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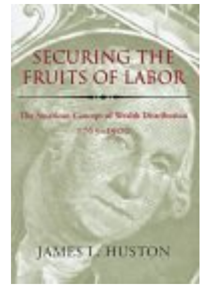
James L. Huston. *Securing the Fruits of Labor: The American Concept of Wealth Distribution, 1765-1900.* Baton Rouge: Louisiana State University Press, 1998. xxiv + 482 pp. $65.00, cloth, ISBN 978-0-8071-2206-8.



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Always ready to extol the virtues of his humble roots, Abraham Lincoln, during a campaign stop in New Haven