtually free and potentially productive land in fulfilling the promise of equality of opportunity for the newly-born and newly-arrived. Unfortunately, greed combined with

corruption to make certain that access to land was unevenly distributed. Another consequence of *the American System* pointed to by Turner was a disdain for intellectuals that accompanied the Jacksonian vision of democracy:

[T]he political ideals and actions of the west are explained by social quite as much as by economic forces. It was certain that this society, where equality and individualism flourished, where assertive democracy was supreme, where impatience with the old order of things was a ruling passion, would demand control of the government, would resent the rule of the trained statesmen and official classes, and would fight nominations by congressional caucus and the continuance of presidential dynasties.<sup>373</sup>

The point Turner makes is that *Americans* were inherently distrusting of authority. Even George Washington was not immune to the public fear of the corrupting nature of power. His second term in the Presidency was a harbinger of things to come for virtually every one of his successors. "He, personally, had been spared editorial attack until late in 1792 and had been able to ignore newspaper controversy even when the tide of invective crept close to his own door,"<sup>374</sup> observed biographer Douglas Southall Freeman. Washington had been the object of hero worship and elevated into the Presidency by a grateful nation. The practical problems of forming consensus where there was none tested Washington beyond his capabilities as a political leader and statesman. After eight years in office, he was more than ready to turn these awesome and terrible responsibilities over to Adams, or anyone. The mythical figures of the founding generation, Washington included, had at first fought to regain the benefits of *salutary neglect*. When that failed, they came together to establish governments freed from British rule but thoroughly based on the rule of law as determined by themselves. Many were owners of large landed estates and plantations, holding on to traditional views even as they fought for independence. The sons and grandsons of these individuals fought to hold onto their privileges and

in the process aroused a contempt among the many for the established institutions of the East. Frustrated by frequent economic downturns, falling wages, rising land prices and corrupt government at every level, many abandoned their places of birth and moved further and further west. They were over time replaced by immigrants unprepared to deal with the laws and institutions of the new republic or the principles passed down to and held sacred by at least some third, fourth and fifth generation *Americans* who continued to find inspiration from the words of Franklin, Madison and Jefferson.

By the 1840s the destructive consequences of the republic's land tenure system were widespread but becoming shrouded under the cloak of agrarian and industrial landlordism. To many *Americans* in the East, an open door policy toward immigration seemed to be the cause of urban overcrowding, the spread of slums, and a dramatic fall in factory wages. These horrific conditions ignited a humanitarian and utilitarian response among reformers such as William Lloyd Garrison (1805-1879), Dorothea Dix (1802-1887), David L. Dodge and Fanny Wright. By 1852, Garrison was prompted to write, "*The anti-slavery struggle was commenced primarily and exclusively with reference to the emancipation of the enslaved inhabitants of the African race in our land; in it now are seen to be included the rights and liberties of all classes of people, without regard to complexion.*"<sup>375</sup> In the masthead of Garrison's anti-slavery newspaper, the *Liberator*, he declared his adherence to transnational principles and his campaign to secure and protect human rights: "*Our Country is the World—Our Countrymen are Mankind*"—the words echoing the sentiments of Paine and ringing out as a direct challenge to traditionalists and adherents to cultural relativism.

As time passed, Garrison, who argued the case for a pacifist program, came to view all governments as organized out of coercion and force in order to sanction both criminal and economic license. He viewed the enslavement of people who happened to be of African heritage as the most direct and therefore vulnerable form of slavery. He correctly

understood that to be without property is to be at the mercy of unscrupulous lords of the land, who take all but a meager means of survival from those forced to work the land as tenants or in factories for wages paid in paper currency, competing with one another for whatever work was offered.

Others in the reform ranks thought Garrison's ideas far too radical for serious consideration. If *Americans* generally agreed with Jefferson's conviction that the best government is one that governs least, they were not prepared to conclude that a society based purely on voluntary association, even if guided by moral principles, is even better. Society needed order, and order required government with powers sufficient to keep the peace—and, as an increasing number were arguing—to protect those too weak to protect themselves from exploitation.

The various anti-slavery groups held a national convention in New York during May, 1840, attracting over a thousand delegates. Garrison emerged triumphant from this convention, with a mandate to join forces with anti-slavery groups around the globe. A major reason for his success was that he had succeeded in bringing women into the movement as full partners. Now he was ready to extend his influence to Europe and left for the World Antislavery Convention in London. In this effort, however, he failed and returned somewhat dejected to Boston. European reformers were anxious to rid the civilized world of slavery but were extremely divided over fundamental principles. Garrison and the *Americans* were far too radical in their condemnation of existing socio-political arrangements to attract much European support. Back home, Garrison now realized that a long struggle lay ahead and that *Americans* would have to find their own way.

Despite a growing disenchantment with the failed promise of the republic, few *Americans* were eager to tamper with the sacred Constitution and the framework the founding generation had established. More accurately, perhaps, most were drawn by the heightened

sense of their manifest destiny to conquer and govern the entire continent—and, eventually, all of the Americas.

By 1840 and the election of the Whig candidate, William Henry Harrison (1773-1841), the traditionalists of the old Hamiltonian school seemed to have regained a good deal of their former strength and momentum. A key objective of this faction was to create a new national bank. In defeat, Jacksonian democrats struggled to understand how the people could be so easily dissuaded from pursuing what Jacksonians saw as their true interests. A few of the more thoughtful among the Jacksonians understood that the shifts in sentiment and political allegiance among their fellow *Americans* was the result of a citizenry poorly schooled in the science of government. As historian Arthur Schlesinger, Jr., observed: “[T]he majority, being merely a majority of imperfect beings, had claim only to superior force, not to superior wisdom.”<sup>376</sup> Democracy in the East was under attack by vested interests. Democracy in the South was minimally participatory. Democracy in the West was rough. William Henry Harrison, emerging from the frontier heartland, was among those disillusioned by how the policies of the republic’s leaders—Whig and Democrat—had advanced. Virtually his entire adult life had been dedicated to expanding the nation at the expense of the indigenous tribes of the Northwest Territories. He had been coaxed out of a comfortable retirement to challenge the Jacksonian democrats, and he was intent on providing his own brand of frontier leadership. In his inaugural address, delivered on March 4, 1841, he spelled out his principles and promised the *American* people that he would act accordingly. Although Harrison would die after being in the Presidency for only a month, the principles espoused in his speech are worth repeating because of the way Harrison—son of a signer of the Declaration of Independence and an educated Virginian—chose to live his life. The brand of opportunistic individualism he practiced is indicative of the attitude dominating those who took to the frontier at a time when the indigenous tribes were still able to offer a

degree of resistance. He fully expected to be judged by his actions, declaring: "...I shall stand either exonerated by my countrymen or classed with the mass of those who promised that they might deceive and flattered with the intention to betray."<sup>377</sup> For Harrison, the nation and *the Republic*, were one in the same:

The broad foundation upon which our Constitution rests being the people—a breath of theirs having made, as a breath can unmake, change, or modify it—it can be assigned to none of the great divisions of government but to that of democracy. If such is its theory, those who are called upon to administer it must recognize as its leading principle the duty of shaping their measures so as to produce the greatest good to the greatest number.... The majority of our citizens... possess a sovereignty with an amount of power precisely equal to that which has been granted to them by the parties to the national compact, and nothing beyond.... These precious privileges... the American citizen derives from no charter granted by his fellow-man. He claims them because he is himself a man, fashioned by the same Almighty as the rest of his species and entitled to a full share of the blessing with which He has endowed them.<sup>378</sup>

Harrison brings attention to the fact that government can serve a Utilitarian function only under circumstances where fundamental human rights are understood and protected. Majority rule must not be permitted to violate human rights if liberty and justice are to be preserved.

Harrison's great fear, his reason for seeking the Presidency, was the concentration of power in the Executive branch of government. He not only voiced his opposition to allowing the President to succeed himself in office, he pledged he would establish a precedent by refusing to serve a second term. Additionally, Harrison saw in the system of Executive patronage a serious threat to the system of Federalism established under the Constitution:

The Constitution has declared it to be the duty of the President to see that the laws are executed, and it makes him the Commander in Chief of the Armies and Navy of the United States....[T]here was wanting no other addition to the powers of our Chief Magistrate to stamp a monarchical character on our Government but the control of the public finances; and to me it appears strange indeed that anyone should doubt that the entire control which the President possesses over the officers who have the custody of the public money, by the power of removal with or without cause, does, for all mischievous purposes at least, virtually subject the treasure also to his disposal.<sup>379</sup>

To remedy this contradiction in the separation of powers, Harrison proposed that the appointment and discharge of the head of the Treasury Department be removed from the Executive and assigned to the House of Representatives.

Harrison eventually ventured into a discussion of the nation's monetary system, where he recognized a deep and serious conflict between the responsibilities and constraints imposed upon the Federal government by the Constitution and the rights of individual States to decide upon their own medium of exchange. Despite the fact that his own State had been created out of the federal territories, Harrison accepted *the Union* as a confederacy of sovereign States, each of which was independently governed and whose citizens and representatives were constitutionally free to establish their own paper currencies, if they so desired. In part, his view was linked to the shortage of gold and silver bullion in many parts of the country, where barter was still the primary, if inefficient, means of exchange. "*The idea of making [currency] exclusively metallic, however well intended,*" he warned, "*appears to me to be fraught with more fatal consequences than any other scheme having no relation to the personal rights of the citizens that has ever been devised.*"<sup>380</sup> The Federal government was constitutionally limited to the coinage of metallic money. The governments of each State were empowered separately by their constitutions; or, in the absence of constitutional provisions, by legislative action. Therefore, so long as Harrison's view of *the*

*Union* prevailed, there could be no Federal prohibition against State chartered banks or the States themselves from issuing notes not fully backed by gold or silver bullion (or some other readily exchangeable commodity). The States held the power to adopt legislation that required the acceptance of state-issued promissory notes as legal tender, even though this paper currency was backed by no designated quantity of material wealth. The monetary system of the 1840s was, in this sense, based on trust, but a trust so frequently violated that some measure of change, in the guise of reform, was certain to occur following the next serious bout of inflation and panic.

Harrison's death elevated John Tyler, a Virginian, into the Presidency. Tyler, unlike Harrison, stood with the Jacksonian democrats in opposition to a national bank, but was also a staunch free trader and decentralist who shared Harrison's views of *the Union* as a confederacy of sovereign States. As he began to develop his own agenda, Tyler was soon engaged in fundamental disputes with the Whig cabinet members chosen by Harrison. His tenure in office had started off well enough, signing into law the Distribution-Pre-emption Act of 1841 introduced by Henry Clay—legislation described by Morison and Commager as “*probably the most important agrarian measure ever passed by Congress.*”<sup>381</sup> Under the act, any American who owned less than 320 acres of land could add 160 more acres from the public domain at a cost of only \$1.25 per acre. Language in the bill also provided the States with incentives to vote against high tariffs. This created a dilemma for Tyler, however, who was faced with a forecasted \$14 million budget deficit. He eventually signed a tariff bill but vetoed a second land distribution bill introduced by Clay. In retaliation, the Whigs abandoned Tyler and drove his supporters from the party. After Tyler twice vetoed bills presented by the Whigs for creation of a new national bank, all of his cabinet members except Secretary of State Daniel Webster, resigned. Tyler then brought in cabinet officers who held views consistent with his own; they were Southern, States rights



democrats and defenders of slavery. Disgusted, Henry Clay announced his retirement from the Senate, and Daniel Webster also eventually resigned his position in the cabinet, to be replaced in 1844 by John C. Calhoun of South Carolina.

Tyler's Presidency now served as a trial balloon for conservative, States rights advocates to test the will of the nation. Calhoun became the administration's unapologetic defender of slavery, declaring in one speech that "[t]here has never yet existed a wealthy and civilized society in which one portion of the community did not, in point of fact, live on the labor of the other."<sup>382</sup> This was certainly not a generally held view throughout the republic, and Calhoun's rhetoric opened the door for abolitionists and reformers alike to attack both chattel and wage slavery as undermining liberty as protected under the first ten amendments to the U.S. Constitution. Yet, Calhoun cannot be faulted on his understanding of history. What many thoughtful *Americans* now sensed was that the Southern defense of slavery at the expense of true liberty was to inevitably unravel *the Union*. The nation Tyler was now obliged to govern proved, practically speaking, ungovernable.

The United States of America now numbered twenty-three, their territory extending beyond the Mississippi River to the Texas border. Tens of thousands of immigrants poured into the country through the main ports of entry—Boston, New York, Philadelphia, Baltimore and New Orleans. Many of those who now arrived came not from the rural regions of European nations but from urbanized, industrializing centers. Their grandparents or great-grandparents had been removed from land converted from crop production to grazing of sheep and cattle. Matthew Josephson explains in another important way how this generation of immigrants was far different than those who had come before:

The immigrant, in general, was the most aggressive, the coolest head, the least sentimental among his people, the least fettered by superstition or authority; he had no ties with any place or with the past, but lived only in the future. Having risked all, and

crossed the ocean in search of pecuniary gain, he was stayed by few scruples, he feared no loss from a bold stroke.<sup>383</sup>

Unknowingly, they were coming to a nation increasingly divided by what the journalist Horace Greeley described as “*the everlasting class war of a portion of those who HAVE NOT against the mass of those who HAVE.*”<sup>384</sup> Riverboats and an expanding network of railroads carried immigrants and migrants alike into the interior, where seemingly overnight new communities arose to sustain the new arrivals and where land fever dominated economic activity.

Southern traditionalists such as Calhoun were joined by many northerners in their fear of massive immigration. The number of new arrivals increased from around 15,000 each year up until the mid-1820s to nearly half a million annually by mid-century. These newcomers had no experience with self-government and, some argued, could not be protected from exploitation by morally-corrupt *Americans*. One prominent spokesperson for the northern traditionalists was Orestes Brownson, editor of the *Boston Quarterly*. Brownson was also a religious reformer and leading proponent of Jacksonian democracy in Massachusetts. He saw that government was fast becoming subservient to the interests of the industrial landlords; in response, he called for a “*repeal [of] all laws which bear against the laboring classes*” and for the passage of “*such laws as are necessary to enable them to maintain their equality.*”<sup>385</sup> In a later article about the Fourier-socialist experiment at Brook Farm, Brownson seemed to contradict himself by arguing that removal of property requirements as a condition to the vote would, in the end, greatly harm workers. “*Experience proves,*” he wrote, “*that the more extended the suffrage, the greater will be the influence and the more certain the triumph of wealth, or rather of the business classes.*”<sup>386</sup> The unskilled and unpropertied worker was, he argued, totally at the mercy of the industrial landlord and would have a very difficult time exercising the vote independent of this economic dependency. Immigrants

with little education and few skills, with no financial resources or family ties, had little choice but to accept whatever work could be found—and at whatever wages unscrupulous employers were willing to offer. As these conditions became more commonplace, Brownson and other Northern reformers began to look upon the slavery of Southern plantations as less evil than the wage slavery practiced by Northern factory owners.

Brownson eventually became so disillusioned that he rejected *the American System* as an unworkable and corruption-prone form of government. The evidence seemed clear; in virtually every State of *the Union*, the socio-political arrangements and institutions adopted had produced a class structure that had little in common with Jefferson's vision of an aristocracy of talent. Government had become the instrument by which some individuals secured privilege at the expense of others. The privileged might in some cases be a majority, but this hardly lessened the moral injustice of what was perpetrated against the rest. James Fenimore Cooper (who came from a wealthy, landed family in New York State) was another traditionalist who believed that change was destroying the foundation upon which *the Union* had been forged. "*It is a mistake to suppose commerce favorable to liberty,*" wrote Cooper. "*Its tendency is to a monied aristocracy, and this, in effect, has always been the polity of every community of merchants.*"<sup>387</sup> Only a return to traditional ways, to self-sufficiency on the land, would ensure the survival of traditional values and the Jeffersonian hopes for the republic. Cooper, along with many others, looked to the land and the manifest destiny of *Americans* to spread across the continent as the primary means of preserving what independence from Britain had created. Large-scale immigration seemed to be threatening the equilibrium, the delicate balance, that had provided to *Americans* an opportunity for self-reliance denied to all those who had come from the Old World. So much was happening, so much change seemed to be erupting to challenge cherished traditions, that leaders of all parties and factions struggled to find the path

that would return order and stability to the nation. To his fellow Whigs of the Northeast, accused by Jacksonians of serving the monopolistic interests of the industrial landlords, Robert Rantoul of Massachusetts countered:

So long as cheap land continues to be abundant, so long you cannot drive the wages of labor to the starvation point....Here, then, is the way in which a comprehensive democratic statesmanship would begin to protect labor: by affording it ample room, scope and sufficient to work out its will upon the whole unoccupied North American continent.<sup>388</sup>

And yet, the very presence of the vast continent, thinly occupied by indigenous tribes without the means to compete in the technology of warfare, stimulated a mad rush of conquest and exploitation very different from the colonial pattern of settlement along the Atlantic coast and its tidewaters. The nation was expanding in pursuit of its manifest destiny, new States being hastily carved out of the public domain and populated by recent immigrants who had no links to the past or to the traditional values of Federalism. Old wealth was no longer assured of its place in controlling the political direction of *the Union*, and the new generation of Eastern establishment leaders was faced with the decision to adapt or lose some of their power and influence. "*The gentleman as a force in American politics was committing suicide*,"<sup>389</sup> concludes historian Richard Hofstadter. Many simply withdrew to the comfort of their private affairs.

With a population that had grown to over 20 million by 1840 (a half million of whom were immigrants), regional interests and issues were overwhelming those of a national and international concern. Thomas Paine's principles of cooperative individualism were buried under a mountain of greed and opportunism. In their own ways, the more thoughtful among the traditionalists sought to protect what they believed in as the foundation of liberty secured by the framers. Almost

always, however, when one scratched the surface of their rhetoric what appeared was *the land question* and the moral dilemma created by refusing to treat control over nature as economic licenses belonging to the realm of privilege. In Rhode Island, for example, the agitation for an expanded suffrage and a more democratic constitution, led by Thomas W. Dorr<sup>390</sup> (1806-1855), attacked not the economic power inherent in the concentration of land ownership, but only the attachment of property qualifications to participation in the democratic process. A new constitution was finally adopted in 1843, but the firm grip the landed had for generations exercised over the entire citizenry was only slightly mitigated.

As a measure of *American* sentiment, and despite Dorr's democratic objectives, many thoughtful individuals reacted in horror to his use of violent tactics in pursuit of majority rule. The surface issue in Rhode Island was whether the sovereign right to determine what form of government ought to prevail rested with the majority of citizens or with those public officials elected in accordance with an existing, long-standing, constitution that permitted only a small minority to participate. Once again in the struggle for control of government, few of the participants had a firm understanding of the principles that ought to have guided their actions. Injustice was the certain result absent participatory government; yet, the achievement of participatory government did not in itself guarantee the adoption and enforcement of just law. Few *Americans* of this period could recall or were exposed to the teachings of Thomas Paine and his essential message that democratic processes without agrarian justice would merely forestall the arrival of Old World inequities. Richard Hofstadter quotes part of a speech made before the 1844 graduating class at Yale that summarizes the changes that had overtaken *American* thinking and perspective:

The age of philosophy has passed, and left few memorials of its existence. That of glory has vanished, and nothing but a painful tradition of human suffering remains.

That of utility has commenced, and it requires little warmth of imagination to anticipate for it a reign lasting as time, and radiant with the wonders of unveiled nature.<sup>391</sup>

The individuals who would come closest to exhibiting this new utilitarian attitude were men described later in the century as “*Robber Barons*” by Kansas farmers attempting to resist their monopoly powers. Many lifted themselves from obscure origins to amass great personal fortunes gained by shrewdness, relentless effort, opportunistic good luck, private intrigues and corruption of governmental powers. From the 1840s on, *the acquisitive society* challenged all the traditional pretensions to status and wealth, displacing the less able who squandered inherited personal fortunes. This is not to say that all or nearly all the sons and grandsons of the founding era faltered. However, what captured the imagination of the public, through the pages of newspapers in every city and town, were the successes and intrigues of the nation’s new men of wealth, men such as John Jacob Astor.

Astor, who initially acquired his fortune exchanging liquor for furs, eventually turned his attentions to the far more lucrative trade in New York City land. His estate, valued at around \$20 million, equaled nearly 15 percent of the total annual output of goods produced at the time in the United States, evoking this from James Gordon Bennett, the owner and editor of the *New York Herald*:

During the last fifty years of the life of John Jacob Astor, his property has been augmented and increased in value by the aggregate intelligence, industry, enterprise and commerce of New York, fully to the amount of one-half its value. The farms and lots of ground which he bought forty, twenty and ten and five years ago, have all increased in value entirely by the industry of the citizens of New York.<sup>392</sup>

In what was but a brief and largely disconnected expression of moral indignation, Bennett had stumbled upon the primary source of injustice exposed by Paine and destined to be explained with greater

clarity if not effectiveness by Patrick Edward Dove and Herbert Spencer.

Astor was neither architect nor champion of the system that helped to make him wealthy. He and many others—including Cornelius Vanderbilt, who built a shipping empire by force of character and monopoly power—used whatever methods were necessary to get what they wanted. Most of the time, their actions were either actively supported or ignored by those in public office. “*If corruption was flagrant in the early decades of the nineteenth century,*” writes Gustavus Myers, “*it was triply so in the middle decades. This was the period of all periods when common councils all over the country were being bribed to give franchises for various public utility systems, and legislatures and Congress for charters, land, money, and laws for a great number of railroad and other projects.*”<sup>393</sup> The territory controlled by the government of the United States and the privilege of plundering its resources and citizens, the evidence suggests, was more often than not for sale. The means were not new. This had been going on for as long as Europeans had been in the Americas. Some of the minor chiefs of the continent’s indigenous tribes had also sacrificed the longer-run interests of their people for personal gain. Only now, the pursuit of personal gain at the expense of the nation was becoming systematic and ordinary, almost expected.

While in the Presidency, Andrew Jackson had appointed large numbers of partisan Democrats to public office, greatly extending the so-called spoils system. Just how far the statesmanship of the revolutionary period had diminished was observed by Tocqueville after his visit in 1835. James Madison was still alive when Tocqueville visited North America, yet Tocqueville could not help but express his great amazement at the absence of individuals in public office who demonstrated statesmanlike qualities:

When I arrived in the United States I discovered with astonishment that good qualities were common among the governed but rare among the rulers. In our day it

is a constant fact that the most outstanding Americans are seldom summoned to public office, and it must be recognized that this tendency has increased as democracy has gone beyond its previous limits. It is clear that during the last fifty years the race of American statesmen has strangely shrunk.<sup>394</sup>

The *American* republic had at breathtaking speed discarded the influence of that cadre of practical philosophers, possessed of a classical education and a first hand familiarity with the transnational moral principles kept alive by the best minds in the Old World. The reasons are not difficult to identify. For one thing, among the nation's rapidly expanding population, only a minority were able to take advantage of the opportunity to pursue a formal education. The cost of private tutoring or a college education was far beyond the means of most families, and there was almost no allocation of public revenue for the support of education. Some immigrant groups, particularly the Germans, opposed the adoption of publicly-funded education because of the threat this represented to their language and culture. Their hopes often included the establishment of an enclave, a safe haven, where they could recreate an ethnic community untroubled by the oppressions of the Old World.

Most of those who rose to high public office or the professions obtained their formal education at one of the numerous but parochial religious-oriented colleges. A few distinguished but largely unknown *American* scholars went on to study in the Prussian universities at Berlin and Gottingen. Ironically, however, and despite the nature of the republic's past leadership, most *Americans* remained highly suspicious of colleges and universities organized on the European model. *American* traditionalists would eventually come to recognize the necessity of providing enough education to bring immigrants into the mainstream, but the majority of *Americans* were also fearful of turning over government to an elitist group who would have little in common with people who worked the land or otherwise labored for their livelihood. Richard Hofstadter and Walter Metzger point to the absence of



any formal civic education among the general population as a central reason for the fading of Jefferson's hope that the republic would be forever governed by an meritocracy of *men of ideas*:

The development of the democratic spirit in the years before and during the Jackson administration had complex results. It was attended by a vogue of humanitarianism and reform as well as an assertive mood of equalitarianism. One of its great contributions to American life was to make available to broader masses of people a free public education at the grammar-school level. In the field of collegiate education its consequences were far less favorable. One of the dominant popular motives was the passion for equalizing opportunity...Whatever the benefits of this movement..., its consequences for professional and higher education tended to be deleterious because the hostility to privilege and caste, the desire for opportunity, became in these fields a disdain for authority and excellence and expertise of all kinds.<sup>395</sup>

### Education and the Emergence of Class Consciousness in the North American States

Despite the presence of an underlying disdain for the intellectual that accompanied the ascendancy of Jacksonian democracy, an offsetting respect for practical accomplishment by the individual assured a continuous interest in a classical education, as well as in the sciences. As towns grew in size, the citizens almost always established free public libraries and many communities organized debating societies. In the 1840s, access to information and the opinions of others exploded with the sale of inexpensive newspapers, made possible by advances in the technology of printing. Journalism soon became a powerful weapon in the hands of spirited editors. More than almost any other newspaper journalist or editor, the one person who not only documented but lived the transition from agrarian, frontier society to that of an industrializing continental power was Horace Greeley.

Greeley, born into a New England farming family in 1811, had taken up the printing trade at age fifteen. After a few years he moved from rural New York into the nation's most populated city, and by age twenty-three hard work and diligent saving enabled him to start his own weekly, the *New Yorker*. Neither youth nor the lack of a formal education hampered Greeley's ability to stimulate his readers' interests. His commentaries on the nation's affairs—detailed and scrupulously accurate—turned the reporting of news into analysis, analysis into opinion, and opinion into public dialogue. Slowly, he was also developing a deeply-rooted social conscience. Early on he was highly critical of *the Democracy* as defined by the Jacksonian party and suggested to his readers that the prosperity they were experiencing revealed an innate power of *the American System* to progress in spite of Jackson's anti-tariff and pro-State banking policies. "For some fifteen years has the march of improvement in this country proceeded with a rarely checked and unexampled celerity,"<sup>396</sup> he declared; reason enough to leave things alone. In this respect, Greeley's voice was one of optimism, of confidence in the future to provide virtually unlimited opportunity to the self-motivated individual. He would not hold onto this view for very long. A year later came the Panic of 1837, when the eastern banks grew uneasy and began to call in their loans to land speculators, farmers and small businessmen. Anxious depositors lined up to withdraw specie, and the banks began to close their doors in droves. Unemployment in New York City rose to one in three. Greeley, himself close to bankruptcy, urged his remaining readers to "[f]ly—scatter through the land—go to the Great West"<sup>397</sup> before it was too late.

The desperate poverty witnessed during this period by Greeley and others caused many traditionalists to abandon the Whig principles of *laissez-faire*. For Greeley, what he saw and experienced "was to lead to his conversion to the new gospel of socialism."<sup>398</sup> Never the martyr, however, Greeley set aside his newfound social and political convictions in return for the promise of a guaranteed income. He accepted the challenge of

creating a new Whig journal which he fashioned to recapture public support. He was again called upon in 1840 to assist in the Presidential campaign of William Henry Harrison. After the election and his return to private journalism, Greeley launched his first financially viable project and the one that brought him national acclaim, the *New York Daily Tribune*. Not long thereafter he embarked on his own version of reform advocacy. He began by assisting in the publication of a Fourierist magazine edited by Albert Brisbane, who had studied under Friedrich Hegel in Berlin and then with Charles Fourier, himself, in Paris. Brisbane then returned to North America eager to implement Fourier's Christian-Socialist schemes. Greeley became involved to the extent that he contributed his own profits to the establishment of a Fourierist utopian community in New Jersey, which turned out to be one in a series of failed experiments in social engineering. For a time, the *Tribune* also became a vehicle for promoting the reforms advanced by Brisbane.

Despite embracing the idea of cooperative communities, Greeley continued to adhere to a doctrine of *laissez-faire* in matters that pertained to private contracts and relationships. He was outspoken in challenging those radical reformers who suggested *the American System* was destined to experience the same type of class conflict that plagued the Old World. At the same time, and in a running defense of cooperative communities appearing in the *Tribune*, Greeley started to sound very much like Thomas Paine in one crucial element of his thinking:

[T]he earth, the air, the waters, the sunshine, with their natural products, were divinely intended...for the sustenance and enjoyment of the whole human family. But the present fact is, that a very large majority of mankind are landless.... Those whom society has divested of their natural right to a share of the soil, are entitled to **Compensation**, i.e., to continuous opportunity to earn a subsistence by Labor.... But, as society is now organized, this is not, and cannot be, done.<sup>399</sup>

His journalistic activism had brought him to the center of the storm, where he mingled with other reformers of the era who questioned existing socio-political arrangements related to the control of landed property and capital goods. The widespread existence of poverty was, for the first time in *the Union*, viewed as a systemic problem rather than the result of individual weakness or misfortune. One of Greeley's contemporaries, Moses Beach, published in his own paper, the *New York Sun*, a list of the wealthiest New Yorkers, disclosing the worth of John Jacob Aster to be some \$25 million. Greeley subsequently reported that while quite a few people were doing very well, two-thirds of the city's population somehow survived on incomes of only one dollar a week. The fact that Astor had accumulated so much of his fortune out of speculation in New York land and that landlessness was a consistent characteristic of the poor did not escape Greeley's attention.

*Americans*, or (as Greeley pointed out) a majority at least, prospered in an atmosphere that many still argued provided substantial equality of opportunity. Historians who have looked closely at wealth and income statistics for this period have gradually pieced together a picture revealing rather serious problems with that assertion. Burton Bledstein writes, for example, that "*striking inequalities in the distribution of wealth were manifested in the later Jacksonian era.*" More specifically:

Property was increasingly concentrated in enduring fortunes that accumulated rather than diminished over time; and by mid-century, the wealthiest 10 percent of the families in America owned about 70 percent of the property. They had owned not more than half the property at the outbreak of the American Revolution. Moreover, the greater an individual's initial stake in riches, the more likely he was to prosper...<sup>400</sup>

We need make only passing reference to Jackson Turner Main's findings that "[w]hen the frontier stage had ended, and society became stable, the chance to rise diminished. All the land worth owning was now occupied, and land prices rose, so that the sons of pioneers and the newcomers

could not so easily improve their positions. Mobility therefore diminished as the community grew older.”<sup>401</sup> In the 1840s and for several decades more, there remained a vast continent to settle, organize and absorb into *the Union*. Among the millions of migrants and immigrants who made their way to the frontier, a small number gained a foothold among the landed or rose to become wealthy industrial landlords. By all manner of corruption, fraud, theft and violence, millions of acres of land opened by frontiersmen and settlers came under the control of a small number of well-connected, often ruthless individuals whose monopolistic practices were supported by public officials. The technological innovations brought forth by inventors and trained engineers merely accelerated a process long underway. “*In the recurrent, frenzied waves of land speculation, gold rushes and railroad booms,*” writes Matthew Josephson, “*you saw the American at work, at his best and at his worst, prospector, pioneer, trader and settler.*”<sup>402</sup>

The very *Fathers of the Republic*—Washington, Franklin, Robert Morris, Livingston and most of the others—were busy buying land at one shilling or less for an acre and selling it out at \$2, in parcels of 10,000 acres or more. Even the choosing of a site for a federal capital had involved collusion among the great land-grabbers, securities speculators, and members of the Congress.<sup>403</sup>

If securing the northern half of the continent was integral to the manifest destiny of *Americans*, exploitation of one another in the process was also a tragic acquiescence to opportunistic and criminal behavior. Even among those who proclaimed themselves to be keepers of republican principles—above the corrupting influence of the decadent East, the aristocratic South or the wide open West—an attitude of intolerance toward others who were in some way different frequently resulted in actions that violated basic human rights. There was, however, no way for government—even had prominent civic leaders been determined to do so—to turn the tidal wave of human movement across the continent into orderly settlement. This era of conquest and

continental expansion introduced a new system of social division, the foundation of which was the addition of urban landlordism to existing agrarian and industrial landlordism. This is not to suggest that landlordism was not already a powerful urban dynamic in earlier centuries. However, as the nineteenth century unfolded, the North American continent saw the founding and growth of one city after another. The full promise of a dramatically different societal structure, over which the framers of the United States Constitution labored (if imperfectly) was, after only three or four decades, overwhelmed by the collective impact of millions of people taking control of the land under minimal constraints on their freedom. Tocqueville had seen the changes in the making. Greeley had at first believed *the American System* inherently guaranteed equality of opportunity; the awakening of his social conscience and his intellectual discontent arose once he began to look more deeply into the way people actually lived and acted. As his message took on a deeper moral tone, people began to listen to him. Yet, he, too, remained a voice in the wilderness without real political power. The reform movement was still in its infancy and struggling against the pull of manifest destiny. Others, Ralph Waldo Emerson for example, were also worried that the foundation of *the American System* was breaking down:

The country is full of rebellion; the country is full of kings. Hands off! let there be no control and no interference in the administration of the affairs of this kingdom of me. Hence the growth of the doctrine and the party of Free Trade, and the willingness to try that experiment, in the face of what appear incontestable facts...<sup>404</sup>

North America had been the Old World's safety valve, the destination for millions hoping to escape political or religious oppression as well as economic deprivation. The frontier became the safety valve of the corrupted East, as the land wore out or became monopolized by the few. Now, a growing number of malcontents were convinced that the larger societal structure was incapable of preserving any real sense of

just relations between people. The necessary and appropriate response, some argued, was to create self-sustaining communities that could not be corrupted by outside influences.

The precursors of Proudhon's *Mutualists* or Fourier's *Cooperativists* had come together for spiritual rather than physical salvation. For more than half a century, members of the religious sect known as *Shakers* (because of gestations associated with their religious ceremonies) had lived a communitarian, if celibate, existence outside the mainstream of *American* society. Joseph Smith's sect of Mormons incorporated equalitarian ideals into an individualist and patriarchal societal structure. When Brigham Young led the Mormons on to Utah, the new society they created attempted to prevent the unequal distribution of wealth that plagued the outside civilization:

All water, timber, and mineral resources were considered common property. Speculation was forbidden and land was divided into equal parcels assigned to newcomers.... The basic residential unit of all these communities was the privately owned family homestead...<sup>405</sup>

These communities and others formed by various religious sects depended upon the subordination of individual desires to a complex, often rigid, doctrine of behavior and social regulation. The Mormon doctrine proved the most flexible and successful adaptation to the real social and economic needs of members. Attempts by philosophical reformers such as Fourier and Proudhon to replicate the formation of utopian communities proved far more difficult. Emerson was quick to reject such alternative communities as unrealistic and escapist. He wrote that while they promised "*by the economies of associated labor and expense, to make every member rich,*" the resources made available to them involved "*the same amount of property that, in separate families, would leave every member poor.*"<sup>406</sup> Nonetheless, Emerson was willing to acknowledge that some things had been learned from these utopian

experiments. Emerson and many others of his era concluded that the cause of the nation's great societal problems was the failure to instill in the young a foundation of moral principles. Sounding very much like the leaders of the separatist religious sects, Emerson warned: "*Life must be lived on a higher plane.*"<sup>407</sup> At the same time, callings for a moral cleansing offered a solution no longer relevant to a nation whose urban populations were divided by culture, language, religion, household wealth, community amenities, and disparities in access to education and health care.

Gradually, a consensus emerged among the more enlightened *American* leaders that only a massive commitment to universal education could rebuild the homogeneity the nation seemingly had been blessed with in its early years. In Massachusetts, Horace Mann (1796-1859), who had studied law at Brown University, became the nation's most prominent champion of an enlightened educational system. In a report delivered in 1845 to the Massachusetts Legislature, Mann warned of a future plagued by the failure to provide children with sound nurturing. "*Governments do not see the future criminal or pauper in the neglected child,*" he wrote, "*and therefore they sit calmly by, until roused from their stupor by the cry of hunger or the spectacle of crime. Then they erect the almshouse, the prison, and the gibbet, to arrest or mitigate the evils which timely caution might have prevented.*"<sup>408</sup> He went even further, in a manner reminiscent of Henry George or Frederick Jackson Turner, challenging his contemporaries to look objectively at the cracks showing in the socio-political arrangements and institutions forged out of the nation's revolutionary past:

Theoretically, and, to a great extent, practically, the nation passed at once, from being governed by others, to self-government. Hereditary misrule was abolished; but power and opportunity for personal misrule were given in its stead. In the hour of exultation at the achievement of liberty, it was not considered that the evils of license may be more formidable than the evils of oppression, because a man may



sink himself to a profounder depth of degradation than it is in the power of any other mortal to sink him,...Restraints of physical force were cast off; but no adequate measures were taken to supply their place with the restraints of moral force....Of course, so great an object can be reached only by gradual approaches. Revolutions which change only the surface of society can be effected in a day; but revolutions working down among the primordial elements of human character, taking away ascendancy from faculties which have long had control over the conduct of man, and transferring it to faculties which have long been in subjection,—such revolutions cannot be accomplished by one conclusive effort, though every fibre in the nation should be strained to the endeavor.<sup>409</sup>

Mann was asking thoughtful *Americans* to discard myth and self-serving rhetoric and to begin to look about themselves at the shortcomings of the society in which they lived. Speaking to the 1857 graduating class of Antioch College, he appealed to each individual to seek truth, to develop their powers of impartial thought, for these virtues “*alone can make men free.*”<sup>410</sup> Standing in the way, he believed, were the prejudices passed on by the teachings of each Christian sect (not to mention those of the “*Mohammedans or Pagans*”) in the private schools and colleges across the nation, places where “*Truth, claiming by divine warrant to be heard, is silenced; error, worthy of annihilation, is perpetuated, and hostile sects, the scandal of the Christian religion, are increased in numbers and virulence.*”<sup>411</sup> Thus, for Mann, access to publicly-funded education provided the only practical means for preventing the nation’s youth from being victimized by any doctrine uncritically passed off as truth. This was consistent with his conviction that before one can become educated, one must have liberty. What he did not foresee or raise concerns over was the possibility that schools and colleges funded by the State could, similarly to schools run by religious sects, become instruments of propaganda rather than places where learning meant a commitment to the search for truths.

Mann's view was earlier held by DeWitt Clinton, who served as governor of the State of New York for nine years between 1817 and 1828, a period of relative prosperity and high living standards, generally. Property qualifications had fallen under the State's new Constitution, which resulted in a considerable broadening of suffrage to large numbers of uneducated yeoman farmers. Although Clinton supported the expanded suffrage as consistent with the principles of democracy, he warned that suffrage without universal and free public education would work to bring down the Constitution. In an 1826 message to the New York legislature, Clinton put his warning in both moral and practical terms:

This first duty of government, and the surest evidence of good government, is the encouragement of education. A general diffusion of knowledge is a precursor and protector of republican institutions, and in it we must confide as the conservative power that will watch over our liberties and guard them against fraud, intrigue, corruption, and violence. I consider the system of our common schools as the palladium of our freedom, for no reasonable apprehension can be entertained of its subversion as long as the great body of the people are enlightened by education.<sup>412</sup>

Daniel Webster and Abraham Lincoln were to express similar concerns as they observed a rapid disintegration of the nation's societal fabric. A more immediate and concrete response to Clinton's call for action came from Josiah Holbrook, who founded the American Lyceum in 1826, which established libraries and provided the general public with expanded opportunities for formal education.

Gradually, and within many of the States, teachers combined with concerned civic leaders to agitate for legislation establishing public school systems. In the U.S. House of Representatives, Vermont legislator Thaddeus Stevens (1792-1868) led a successful fight to prohibit exclusion of the children of unpropertied families from State-supported schools. Equally important, however, was the fact that beyond

promoting civic awareness and nurturing sound moral values, *the American System* and the new generation of industrial landlords needed a larger number of workers who were at least literate, who could read and comprehend technical information and function in a complex system of wealth production. Immigrants and their children might fill the need for unskilled laborers on the railroads and canals or even in the factories, but all of these endeavors also required workers who could apply technical knowledge and managerial skills to the solving of difficult construction and industrial production challenges.

Stephen Van Rensselaer, heir to the landed wealth of his Dutch ancestors in New York, was one of the first to recognize the need to prepare students in the agricultural and manufacturing arts. In 1824 he founded what eventually became the Rensselaer Polytechnic Institute in Troy, New York. Graduates of the nation's colleges came to Troy to learn science from Yale graduate Amos Eaton and other trained scientists. Twenty-six years later, the Institute came under the direction of Benjamin Franklin Greene, who reorganized the curriculum to begin turning out a cadre of engineers trained to usher in the *Age of Steam*. By this time, the U.S. Military Academy at West Point had also graduated over 150 engineers among its first 1,000 cadets; thus, between the two institutions, their graduates could be found in teaching capacities or working for the railroads and manufacturing concerns in every part of *the Union*. By the early 1850s, "[t]rained engineers such as Benjamin H. Latrobe on the Baltimore and Ohio, J. Edgar Thompson on the Pennsylvania, and Daniel C. McCallum on the New York and Erie had worked up a career ladder," writes Burton Bledstein, "and they brought to the problems of corporate management on the railroad an analytic frame of mind similar to that of bridge-building, with its stresses and harmonies spanning very large spaces."<sup>413</sup> The technological revolution was well under way. Virtually all of the nation's major colleges abandoned or downsized their traditional curricula and introduced expanded programs in the mechanical arts and sciences.

At the same time, the nation's religiously-affiliated colleges were fast becoming anachronistic icons of a bygone, aristocratic era. Burton Bledstein writes, for example, that even at Harvard and Yale the quality of advanced education had so deteriorated in real value by the 1840s that the "*failure of discipline in the college was matched by the failure to challenge the student intellectually.*"<sup>414</sup> These colleges were still organized primarily to prepare individuals for lives in the ministry or the law, while the outside world was fast becoming dominated by commerce and industry.

An interest in the classical works of antiquity and the Enlightenment would gradually return as frontier communities grew into cities. Second and third generation *Americans*, distancing themselves from their fellow citizens by virtue of professional careers and personal wealth, would generate anew an interest in knowledge that had no immediate and apparent Utilitarian value. What cannot be denied, however, was that during the era of manifest destiny, the individual trained in the mechanical arts was far more likely to be rewarded with fame and fortune than the philosopher or educator. The nation's system of constitutional, legislative and statutory law had already acquired an aura of tradition, instinctively observed (if frequently corrupted) rather than reflected upon. Leading citizens saw to it that the Utilitarian interests of the nation's landlords were advanced. A major commitment to the agrarian population was the allocation of land from the public domain to establish agricultural colleges, the earliest of which opened in New York, Michigan, Illinois and Pennsylvania. Later, with the passage in 1862 of Morrill Act, the Federal government made land-grants of 30,000 acres of Federal land to each State for each Senator and Representative for the same purpose.

Only nine colleges had existed in British-ruled North America prior to 1780; by 1800 sixteen more were operating, although with the one exception of Tennessee, the new colleges were founded in what had been the original thirteen States of *the Union*. Thirty years later the

number of colleges had grown by another twenty-four, and on the eve of the War Between the States nearly two hundred colleges were, by varying degrees, thriving. More sobering is the fact that nearly four hundred others had opened and closed their doors during the same period. The failure rate in the expansion States was greatest. For example, only eight of eighty-five survived in Missouri, and only two of forty in Texas.<sup>415</sup> Not until the 1870s did the total number of graduates from the “leading” colleges and universities exceed much more than one thousand.

The rapid spread (and disappearance) of small colleges suggests another in the many contradictions characteristic of *the American System*. At the same time that progress was beginning to depend on a class of technically educated individuals, the educated were feared and even scorned by many other *Americans*. Hofstadter and Metzger provide an interesting quote from Philip Lindsley, a graduate of Princeton and later president of the University of Nashville that says a great deal about the *American* psyche of the period. “*Our people,*” Lindsley declared, “*at first, oppose all distinctions whatever as odious and aristocratical; and then, presently, seek with avidity such as remain accessible. At first they denounce colleges; and then choose to have a college in every district or county, or for every sect and party—and to boast of a college education, and to sport with high sounding literary titles—as if these imparted sense or wisdom or knowledge.*”<sup>416</sup> American parents who could afford to do so generally sent their children to the nearest college, regardless of scholastic merit, and often based solely on the fact that the college was sponsored by their own religious denomination. This was not a system able to cope with the constant influx of immigrant groups unfamiliar with Protestant, Anglo-Saxon traditions and values. Only universal education would remove the language, cultural and class barriers that stood in the way of a truly homogeneous society—or so Mann and many others hoped and believed.

These assumptions held considerable promise for the European-American but offered little to the African-Americans or indigenous people forced to migrate to the west in order to survive. In the northern States, African-Americans were systematically denied full rights of citizenship and often prevented from acquiring landed property. Remarkably, several hundred thousands of African-Americans lived in a quasi-free status in the southern States and actively pursued skilled trades and professional careers in law, medicine and industry. What African-Americans needed most was not acceptance into *American* society, but the opportunity to build an integrated society of their own and the land on which to do so. Political protections were, however, essential for the protection of legitimate rights to the property people produced. Closely related to the African-American's struggle for equal protection under law were efforts to gain access to formal education, hampered by the lack of financial resources and trained teachers. One of the first real opportunities for African-Americans in any number to gain a college education arose in 1849, when a large bequest by Charles Avery led to the founding of Avery College in Pennsylvania. A number of other colleges for "Negro" students opened in the 1850s under the sponsorship of various religious sects; and, by 1855, abolitionist reformers in Massachusetts brought integration of the races to Boston's public schools. Still, formal education eluded the vast majority of the poor and particularly those who were also people of color. Conditions for more recent Old World immigrants were not much different. Try as they might, Mann's generation of educational reformers could not keep pace with the influx of immigrants and the isolation characteristic of their daily existence in a new land.

By the 1850s, *the Union* was eroding under the strains of divisive self-interest. Land ownership in all of the original States had become highly concentrated, and much of the remaining land could no longer be profitably farmed. The factory system expanded making use of the labor of unskilled immigrants, whose subsistence wages kept them too

poor to acquire the means for moving westward. In the South, the plantation owners made sure the overwhelming majority of individuals with any known African heritage were denied freedom to migrate or to acquire land of their own. Conflict between groups as well as between the sections was inevitable. The course of events leading to a break-up of *the Union* was triggered in 1836, when Henry Laurens Pinckney of South Carolina introduced a resolution in the U.S. House of Representatives to prohibit any discussion of slavery. Over the heated objections of John Quincy Adams, this so-called "*Gag Rule*" was adopted by a vote of 117 to 68. For the next eight years the anti-slavery faction increased in size and conviction but could not gain a hearing among their elected representatives. After a long battle led by John Quincy Adams, the *Gag Rule* was finally overturned in 1845.

Adams would live only three more years, collapsing in the House of Representatives at age eighty and dying a few days later. He was the last of his generation of statesmen, committed to preservation of *the Union* and to whatever compromises were necessary to ensure its survival. Thomas Hart Benton, nearing the end of his own long career in the U.S. Senate, had for nearly thirty years carried the Jeffersonian vision of creating a nation of yeoman farmers. The new generation of leaders was more fatalistic, resigned to the fact that the future would include secession and war. Abraham Lincoln, serving his first term in the House of Representatives, attempted unsuccessfully to introduce a bill abolishing the slave trade in the capital. Others with more overtly anti-Southern sympathies were coming to political power in the North.

Seated in the U.S. Congress at the same time, appointed to fill a vacated seat, was none other than Horace Greeley. This was Greeley's opportunity to advance his own reform agenda, and he proceeded to introduce what is thought to be one of the most important pieces of legislation passed by the Congress during the nineteenth century. This was a Homestead bill that would turn unpropertied workers and tenant farmers who wanted to become self-sufficient into yeoman farmers.

Greeley's bill never made it out of committee; however, in the session following Greeley's departure, Tennessee's Andrew Johnson introduced a similar bill that, if approved, would grant every family who agreed to occupy and cultivate the land a homestead of 160 acres. Twice re-introduced, the bill finally reached the floor of the House for debate in March of 1852. Speaking for the bill, Joseph Cable of Ohio put the importance of this legislation into historical perspective:

The history of mankind proves the fact that the monopoly of the soil has been a more fruitful source of wars and bloodshed—of oppression and cruelty—of poverty and misery—of debauchery and crime, than all other causes; and they are legion.<sup>417</sup>

One needed only to look to the case of Ireland for the most contemporary evidence. Combining Jeffersonian principles with the emotional appeal of a Paine, Cable added:

The title, the proprietorship of the unsold lands (the public domain) is in the whole people; and "the Congress" has the disposition thereof in trust, and so delegated constitutionally. It then follows that the fee simple is in man, not of this nor the other generations, but of the whole people in all time to come....

...Consequently there is no retreating from the fact that man has an inalienable right to so much of the earth, at least, as will yield him and his household all the necessities and comforts of life, by industry and application; just as man has a right to life, to the air, the rays of the sun, or the water from the earth. It would be insolent mockery to say to a man live, while you deny him the means of life; to say to him pursue happiness, while you bind him hand and foot, and put a gag in his mouth. And a government, a congress, an administration that withholds this right to the soil—a right conferred by God himself on all, "high and low, rich and poor"—from any portion of the people, is guilty of usurpation, tyranny, and fraud.<sup>418</sup>

Paine, even more so than Jefferson, would have recognized the full wisdom contained in these words. Paine, far more than Jefferson, would



have extended their application to all persons without distinction. Such was the larger point made by Galusha A. Grow of Pennsylvania when he asked, "*What is there in the constitution of things giving to one individual the sole and exclusive right to any of the bounties provided by nature for the benefit and support of the whole race, because, perchance, he was the first to look upon a mere fragment of the creation?*"<sup>419</sup>

Abraham Lincoln finally signed a version of the Homestead Bill into law in May of 1862; unfortunately, the bill left wide open the opportunities for land companies and wealthy individuals to gain control over immense tracts of land at the expense of the homesteader, with no provision for compensation to be made to society for the privileges granted. Horace Greeley argued without effect in the *Tribune* for new legislation that would correct the defects of the Homestead Bill. His commitment to what he believed was agrarian reform never faltered. In 1846, when tenant farmers in upstate New York took up arms to resist the collection of land rents by agents of the Van Rensselaer heirs, Greeley took their side in the editorial pages of the *Tribune*. He championed the cause of all manner of agrarian reformers, some of whom united with workers to agitate against land monopolists and speculators. For example, there was Thomas A. Devyr, one of the leading Irish Chartists, who escaped prosecution by coming to North America. Devyr quickly became embroiled in the worker struggles in New York. Thomas Paine's proposals for agrarian reform were resurrected by George Henry Evans, who had arrived from England during the late 1820s and eventually became editor of the *Working Man's Advocate*. The measures advanced by these agrarian reformers—Greeley included—sought to equitably distribute the public domain while prohibiting absentee landlordism. "*The right of owning land is one thing,*" Greeley declared; "*the right to own thousands and even millions of acres of land is another.*"<sup>420</sup> Greeley also vigorously condemned rent-seeking landlords and called for a redistribution of landownership among actual farmers, at the same time defending the rights of workers to organize and to

strike for better working conditions and higher wages. He used the pages of his newspaper to champion the causes he believed in to an extent few other mainstream newspaper publishers and editors believed worth the risk.

Although Greeley stayed with the Whigs in 1848 and gave lukewarm support to the candidacy of Zachary Taylor, most of his more radical associates joined forces with Ohio's Salmon P. Chase<sup>421</sup> to form the Free Soil Party. Chase had led the anti-slavery faction in the U.S. Congress from the mid-1830s on, arguing in speech after speech that the intent of Jefferson and the other framers of the Constitution had been to contain slavery and allow the plantation system to eventually die a natural death. European exiles, such as Carl Schurz, who as a young student in Bonn had been acquainted with Karl Marx, joined the Free Soil Party as well. In 1841 Chase then joined the Liberty Party, forging a new platform that subordinated the condemnation of slavery on moral grounds to a strategy of containment and isolation, including a call for prohibiting slave owners from holding Federal offices. He was also one of the first to argue that the Congress had no constitutional authority to permit the introduction of slavery into new States formed out of Federal territories.

This was a time of soul searching for Greeley, who became wholly disillusioned with Whig politics and left the country in 1850 for a European tour. Upon his return, he faced new competition in the New York market with the appearance of the *Times*. His activist journalistic style provoked considerable animosity from those who were quite satisfied with the status quo, and his anti-slavery ethics pulled him irretrievably into the group of radical Republicans, destined to become the party of Lincoln.<sup>422</sup>

In 1855 fighting broke out in Kansas between factions supporting and opposing slavery, sparking the events that would eventually lead to nationwide armed conflict. The Republicans nominated the California adventurer, John C. Fremont, for the Presidency against James

Buchanan (1791-1868). Fremont won most of the northern and western States, but Buchanan was elected with solid southern support and victories in Pennsylvania (his home State), Illinois and Indiana. Buchanan's election put an individual in office who viewed slavery as purely an issue for the citizens of each State to resolve for themselves, beyond the prerogative of the Federal Constitution. As the probability of disunion, if not actual war, increased, many *Americans* were thinking not of moral principles or justice; rather, what occupied their minds were issues of economics—personal and national. As observed by Buchanan:

It is an evil omen of the times that men have undertaken to calculate the mere material value of the Union. Reasoned estimates have been presented of the pecuniary profits and local advantages which would result to different States and sections from its dissolution and of the comparative injuries which such an event would inflict on other States and sections....We at present enjoy a free trade throughout our extensive and expanding country such as the world has never witnessed. This trade is conducted on railroads and canals, on noble rivers and arms of the sea, which bind together the North and the South, the East and the West, of our Confederacy. Annihilate this trade, arrest its free progress by the geographical lines of jealous and hostile States, and you destroy the prosperity and onward march of the whole and every part and involve all in one common ruin.<sup>423</sup>

Buchanan had hit upon the real strength of *the Union* when he pointed to the free exchange of goods and services. Far too few *Americans* understood the value of open borders between the States and how this allowed markets to operate efficiently to the benefit of all those involved. Despite high land prices in the East, open borders also permitted the basic human right of migration to distribute population where opportunity was greatest. Secession and disunion would certainly bring an end to these positive circumstances. On the other hand,

removal of the frontier as a safety valve might have forced some type of political remedy on the landed.

While Buchanan wrestled with the nation's troubles over slavery and disunion, the people continued to move westward. Gold was found in the Colorado territory in 1859, and within months hundreds of miners were living a rough and tumble existence in Denver. Even Greeley, who continued to fight for the opening of the West and the expansion of the railroads, reached Denver that year as he explored the West with Albert Richardson, a reporter with the *Boston Journal*. Greeley thrilled his readers with descriptions of the places he visited and what he experienced. Along the way, he became extraordinarily well-versed in political economy, although he never wrote systematically or completely as a theorist. The *American* public long had been vitally concerned over—and bewildered by—the practical problems of banking, money and government finance. Greeley and other newspaper editors provided an important forum for debate over economic policies. As the decades passed, certain writers appeared who not only specialized in writing on these subjects but who earned formal degrees in political economy from a small but growing number of colleges at home and abroad.

### PROFESSIONALISM AND THE MODERATION OF REFORM

During the first half of the nineteenth century, a small number of individuals studied political economy at Harvard, Columbia, Dickinson, William and Mary and several other schools. However, few of those who held chairs in political economy prior to the 1840s could claim any formal academic training in the subject. The earliest professors, largely self-taught, lectured in classical political economy based primarily on the works of Smith, Say, Ricardo and Malthus. In fact, economist John M. Ferguson observed in 1938 that, "*Well into the nineteenth century exposition of economic doctrine took the form mainly of*

*slavish allegiance to the classical theories then dominant in Great Britain.*"<sup>424</sup> However, beginning with the work of Henry C. Carey (1793-1879), *Americans* began to contribute their own original thinking to the theoretical and practical understanding of political economy.

As with his predecessors, Carey received no formal schooling in political economy. Widely read and self-taught, his written output eventually included a three volume work on the *Principles of Political Economy*, published between 1837 and 1840. Influenced by the great abundance and inventive energy that surrounded him, Carey attacked the population theories of Malthus as well as Ricardo's presentations of the laws of rent and wages. He forecasted that the advance of industrialized society would equalize the distribution of wealth between owners of land, capital goods and workers. Growth, he felt, would ensure that the demand for labor remained greater than the supply, so that wages would expand as a share of total wealth produced. One way to guarantee this happy circumstance, he argued, was to encourage the development of businesses that would provide goods to a relatively local economy. To accomplish these objectives, Carey argued the case for protection. His was a message warmly received and championed by the new generation of industrial landlords, who were less than anxious to compete against foreign producers.

Almost alone among *American* writers of this period, Carey's exposition of theory as well as his policy recommendations found enthusiastic support on the Eurasian continent. Frederic Bastiat, for one, "*not only borrowed Carey's law of value and presented it in a brilliant paraphrase, but seem[ed] to show Carey's influence throughout his eager search for harmonies in the economic world.*"<sup>425</sup> Yet, Bastiat<sup>426</sup> remained a free trade disciple of Richard Cobden and a proponent of limited government as spelled out by James Madison. Carey's message was more completely absorbed by German nationalists who equated protectionism with modernization and the quest for an imperial presence on the global stage. To many Americans, Carey's countless pamphlets and articles

offered support for a conventional wisdom that promised the nation would prosper by policies that secured *laissez-faire* at home, an absence of dependence on foreign markets and protection from manufactured goods produced in low wage environments. Carey's Utilitarian principles appealed to a business community poised for expansion across the newly-populated continent.

As already discussed, the *American* fear of any elite acquiring concentrated political power worked against the creation of a large, learned group of individuals who (by virtue of their talents) would step forward to direct the affairs of State. As already noted, many of those possessing *old wealth* withdrew from public life in pursuit of their private interests. Those with the greatest intellectual curiosity turned to the study of natural science, in the process establishing a very different sort of transnational community. *Americans* such as Asa Gray, Joseph Henry and Alexander Bache were typical of gentlemen who committed themselves to scientific investigation. During the 1840s they studied under European scientists who had achieved international stature, and they returned to North America with a new, professional attitude toward their work and the role of science. Bache, after graduating from West Point and teaching at the University of Pennsylvania, was in 1836 appointed President of Girard College. After embarking on a two-year tour of European schools and meeting with many prominent scientists, he returned anxious to replicate the institutional framework of European science. Joseph Henry, who traveled to Britain at about the same time, shared Bache's enthusiasm.

After the 1848 uprisings that threatened political stability in Europe, a significant number of European exiles and emigrants brought their scientific talents and professional discipline to the fledgling colleges and universities of the United States. Most prominent among the Europeans was the Swiss naturalist, Louis Agassiz (1807-1873), who in 1846 joined the *American* community of scientists working in and around Boston. Agassiz would, a decade later, join forces with another Harvard stalwart,

philosophy professor Francis Bowen (1811-1890), in an attempt to discredit Charles Darwin's theory of natural selection. Bowen would gain some recognition in his own right because of his work in political economy; he began teaching at Harvard while still in his early twenties and was one of the first of his generation to conclude that a working knowledge of political economy was integral to a classical education. In 1843, he founded the *North American Review*, a journal of economic and political commentary, and in 1850 his own *Principles of Political Economy*, based on ten years of lectures given at Harvard, was published. Echoing Carey's optimism, Bowen challenged many of the basic assumptions of the "English writers" and their contention that the advantages experienced by *Americans* were but temporary:

The most striking thing in the aspect of society here is the constant strain of the faculties, in all classes, in the pursuit of wealth,...In whatever light it ought to be viewed, [the English writers] are certainly mistaken in considering it as a consequence of the recent formation of our institutions, and the recent establishment of our people on the shores of a new world,—in attributing it to our favorable position, with an abundance of fertile land, and with sources of opulence as yet fresh and unexhausted. Were such causes adequate to produce this particular effect, we should find society exhibiting the same characteristics wherever it was similarly situated,—in British America, for instance, in British Australia, and over a great portion of the South American continent. But it is not so; and we must therefore look for an explanation of the phenomenon to some cause which is peculiar to our own social state,—to some stimulus acting upon what political economists call "the effective desire of accumulation," which has full scope to operate here, while it is repressed or much restricted in all other nations,—even in England, where the character of the population in other respects is so similar to our own.<sup>427</sup>

The evidence, Bowen was convinced, demonstrated that *Americans* enjoyed the fruits of their labor to a degree nowhere else experienced in the world. There were few, if any, constraints on social mobility, and

wealth could be rapidly attained—and lost. And, finally, *American* institutions were constructed upon a foundation consistent with moral principle. Brown was not ready to accept that the facts were beginning to suggest otherwise.

Abraham Lincoln, thirty-seven years old in 1846, newly elected to the United States House of Representatives from the State of Illinois, and solidly behind the internal development proposals advanced by Henry Carey, was already questioning some of the distributional consequences of *laissez-faire*:

In the early days of the world, the Almighty said to the first of our race 'In the sweat of thy face shalt thou eat bread'; and since then, if we except the light and the air of heaven, no good thing has been, or can be enjoyed by us, without having first cost labour. And, inasmuch [as] most good things are produced by labour, it follows that [all] such things of right belong to those whose labour has produced them. But it has so happened in all ages of the world, that some have laboured, and others have, without labour, enjoyed a large proportion of the fruits. This is wrong, and should not continue. To [secure] to each labourer the whole product of his labour, or as nearly as possible, is a most worthy object of any good government.<sup>428</sup>

This was a theme Lincoln returned to repeatedly during his public life. He had entered politics supporting programs of internal improvement, of bringing the railroads, bridges and canals to his home State. Lincoln sought to assure full employment for *American* workers, and toward that end he stood with Carey in favor of protective tariffs. Understanding the dangers inherent in industrial landlordism, he consistently supported the right of workers to combine and to strike. Lincoln's position is not difficult to understand. As Henry George later concluded, the removal of barriers to trade would accomplish nothing permanent without resolving *the land question*:



[T]he reason why the abolition of protection, greatly as it would increase the production of wealth, can accomplish no permanent benefit for the laboring class, is, that so long as the land on which all must live is made the property of some, increase of productive power can only increase the tribute which those who own the land can demand for its use. So long as land is held to be the individual property of but a portion of its inhabitants no possible increase of productive power, even if it went to the length of abolishing the necessity of labor, and no imaginable increase of wealth, even though it poured down from heaven or gushed up from the bowels of the earth, could improve the condition of those who possess only the power to labor.<sup>429</sup>

The fact that *the American System* was exhibiting Old World symptoms was not yet clear to *Americans* focused on continental expansion. Henry George was of the generation destined to experience the tragic consequences of both war and laissez-faire. Carey represented a group of *American* (as well as some European) political economists convinced they could be of service to the State. Questions of justice were, in their minds, secondary to the advancement of policies designed to promote national wealth, military power and the domination of external markets. John Stuart Mill, on the other hand, re-examined the theoretical and historical territory covered by Smith, Malthus and Ricardo, challenging the conclusions of his predecessors where he saw inconsistencies with moral principle, observation and recorded fact. At the same time, a frequently ill and impoverished Karl Marx managed to complete his own *Critique of Political Economy* in 1858. For nearly a decade, Marx (with periodic reprieves from Engels) had been writing for Horace Greeley's *Tribune* as the newspaper's primary European correspondent, providing Greeley with detailed and well-written analyses of events in the Old World. Despite this, Marx remained an obscure figure, unknown in England even to Mill. Neither Mill, Marx, Greeley nor anyone else, for that matter, could have known that as the decade was ending, the *American* destined to become the most ardent proponent of cooperative individualism since Thomas Paine had just made his way

from Philadelphia to San Francisco to seek his fortune. Skilled at setting type and quickly developing his own journalistic style, a very young Henry George experienced poverty first-hand, the cause of which he would later trace to *urban, agrarian, industrial and urban landlordism*.

Despite and to a considerable extent because of the discovery of gold and the rapid influx of people to the far western part of the North American continent, the late 1850s was a period of high unemployment and economic stagnation in that part of the world. Henry George was among the many thousands who struggled through long periods of sporadic employment and meager income. In 1865, George's writing ability first emerged, as he began to think seriously about issues of social and political importance. In an essay published by the *Journal of the Trades and Workingmen*, he championed the cause of the worker against those who "would crush the poor man beneath the wheel of the capitalist's carriage" or "deplore the high rate of wages." George identified directly with American workers, declaring himself a defender of "our class."<sup>430</sup> The activism that would motivate and sustain him until his death in 1897 was underway, as was the journey of intellectual development that would yield his masterwork, *Progress and Poverty* (published in 1879), other important books and a huge volume of speeches and newspaper editorials. During the 1880s and 1890s, Henry George would stand at center stage, leading the call for reforms that, if adopted, might have altered the fate of later generations. Sadly, it was to be the ideas of Karl Marx rather than Henry George the discontented rallied to in their struggles to displace Old World hierarchies.

Karl Marx's own career in journalism—as foreign correspondent for the *Tribune*—came to an end early in 1862, partly because of Horace Greeley's growing discomfort with the opinions Marx expressed and partly because of the paper's concentration on the war between the *American States*. One of Marx's last contributions to the *Tribune* appeared in October of 1861 and addressed the reasons for English

sympathy with the cause of the Confederacy. In this same article, Marx identifies slavery as the primary cause of the conflict between the States:

[T]he South, on its part, inaugurated the war by loudly proclaiming "the peculiar institution" as the only and main end of the rebellion. It confessed to fight for the liberty of enslaving other people, a liberty which, despite the Northern protests, it asserted to be put in danger by the victory of the Republican Party and the election of Mr. Lincoln to the Presidential chair...<sup>431</sup>

The progressive abuse of the Union by the slave power, working through its alliance with the Northern Democratic Party, is, so to say, the general formula of United States history since the beginning of [the nineteenth] century.<sup>432</sup>

Marx was amazed that "*antislavery and idealistic England*" could have ignored the adamant pro-slavery stance of the Southern leaders or failed to observe "*the formation and the progress of the Republican Party in America.*" More important to Britain's leaders than the high ground of moral principle was their desire to thwart *American* expansionism in North America and to support the anti-tariff sentiments of Southern plantation owners. Only Disraeli among the leading British politicians remained publicly neutral in the struggle. "*The upper classes, Conservative and Liberal alike,*" writes Winston Churchill, "*generally looked with favour upon the South*" while "*[t]he Radicals and the unfranchised mass of the working classes were solidly against slavery, and Cobden and Bright spoke their mind.*"<sup>433</sup> Few Europeans, Churchill observes, were prepared for the intensity of the warfare unfolding between the *American States*. Fewer still had paid enough attention to the growth and development of *the American System* to suspect the latent capacity of the *Americans*<sup>434</sup> to conduct a long war of attrition against one another. In 1864, Frederick Engels (who had been following the progress of the war very closely) wrote to Joseph Weydemeyer with his prediction of what a postwar United States would look like:

Your war over there is one of the most imposing experiences one can ever live through. Despite the numerous blunders committed...the time must come in 1865 when the organized resistance of the South will suddenly fold up like a pocket knife, and the war will degenerate into banditry,...A people's war of this sort, on both sides, is unprecedented ever since the establishment of powerful states; its outcome will doubtless determine the future of America for hundreds of years to come. As soon as slavery—that greatest of obstacles to the political and social development of the United States—has been smashed, the country will experience a boom that will very soon assure it an altogether different place in the history of the world, and the army and navy created during the war will then soon find employment.<sup>435</sup>

In the meantime, Marx had prepared for the International Workingmen's Association an open letter to Abraham Lincoln, delivered to the Union's minister in London, Charles Francis Adams. Marx surely agreed with Engels, yet attempted to establish with the new *American* leadership a bond that might transcend the mere purging of chattel slavery from the States. "*The workingmen of Europe feel sure that as the American War of Independence initiated a new era of ascendancy for the middle class, so the American anti-slavery War will do for the working classes,*"<sup>436</sup> declared Marx. The conflict Marx and Engels expected between workers and industrial landlords accelerated after 1865 and the continuous arrival of the Old World's poor. Whether *the American System* could for long continue to absorb such large numbers of new arrivals in so short a period of time was a troubling concern for many *Americans*. At the same time, the war and massive government spending had accelerated the pace of industrial development, and the northern industrial landlords were eager for a willing and inexpensive labor supply. Urban landlords also profited by increased demand for housing and business locations in the industrial towns and cities. The response of *American* workers was a commitment to the trades union movement rather than political action to restructure the nation's socio-political arrangements and institutions.

## STATES, SOVEREIGNTIES AND SLAVERY

The issue of whether any individual State retained the right to withdraw from *the Union* had never been fully resolved, if only because earlier threats had dissipated or been diffused. Slavery called the question. In truth, there was much historical evidence to support opposite interpretations of the original intent of the Framers of the U.S. Constitution. Morison and Commager observe that although at the beginning of the nineteenth century "*the vast majority of American citizens felt more loyal to their respective states than to the Union,*"<sup>437</sup> population migrations, immigration and industrialization all contributed to confused and transitional sectional allegiances.

Abraham Lincoln, for one, expressed his concerns over the practical problems dissolution would cause rather than the issue of sovereignty and the right of any individual State to withdraw from the Union. All the States shared in a sizable national debt, incurred, in large part, due to Federal funding of national improvements in transportation and the use of Federal troops to protect the frontier and borders. These improvements joined the States into a highly integrated commercial system that could not be easily disentangled. All the States had also contributed to the construction and maintenance of defensive fortifications. Then, there was the disturbing question of whether any individual State or States could lay claim to the western territories. In the face of so many complications, Lincoln warned in his inaugural address that "*the central idea of secession is the essence of anarchy.*"<sup>438</sup> Additionally, allowing the southern States to secede might encourage others to do so, destroying the hope of nationalists who wanted nothing more deeply than to see the *American System* spread across the remainder of the continent. The generation of Lincoln was about to pay a huge price for the compromises that brought the Union into existence.

At the Constitutional Convention in 1787, Gouverneur Morris warned the assembled delegates that limits were desperately needed on

the power of the States to act independently if a stable Union was to be forged. He was, in effect, arguing the case for a national interest superior to those of any State by itself. A majority of the delegates to the Convention agreed with Morris. On the other side, Virginians Edmund Randolph and George Mason, fearful that the agricultural States would be dominated by commercial and financial interests, pressed to dilute the power of the Executive by calling for a committee rather than one individual to fill this office. Elbridge Gerry of Massachusetts also championed the effort to secure for the State legislatures the power to elect Senators to the Federal Congress.<sup>439</sup> In the end, Gerry eventually refused to sign the final draft, returning to Massachusetts with a stern warning: "*The constitution proposed has few if any federal features; but is rather a system of national government.*"<sup>440</sup> Alexander Hamilton countered in *The Federalist* papers that there was no practical alternative:

A man must be far gone in Utopian speculations who can seriously doubt that, if these States should either be wholly disunited, or only united in partial confederacies, the subdivisions into which they might be thrown would have frequent and violent contests with each other. To presume a want of motives for such contests as an argument against their existence, would be to forget that men are ambitious, vindictive, and rapacious. To look for a continuation of harmony between a number of independent, unconnected sovereignties in the same neighborhood, would be to disregard the uniform course of human events, and to set at defiance the accumulated experience of ages.<sup>441</sup>

George Washington's agreement to serve as *the Union's* first President turned the tide of public support in favor of the Constitution and national government. Even so, ratification of the Constitution was gained only after the Framers committed to a second convention to adopt a Bill of Rights. Imperfect in its adherence to principles of justice, plagued from the outset by sectional interests and rivalries, divided by the presence of slavery, a national government but not a nation

was created. Only the defeat of the southerners after a violent war lasting four years finally secured for the nationalists firm control over the future of the United States.

A vocal minority of political and intellectual leaders prominent during the antebellum period continued to hold the view that the States were sovereign and not subservient to the national government. This view of the nation was neither wholly southern nor exclusively pro-slavery. As already noted in this work, radical *Federalists* in New England opposed Jefferson's use of the embargo as a national policy. Sectional and class interests operated as powerful instruments of division at the same time as the feeling of manifest destiny was creating the *American System*. Those few who embraced the principles of cooperative individualism espoused by Paine remained an almost silent minority even when shouting from the wilderness. The moral sense of right and wrong that guided Paine in his proposals was overwhelmed by utilitarian and relativistic norms. If, as Mortimer Adler instructs us, it was Aristotle who first provided the basic insight that "*happiness, rightly conceived, is the same for all [persons] precisely because, regardless of their individual differences, they are all human beings, the same in their specific nature,*"<sup>442</sup> the experience and behavior of Americans had followed a very divergent path from the Aristotelean ideal.

Moral principles guide us in our decisions of what ought to be. The system of law adopted by a society must be consistent with moral principle in order to be just. Cooperative individualism is based on the principle that claims to sovereignty over any portion of the earth by any group of individuals—whether brought together by tribal, ethnic, religious or other ties—are in direct conflict with justice. All such claims are inherently monopolistic, enforceable only by means of deception and coercion, by threat of physical violence against those who might attempt to challenge the status quo, and by mutual agreement among monopolists to honor and protect one another's assertions of ownership and control. Sovereignty, then, is a Utilitarian concept, but with a

restriction; sovereignty seeks the greatest good for the greatest number of those granted privileges under positive law. And, sovereignty defines all those not so protected as outsiders—people without rights (or as not people at all), subject to the whims of unprincipled authority.

Despite the anti-slavery and agrarian reform movements, the ante-bellum years were not yet the time for *Americans* to begin doubting the righteousness of manifest destiny or the superiority of *the American System*. Many understood that the economic and sectional rivalries Alexander Hamilton had warned of were approaching critical mass and that an explosion was imminent. Abraham Lincoln in the Presidency excited the worst fears of States rights, pro-slavery southerners. South Carolinians wasted no time at all in declaring *the Union* dissolved and themselves citizens of the State of South Carolina only. Other southern States followed, and delegates from seven southern States eventually gathered on February 1, 1861 in Montgomery, Alabama to form the Confederate States of America. Jefferson Davis was elected the Confederacy's first and only President. The test of wills was now to become a test of strength and endurance.

### Political Economy and the American System

For as long as the war between the *American* States has been studied by historians, the causal role played by slavery has been debated. We know that the southern plantation owners had grown accustomed over many generations to the presence of slavery and were certain they could not continue to prosper without a labor force prevented from working for themselves. Economic considerations, as important as they were, do not answer fully the unyielding defense of a practice so wholly vile, so in violation of human rights and against the spirit of the republic. Christianity, once again in history, had been an instrument utilized to



justify evils perpetrated by a dominant few. Hindsight reveals that had the southern legislatures merely emancipated Africans and African-Americans from slavery without reducing or eliminating property requirements as a condition for suffrage, ex-slaves would have gained little or no political power. Absent any real semblance of equality of opportunity, a new, mostly agrarian class of tenant farmers and farm workers would have continued to be dependent upon the plantation owners for subsistence employment. To the extent African-Americans would have then migrated to the territories or the northern States or back to Africa, their labor could easily have been replaced by the unpropertied peasants of Ireland and other parts of Europe and Asia. Something besides economic considerations kept the leaders of the southern States from acting in their own long-term best interest.

What many of the leading southerners feared, more than anything else, was the loss of their traditional way of life. Their writings place slavery within the context of a socio-political, economic and cultural system they asserted contained none of the degradation of northern urban and industrial landlordism or the violence of life at the western frontier. The South, they declared, was civilized; slavery was justified as both benign and humanitarian—in ways violent abolitionists could never appreciate. The southern press took great pains to report every instance of ex-slaves returning from the North for the security and comfort of the South. These peculiarly southern attitudes found their way into the speeches and writings of the South's political figures, educators, scientists and journalists. Their undisputed leader was South Carolina's John C. Calhoun (1782-1850), whose own socio-political philosophy was, in most respects, strongly individualist and decentralist. In his attempt to justify the institutional support of slavery, however, Calhoun had no choice but to abandon moral principle in order to distinguish between the races. Liberty by his definition became not freedom constrained by justice, but "*a reward to be earned.*" Perhaps the mixing of the races had been a mistake; however, inasmuch as the races

now occupied the same territory, Africans and African-Americans would have to earn their liberty by demonstrating that they had reached a stage of “*moral and intellectual*” development where they could be trusted with the responsibilities of self-government. “*The progress of a people rising from a lower to a higher point in the scale of liberty,*” he wrote, “*is necessarily slow;—and by attempting to precipitate, we either retard, or permanently defeat it.*”<sup>443</sup> Granting liberty to individuals unprepared to execute their civic responsibilities carried another risk, said Calhoun; namely, that they would become pawns in the hands of corrupt and manipulating northerners:

Be assured that emancipation itself would not satisfy these fanatics:—that gained, the next step would be to raise the negroes to a social and political equality with the whites; and that being effected, we would soon find the present condition of the two races reversed. They and their northern allies would be the masters, and we the slaves;...<sup>444</sup>

Another southerner, Virginian George Fitzhugh (1806-1881), defended the continuation of slavery as the only means of preventing the global socialist revolution from eventually coming to North America. What, he asked, had been the consequences of an end to feudal arrangements in Europe: “*Crime and pauperism have increased. Riots, trade unions, strikes for higher wages, discontent breaking out into revolution, are things of daily occurrence, and show that the poor see and feel quite as clearly as the philosophers, that their condition is far worse under the new than under the old order of things.*”<sup>445</sup> All throughout the northern States the disappearance of inexpensive fertile land and the rise of urban and industrial landlordism combined to produce social and economic distresses very similar to those long associated only with the Old World. Only the South, Fitzhugh and others argued, continued on in the manner of the colonial period, standing firm against the troubling disorders change was bringing to the North. Fitzhugh even went

so far as to compare the distribution of wealth under the plantation system with that of the Communist ideal, concluding that with slavery each producer did in fact receive wealth sufficient for one's needs. And, if this still did not convince the skeptic, he compared the quality of life for all people in the South to that in the North:

At the slaveholding South all is peace, quiet, plenty and contentment. We have no mobs, no trades unions, no strikes for higher wages, no armed resistance to the law, but little jealousy of the rich by the poor. We have but few in our jails, and fewer in our poor houses. We produce enough of the comforts and necessities of life for a population three or four times as numerous as ours. We are wholly exempt from the torrent of pauperism, crime, agrarianism, and infidelity which Europe is pouring from her jails and alms houses on the already crowded North. Population increases slowly, wealth rapidly....Wealth is more equally distributed than at the North, where a few millionaires own most of the property of the country.<sup>446</sup>

Defenders of slavery also pointed to the continuous increase in the population of African-Americans as evidence of the system's protective qualities. Against this, they pointed to the mass exodus of paupers from Europe, many of whom were now being exploited by *American* industrial landlords in the northern states who cared nothing for the worker as a human being, for the family or for community. Such arguments had in them more than an element of truth, but only enough to use as propaganda for the ill-informed and the defenders of the status quo. In truth, slavery resembled industrial landlordism as well as socialism in one important way that southern defenders could not afford to acknowledge. Individuals work hardest, employing the most creative application of their skills and knowledge, when they are certain of retaining the fruits of their labor. Slavery sanctioned something worse than institutionalized theft but incorporated theft as a central principle. Slavery resulted in the coercive redistribution of wealth from producers to non-producers. Historian John Hope Franklin makes the point that

this relationship between the plantation owners and those forced to labor in the fields made for a very flawed system of production:

Slaves...were wholly irresponsible and had little opportunity to develop initiative....

When there was not watchful supervision little was accomplished in a system of slavery. Negro slaves felt no compulsion to extend themselves in their work unless the planter or overseer forced them. Their benefits would be the same, except on a few plantations where systems of rewards and bounties were developed, whether they worked conscientiously or whether they shirked at every opportunity...The consistent evasion of work on the part of the slaves was one of the reasons why planters always felt in need of more slaves to increase the productivity of their plantations.<sup>447</sup>

As one would expect from any system of production based on involuntary labor, the total amount of wealth produced tended to be far greater when the plantation owners and other southern landlords worked alongside those forced to toil for subsistence. The oppressiveness and cruelty of slavery was greatest, generally, where hired overseers protected the interests of absentee landlords. In this sense, slavery in the southern States had much in common with the system of land tenure in Ireland.

The surrender of Robert E. Lee's army at Appomattox court house ended the South's bid for an independent future. Chattel slavery came to an official end. Yet, as Paine would have understood, there was little for the defenders of liberty to praise in this victory. *The Union*, with all its injustices but one, was preserved. After pondering the coming victory for some time, Horace Greeley expressed his grave concern over what was to become of the nation, publishing his thoughts just one day before Abraham Lincoln was shot by John Wilkes Booth:

I have not usually believed that we should win, because I could not believe we deserved to win. We are a pro-Slavery people today. In the great city of Philadelphia...a black Union soldier is not allowed to ride the street-cars....Our great

triumph is God's answer to the prayers of the Colored People; it is not our victory, and the result will show it....

I am becoming still more alienated from the religion which passes among us for Orthodox and Christian. Its teachers and leading professors are loudest in the cry for bloodshed and vengeance as against the beaten, prostrate Rebels. They want to erect the gallows all over the South and hang the baffled traitors whom we have not killed in battle. I am sure Jesus of Nazareth is not truly represented in this spirit.

As for me, I want as many Rebels as possible to live and see the South rejuvenated and transformed by the influence of Free Labor....I see great trouble in the future growing out of our partial, tardy, enforced conversion to the Gospel of Equal rights. I fear more calamity is needed to convert us to the true faith that wrong done to the humblest, most despised, is an injury and peril to all.<sup>448</sup>

In ways Greeley had not thought of, those who survived to see the States reunited were to be at the mercy of economic pressures associated most directly with conduct of the war. *The Union's* Secretary of the Treasury, Salmon P. Chase, managed the massive borrowing necessary to provision the military, incurring a national debt of nearly \$3 billion. As in the war of independence from Britain, the government self-created its own credit by the issuance of paper currency not backed by gold or silver bullion or any commodity. The war also produced an illusion of prosperity. Nearly everyone willing and able to work found employment. With so many of the nation's young men engaged in the fighting, industry experienced labor shortages that could not be easily filled. A massive investment in capital goods, financed by borrowing, commenced. *The Union's* productive capacity was vastly increased as a result, although far too few businessmen gave much thought to what might happen once the war ended.

Also consistent with the conduct of war, the real purchasing power of most workers declined even as their nominal wages increased. Speculation in western farmland made some older farming landowners instantly wealthy, at least on paper; those who acquired farmland during

this period were, of course, saddled with debt the repayment of which was dependent upon a continuation of high commodity prices. In the farmed-out northeast, however, the rental value of land actually fell. Charles Francis Adams, grandson of John Quincy Adams, recorded in his diary that the rents he received as a landlord had fallen to the point where he could barely cover his living expenses.<sup>449</sup> Some profited greatly while others fought, lost everything and/or gave their lives, as even Carl Sandburg took the opportunity to observe in his biography of Lincoln:

Small, comfortable fortunes had sprung up by thousands across the Northern and Border States, not to mention the Gulf State of Louisiana. Snug accumulations of wartime profits came out of selling wooden and metal legs and arms to men mutilated in battle, and out of providing substitutes to go forth to battle. Hundreds of neat bank deposits traced back to blockade-running and to forbidden traffic in liquor, medical supplies and scarce ingredients of war munitions.<sup>450</sup>

More troubling to stalwart believers in the moral superiority of the *American System* was the conversion of war profits into conspicuous consumption and luxury. In addition to Cornelius Vanderbilt and William B. Astor, the list of New Yorkers whose wealth grew during the war years now included Pierpont Morgan, Jay Gould and Jim Fisk. And, in a mad frenzy to send the nation's rail lines across the continent, the Congress had deeded nearly 70 million acres of the public domain to just two companies, the Union Pacific and the Northern Pacific. Following in the footsteps of Horace Greeley, Henry George (who in 1867 became managing editor of the young *San Francisco Times*) authored an article entitled "What the Railroad Will Bring Us" that was published in the October, 1868 issue of Bret Harte's *Overland Monthly*. This was George's first important attack on monopoly privilege built into the *American System*:

Amid all our rejoicing and all our gratulation let us see clearly whither we are tending. Increase in population and wealth past a certain point means simply an approximation to the condition of older countries—the Eastern States and Europe....

For years the high rate of interest and the high rate of wages prevailing in California have been special subjects for the lamentations of a certain school of local political economists, who could not see that high wages and high interest were indications that the natural wealth of the country was not yet monopolised, that great opportunities were open to all—who did not know that these were evidences of social health,...

But however this be, it is certain that the tendency of the new era—of the more dense population and more thorough development of the wealth of the State—will be to a reduction both of the rate of interest and the rate of wages, particularly the latter. This tendency may not, probably will not, be shown immediately; but it will be before long, and that powerfully, unless balanced and counteracted by other influences which we are not now considering, which do not yet appear, and which it is probable will not appear for some time yet.

The truth is, that the completion of the railroad and the consequent great increase of business and population, will not be a benefit to all of us, but only to a portion. As a general rule (liable of course to exceptions) those who have, it will make wealthier; for those who have not, it will make it more difficult to get. Those who have lands, mines, established businesses, special abilities of certain kinds, will become richer for it and find increased opportunities; those who have only their own labour will become poorer, and find it harder to get ahead—first because it will take more capital to buy land or to get into business; and second, because as competition reduces the wages of labour, this capital will be harder for them to obtain...<sup>451</sup>

After journeying back East early in 1869 on business, George challenged—in a signed letter printed in Greeley's *Tribune*—the monopolistic licenses granted by the State of California and the National government to the Union Pacific and Central Pacific railroads. He was then invited by the *Tribune's* managing editor, John Russell Young, to write several additional letters commenting on the transcontinental railroad system. Although George did so and was paid for the letters, Young was

caught in an impropriety and forced to resign, leaving the *Tribune* before they were published. Whitelaw Reid, already the successful editor of a Cincinnati newspaper (as well as being young, polished and a college graduate), was recruited by Greeley to eventually succeed him as chief editor. Reid assumed Young's responsibilities and, for reasons of his own, decided not to publish George's letters. However, Reid did publish a long article Young had solicited from George entitled "The Chinese on the Pacific Coast," which argued the case of *American* workers' against Chinese immigration. Later in life George expressed regret for his treatment of the Chinese and African-Americans in this article, although he continued to oppose open immigration of Asians throughout the remainder of his life. He believed the nation needed to remove basic injustices before adding extremes in ethnicity to the plethora of accommodations required in an already pluralistic society. As for his conclusions that large-scale immigration of Chinese would drive down the wages of *American* workers, he explained that he had read and accepted John Stuart Mill's explanations of why this would occur. George had, in fact, sent Mill a copy of the article, and the eminent political economist responded with a long letter that set George to thinking more deeply about the moral basis of property in nature. To George, Mill wrote:

The subject on which you have asked my opinion involves two of the most difficult and embarrassing questions of political morality—the extent and limits of the right of those who have first taken possession of the unoccupied portion of the earth's surface to exclude the remainder of mankind from inhabiting it, and the means which can be legitimately used by the more improved branches of the human species to protect themselves from being hurtfully encroached upon by those of a lower grade in civilisation....<sup>452</sup>

Mill acknowledged that the fears of the workers were justified, but only in part. He expressed optimism that the "*institutions of the United*



*States are the most potent means that have yet existed for spreading the most important elements of civilisation down to the poorest and most ignorant of the labouring masses*"<sup>453</sup> and that a determined effort to provide education to young Chinese immigrants would bring them into the mainstream of *American* life. For his own part, and despite a continuing concern over Asian immigration, Henry George became an ardent free trader.

The corruption and cronyism that plagued the Presidency of Ulysses S. Grant also caused Henry George to abandon the Republican party. When the letter from Mill arrived, George had already been editing a small Democratic paper in Oakland, owned by Hiram Tubbs, called the *Transcript*. Meanwhile, the Governor of California, Henry Haight, had decided to take on the railroads and bring an end to government subsidies. He recruited George to come to Sacramento and take over as editor of the Democratic party's main organ, the *Sacramento Reporter*. After editorially hammering away at the Central Pacific's monopoly power for a few months, the railroad simply and quietly bought the paper. George stepped down and moved his family to San Francisco, where he proceeded to prepare a brief pamphlet he titled "*The Subsidy Question and the Democratic Party*." This became a major position paper in Haight's bid for re-election, but the power of the Central Pacific was employed to make sure the Democratic party candidates<sup>454</sup> all went down to defeat. Converted by an open discussion of the issues to free trade and increasingly fearful of the power attached to concentrated wealth, George had come easy to his position against the railroad subsidies. Now, more than ever, he pondered the reasons why California and other newly-settled territories became plagued by so many workers unable to find meaningful work at a living wage, while multi-millionaires kept amassing fortunes and property. The answer, one that common sense as well as the historical and contemporary evidence supported, came to him quite suddenly and set him to work on a long booklet, *Our Land and Land Policy*, which he finished in July of 1871.

Although a thousand copies were sold or otherwise distributed, this work received almost no public attention; yet, in this booklet George set down his first detailed attack on the monopolization of land as the fundamental cause of widespread poverty. As he examined the situation in California he traced the emergence of a plantation system nearly identical to that of the defeated South, with Asians instead of Africans performing the brute labor without hope of improving their condition. Historian Kevin Starr concludes that coming of age in the California of the 1860s and 1870s stimulated George's understanding in a manner others not immersed in similar changes could not readily grasp. "[T]he processes George unraveled on an international scale were first observed on the immediate stage of California during his career as a journey man and a journalist," writes Starr, "processes exceptionally discernible because they had been compressed into a brief thirty years of history."<sup>455</sup> Yet, as Albert Jay Nock observed in his biographical essay on George, "[o]thers had made the same observations, drawn the same inferences, and had presented their findings in a more orderly and accurate phraseology." What distinguished George were, I believe, the same keen activist instincts and humanitarian values that had driven Horace Greeley.

Although Henry George had discovered for himself an important and fundamental truth, his knowledge of political economy was not yet well-developed. He was totally unaware, adds Nock, that "*some had gone even farther, arriving at particularized conclusions which George was not to reach until considerably later.*"<sup>456</sup> After completing the pamphlet, Henry George then entered into partnership to start a newspaper of his own making, the *Daily Evening Post*. Here he repeatedly editorialized on the need to remove all taxation save that on the value of land as a practical means of preventing land monopoly. Then, in 1872 he joined the list of Democrats endorsing the candidacy of Horace Greeley for the U.S. Presidency against Grant, despite the fact that Greeley remained a staunch protectionist. As described by William Hale, the Democrats

were neither a party nor a coalition of interests; they were malcontents and opportunists searching for a way to regain power:

The campaign as a whole was more than confused; it was so entangled amid cross-purposes and inherited hates as to become weird. Greeley's managers thought that all would go well if the candidate would talk protectionism in the East, labor's rights in the big cities, civil-service reform to Liberal Republicans, and southern amnesty to Democrats below the Ohio. On the other hand, Greeley was under attack in the North as a conciliator of "rebels," and in the South as a past abolitionist and warmaker.<sup>457</sup>

Grant's popular vote of 3,600,000 was 800,000 more than that received by Greeley. Greeley's wife had died in October, and his newspaper, the *Tribune*, was also slipping from his control. Worn out, his health and mental condition collapsed; he was hospitalized in November of 1873 and died on the 24th. In San Francisco, Henry George continued on as editor of the *Daily Evening Post* for two more years, until finally forced to relinquish control in November of 1875. He would now begin work on the book that when finally published four years later would catapult him into international prominence.

### FATE OF THE TROUBLED ANTI-CAPITALISTS

During the decade of the 1850s, Karl Marx devoted all the time he could spare to the study of political economy. Despite deteriorating health and an impoverished state, he completed the first volume of his *Critique of Political Economy* early in 1859, securing the printing of one thousand copies in Berlin. Marx writes that finding a publisher was "only thanks to [Ferdinand] Lassalle's extraordinary zeal and powers of persuasion,"<sup>458</sup> for which he was unquestionably grateful. After the *Tribune* assignments ended, he became totally dependent upon Engels for his financial survival, existing in such severe poverty that his wife

declared she welcomed death as a reprieve from their misery. Meanwhile, he continued his research and writing, sending to Hamburg in March of 1867 the manuscript of volume one of *Das Kapital*. A month later he wrote to Siegfried Meyer that in the completion of his manuscript he had “sacrificed health, happiness and family.”<sup>459</sup> Despite these hardships and his commitment to the work, Marx somehow managed to devote time to the formation in 1865 of the International Working Men’s Association. Marx was invited to attend the founding meeting and ended up writing the group’s statement of principles.

Proudhon, the chief philosophical nemesis faced by Marx over the years, had completed his own crowning work, *De la Justice*, in 1859, almost all copies of which were confiscated before they could be distributed in France. Early in the following year, Proudhon was working on another work dealing with the nature of war when he was visited by Leo Tolstoy. From Julius Froebel and other Germans, Tolstoy had been given an in-depth introduction to what were considered modern educational methods before making his way through the rest of Europe. He attempted the writing of a novel about the 1825 uprising of the *Decembrists* but abandoned the project far from completion and toured a number of State Schools in Marseilles (of which he formed a low opinion), then moved on to Italy. After exhausting all that Italy had to offer, Tolstoy made his way to Paris early in 1861 where he called on the exiled Russian revolutionary, Alexander Herzen, who thought Tolstoy both rash and impressionable. While in Paris, Tolstoy learned from the newspapers that the Tsar had issued an imperial manifesto abolishing serfdom; this was not a wholesale redistribution of land, but primarily the granting of a limited freedom that entitled landless peasants to compete with one another for scarce employment. Those who were willing and able to pay rents or purchase deeds could stay upon the land. The imperial government did offer to provide long-term financing, but few peasants understood these complexities.

Concluding that he could accomplish little by returning to Russia, Tolstoy continued on his journey, leaving Paris for Brussels in March of 1861 and eventually spending a few days with Proudhon. What he took away from this meeting was two-fold: a deeper appreciation for the principles of voluntary association and the title for his great narrative, *War and Peace*. Proudhon's own treatise on war, which he discussed with Tolstoy, linked societal aggression with human nature and defended the use of force to advance the cause of justice. Proudhon recognized, however, that few wars in history met this test:

The first, universal and always pressing cause of war, in whatever manner and for whatever motive it breaks out, is the same as that which drives nations to hive-off colonies, to seek land and outlets for their surplus population. It is want of subsistence or, in more technical language, the breakdown of the economic equilibrium....In the last analysis the original cause of all wars is Pauperism.<sup>460</sup>

Yet, when the paupers manage to overthrow their oppressors, their inexperience in self-governance and unfamiliarity with principles of just government tends to draw them into the arms of the populist dictator. The only reprieve, argued Proudhon, was in the federative principle, by which he meant a contract between the individual and the State under which specific human rights were acknowledged and protected, in return for which the individual citizen acknowledged specific limits to freedom. The sole legitimate responsibility and authority of the Federal body was to make sure that individuals and regional governments live up to this contractual relationship. Looking at events in contemporary Europe, he warned that the unification of the seven small Italian states would achieve only the addition of one more aggressive, centralized State to orchestrate oppression over its citizens. These larger, more populous nation-states then relied on nationalist zeal to justify territorial expansion at the expense of those ethnic and tribal peoples of the world incapable of effective resistance to external domination.

Proudhon had become over the decades of his life the philosopher, architect and engineer of *Mutualism*. The cooperative associations of workers he helped to nurture demonstrated their self-sufficiency and competitiveness against industrial landlords. What they could not achieve was to escape the overwhelming power of the State to direct privilege, monopolies and confiscatory taxation against them. As explained by Nicolaievsky and Maenchen-Helfen, these realities had the ironical result of pulling the Mutualists into the ranks of State-socialists:

The co-operative societies represented a victory of the political economy of the working class over the political economy of ownership. But experience had also demonstrated that, in spite of the excellence of their principles and their usefulness in practice, the co-operative societies were confronted with limits which they could not overstep. The co-operative movement, to save the working masses, must be developed on a national scale and consequently be promoted by national measures. Thus the adherent of the co-operative ideal was forced to the conclusion that he who wanted co-operative enterprise must necessarily desire the capture of political power by the working class.<sup>461</sup>

Proudhon did not live to see this conversion or to learn of the key role Marx would play. After months of illness he died on January 19, 1865. Earlier that month, Tolstoy had just completed the first part of his *War and Peace* manuscript and sent it off for publication.

Proudhon's parting advice to the workers of the world was to take no part in liberal, parliamentary government. He warned against the inevitable evils that communism would surely bring, but also held out no hope that democracy might overcome the concentration of wealth produced under *laissez-faire*. Only Mutualism remained as the answer for the workers. In this respect, the aims of Proudhon's followers were in direct conflict with those adopted at the first conference of the International Workingmen's Association in 1864. Marx and Engels had been instrumental in pressing for a Constitution that made the capture

of political power by the workers the primary objective. In this, they attempted unsuccessfully to convince the Mutualists and others within the cooperative movement that their long-term success could come only with political power in the hands of the workers. Meanwhile, Marx continued to work on his own study of political economy.

A small edition of one thousand copies of the first volume of Marx's *Das Kapital* appeared in Hamburg in 1867 but attracted almost no attention. This was a year of deepening economic hardship for millions of workers throughout Eurasia and North America—and also the reappearance of Michael Bakunin within the revolutionary ranks. At the International's second conference, at Lausanne in 1867, some of the Mutualists opposed the use of strikes as an economic weapon while others joined the communists in a call for collectivization of the railroads. Trade unionists from Britain had already made good use of the strike to gain advantage against industrial landlords and pushed the International to assist in preventing workers from other countries being brought in as strike-breakers. Bakunin hoped for a far more radical program and led the anarchist faction in a call for armed uprisings against all governments and the abolition of the State; association and all socio-political arrangements would become voluntary in Bakunin's new world order.

At the 1869 International Congress representatives participated from nine countries, including the United States. Membership worldwide reached nearly a million. They were nonetheless tragically hampered by feelings of nationalism. Additional friction existed over strategies that advocated political independence versus applying pressure to existing parties, over cooperative associations versus nationalization of the means of production, over anarchy versus centralized power, and over democracy versus dictatorship. In this ideological struggle, Bakunin and the Mutualists occupied opposite extremes, with Marx and Engels representative of the incrementalists holding a middle ground. Bakunin plotted to take control of the International, and neither Marx nor

Engels suspected his intentions until the Eurasian continent was once again immersed in another territorial war of attrition. Germany was emerging as the new continental power, and an internally corrupt and weakened France could offer only token resistance.

Bismarck's Prussian armies brought an end to the empire of Charles Louis Bonaparte in September of 1872, and the peace accord transferred the mineral rich region of Alsace-Lorraine to Germany. The French formed a Third Republic. Twenty-five minor German principalities finally came together under William I, kaiser of the new German Reich.

During the war, Marx had urged the French workers to remain loyal to their country and not attempt to take advantage of German victories to overthrow the Bonaparte government. At the same time, Bakunin plotted with other radicals to do just that. Late in September Bakunin's faction acted; they attempted and failed to take power in Lyons, Marseilles and several other cities. Bakunin was able to escape but now despaired of the French, whom he declared had "*shown [themselves] incapable of ensuring [their] own salvation.*"<sup>462</sup> Members of the International joined with other French patriots in a guerilla war against Prussian occupation. Finally, in January of 1873 an armistice was signed between the French Provisional Government and Prussia. By March the revolutionary forces had gained sufficient strength in Paris to challenge the government with force. Both Bakunin and Marx remained on the sidelines, Bakunin in retirement (he died on July 1, 1876 in Berne) and Marx still in London, physically unable to do much more than carry on a written correspondence. By mid-May the Paris Commune, as the revolutionaries came to be known, were being cut to ribbons by the army. Those who could do so escaped to Switzerland or through Belgium to England or the United States. The International was on the verge of disintegration. Its headquarters, with the support of both Marx and Engels, was moved from London to New York under the charge of Friedrich Sorge. Marx, now ill more consistently than well, returned as



best he could to his obscurity and to his work on the second volume of *Das Kapital*. By mid-1872 part of his first volume had been translated into French and Russian and a few thousand copies of each sold. Marx had been working on the French translation himself, but his health was once again failing. His body finally gave out on March 14, 1883. Engels was left after Marx's death with the task of completing the second volume of *Das Kapital*, which he managed to do by the end of 1884. Volume three would be a far greater challenge for Engels; Marx had left two distinct manuscripts and a notebook filled with equations.

Meanwhile, Henry George's period of intellectual hibernation ended in 1879 with the publication of his "*inquiry into the cause of industrial depressions and of increase of want with increase of wealth*"<sup>463</sup>—which he titled *Progress and Poverty*. A copy reached Marx by way of the American reformer and journalist, John Swinton, who had been a personal friend of George's for more than a decade. One cannot know to what extent Marx gave serious study to George's treatise, given his failing health and lifelong rejection of rights in capital goods as legitimate private property; however, Engels records that Marx's copy of *Progress and Poverty* was filled with margin notes. Of George, Marx simply wrote Swinton as follows:

As to the book of Mr. Henry George, I consider it as a last attempt—to save the capitalistic regime. Of course, this is not the meaning of the author, but the older disciples of Ricardo—the radical ones—fancied already that by the public appropriation of the rent of land everything would be righted.<sup>464</sup>

Even Sorge (who now resided in Hoboken, New Jersey) thought enough of George's work to have a copy delivered to Marx. Responding, Marx expanded somewhat on his initial reaction to George's theoretical contribution:

Theoretically the man is total arriere [utterly backward]! He understands nothing about the nature of surplus value, and so wanders about in speculations that follow the English pattern, but are even behind the English, about the portions of surplus value that have attained independent existence, i.e., the relationships of profit, rent, interest, etc. His fundamental dogma is that everything would be all right if land rent were paid to the state.... This idea originally belonged to the bourgeois economists; it was first put forward... by the earliest radical disciples of Ricardo, just after his death.... That is a frank expression of the hatred the individual capitalist bears toward the landed proprietor, who seems to him a useless thing, an excrescence upon the general body of bourgeois production.

All these "socialists"... have this much in common, that they leave wage labor and hence capitalist production in existence and try to bamboozle themselves or the world into believing that through the transformation of land rent into a state tax all the evils of capitalist production would vanish of themselves. The whole thing is thus simply an attempt, trimmed with socialism, to save capitalist rule and indeed to re-establish it on an even wider basis than its present one.<sup>465</sup>

Marx acknowledged George's talent as a writer and applauded the younger man's attempt to break from "*orthodox political economy*" in search of truth and scientific principles. Marx was, perhaps, wounded by the sudden fame George had gained in an arena to which Marx had devoted a major portion of his life. Volume one of *Das Kapital* had attracted almost no attention or recognition up to this point. One reason was that an English translation did not appear until 1886. In the United States, Sorge and the small cadre of Marxists surrounding him were living in a society Engels described as having "*developed in a purely bourgeois fashion without any feudal past*" and where "*the people [would] become conscious of their own social interests [only] by making blunder after blunder.*"<sup>466</sup> If life in the United States proved harsher for most immigrants than they hoped or imagined, there remained a sense that opportunity to rise above one's circumstances existed if only one worked hard and persevered. For the moment at least, Henry George

held the interest and attention of a people confronted by a social and economic enigma they could not fully comprehend. The general population continued to embrace a value system that in its unbridled individualism was proving destructive, yet few were prepared to embrace a greater role for government than the constitution provide for.

Henry George's campaign had an immediate impact because of George's ability as an orator and his ability to attract activist supporters. With his fame spreading, George was recruited by the labor leaders in New York City to run as their candidate for mayor. Engels looked upon this development as a necessary evil, a step toward the coalescence of a truly socialist political movement. "*The great thing is to get the working class to move as a class; that once obtained,*" he concluded, "*they will soon find the right direction, and all who resist, [Henry George included], will be left out in the cold with small sects of their own.*"<sup>467</sup>

For his part, Henry George cared little about the socialists or about the intellectual legacy left by Karl Marx. At the 1887 New York State convention of the United Labour Party in Syracuse, George formally broke with the socialists and denounced their doctrine of nationalizing the means of production. George had repeatedly declared his principles for all who cared to listen, so they would know exactly the objectives he and his supporters sought. In May of 1887, for example, he had addressed the Anti-Poverty Society in New York and explained to his audience why the misery experienced by so many was caused not by property but by the theft and monopolization of property by the few:

We propose to disturb no just right of property. We are defenders and upholders of the sacred right of property—that right of property which justly attaches to everything that is produced by labor; that right which gives to everyone a just right of property in which he has produced—that makes it his to give, to sell, to bequeath, to do whatever he pleases with, so long as in using it he does not injure any one else. That right of property we insist upon, that we would uphold against all the world.<sup>468</sup>

This would remain George's battle cry until his death in 1897, and he would take his message to the far corners of the globe, building a personal following and a cadre of reformers as he went. In 1887, George and his key *American* supporters had begun publication in New York of *The Standard*, a newspaper that on a regular basis reached thirty to fifty thousand "*thinking people in the various walks of life.*"<sup>469</sup> However, even though George was by training and early inclination a journalist, he was by this time even more persuasive and influential in person than with his pen. Among his more dedicated converts, a far greater number of listeners than readers were converted to his cause, even though *Progress and Poverty* sold in the tens of thousands.

George took his message to the British Isles in 1888, delivering speeches and answering questions for several weeks. He returned in March of 1889 for a more extended lecture tour that included Scotland and attendance at a land reform conference held in Paris. Despite a generally cold reception among the university-trained academics, the English political economist, J.E. Symes (who taught at University College, Nottingham) took George's closed system of production and distribution and rewrote it into textbook form. George's writing also reached Leo Tolstoy, who, when interviewed in 1888 by a British newspaper, predicted that "[i]n thirty years private property in land will be as much a thing of the past as now is serfdom." To what or whom did Tolstoy look for this insight? "Henry George," Tolstoy declared, "had formulated the next article in the programme of the progressist Liberals of the world."<sup>470</sup> Unfortunately, George's success as leader of a global political movement would be fleeting. As Engels had predicted, the clash between industrial landlords and their workers overshadowed George's call for an end to landlordism. Although George was recognized by supporters and adversaries alike as a true humanitarian, his message was being overwhelmed by the monopolistic character of industrial landlordism. Trades unionists failed to see any concrete relationship between land monopoly and the factory

system. The industrial landlords, on the other hand, recognized intuitively just how dangerous George's proposals were to their monopoly-derived profits. Consistent with human nature, few owners of manufacturing concerns were anxious for free trade, or a *fair field with no favors* (as Henry George interpreted the Physiocratic program of *laissez-faire laissez-aller*). What they wanted was unimpeded access for foreign markets, protections from foreign competition, a large and unorganized labor force prohibited by law from combination and zero or low taxes on their property (landed property included) and income.

In Britain, where Henry George's influence had been equal to and perhaps greater than in his own country, the initiative for reform split into several different directions. A number of intellectuals—including George Bernard Shaw, H.G. Wells, as well as Sidney and Beatrice Webb—came together in 1884 to establish the Fabian Society, the purpose of which was to advance a gradualist and democratic socialist program. They were appreciative of George's role in awakening the social conscience of the British public but could not bring themselves to trust in his market-oriented solutions to the problem of wealth concentration. Others in Britain joined with Henry M. Hyndman (1842-1921) in 1881 to form the Social-Democratic Federation. For a time, Hyndman and this group championed George's cause as essentially socialist; by 1887, however, they broke with George over his free trade advocacy. George finalized the break with all socialists by condemning social democracy and the Social Democrats in the August 6, 1887 issue of *The Standard*. Support in Britain for George's proposals thereafter came from the Radical-Liberals, and during his 1889 lecture tour George was repeatedly harassed and attacked by Hyndman's Socialists. In July, George actually met Hyndman in public debate. Afterward, there could be no mistaking George's socio-political philosophy or his reform program from that advocated by the socialists.

By 1893 a third socialist faction had formed the Independent Labour Party under the leadership of James Keir Hardie (1856-1915). In the person of Hardie and his collaborators, Engels hoped the cause of Marxist-socialism could be advanced in Britain. As for the Fabians, Engels had very little regard. In a letter to Friedrich Sorge, he called them “*a band of careerists... who could not possibly entrust [the social revolution] to the crude proletariat alone and are therefore kind enough to set themselves at the head.*”<sup>471</sup> The Fabians, for their part, paid little attention to the political economy of Marx, regurgitating what Engels referred to as “*the rotten vulgarized economics of Jevons,*<sup>472</sup> *which is so vulgarized that one can make anything out of it, even socialism.*”<sup>473</sup> In his preface to the third volume of *Das Kapital*, Engels attempted to explain the fallacies of the neoclassical school now represented by Jevons:

Marx’s ideal values, determined by the units of labour embodied in commodities, do not correspond to prices, but can ‘be considered as the starting-point of a shift which leads to the actual prices. These latter are governed by the fact that capitals of equal size demand equal profits.’ This means that some capitalists receive higher prices for their commodities than their ideal value, while others receive lower prices. ‘But since the losses and gains in surplus-value cancel one another out within the capitalist class, the overall amount of surplus-value is the same as if all prices were proportionate to the commodities’ ideal values....

...Vulgar economics has an explanation of its own, which is allegedly at least more plausible:

‘The capitalist sellers, i.e., the raw material producer, the manufacturer, the wholesale trader and the retailer, make a profit in their businesses by each selling dearer than he buys, i.e., by increasing the price that his commodities cost him by a certain percentage. Only the worker is unable to obtain an additional value of this kind, for his unfortunate position vis-a-vis the capitalist compels him to sell his labour for the same price that it costs him himself, i.e., for the means of subsistence that he needs...these price additions thus retain their full significance vis-a-vis the workers as

purchasers, and act so as to transfer a portion of the value of the total product towards the capitalist class.

Now it does not need a great effort of thought to realize that this 'vulgar economic' explanation of profit on capital leads to the same result in practice as Marx's theory of surplus-value; that the workers...find themselves in exactly the same unfortunate position vis-a-vis the capitalist as they do for Marx; that they are equally swindled, since every non-worker can sell above price, whereas the worker cannot do so; and that on the basis of this theory a vulgar socialism can be constructed which is similarly at least plausible, like that constructed in England on the basis of the Jevons-Menger theory of use-value and marginal utility. I would even suppose that if Mr. George Bernard Shaw were acquainted with this theory of profit he would grasp hold of it with both hands, say farewell to Jevons and Karl Menger, and build the Fabian church of the future anew on this rock.<sup>474</sup>

Jevons, Menger and the generation of neoclassical economists who followed them discarded Marx's theory of surplus value as wholly inconsistent with both reason and experience. Alfred Marshall, who inherited leadership of the neoclassical school, also relied on the neoclassical theory of competitive markets to "*expose some of the economic fallacies*"<sup>475</sup> of Henry George's treatise on political economy. As a humanitarian, Henry George had stirred the imagination and energies of a generation of reformers. Yet, his actual reform proposals were rejected by the overwhelming majority of intellectuals as well as trades union agitators. Marshall's attitude was characteristic of professional political economists. Nonetheless, the movement Henry George initiated survived his death, came close to achieving important policy changes in Britain and elsewhere and in the early 1970s attracted this writer for the first time to the century-old writings of this remarkable philosopher and reform-minded activist.

A methodical reading of George's several books is recommended to experience the full breadth of his powers of analysis and observation, as well as his deep spiritual faith and commitment to humanitarian

concerns. In the chapter to follow, I offer an interpretation of Henry George's closed system of political economy. By "closed system" I mean simply that all wealth produced is accounted for in terms of distribution. Externalities of all sorts—environmental and human created—influence the quantity of wealth produced and to which factor of production such wealth is returned. The reader uninitiated in modern economic theory will, I hope, be guided by the logic of George's presentation. To others who have survived the rigors of a degree program in economics, the return to a three factor model of production and distribution challenges the neoclassical description of competitive markets. Henry George had accepted as he own one of the great moral causes in history—to see to it that the earth was treated as the birthright of all persons, equally. He knew that his own campaigns were but the beginning of an effort that might require centuries to complete.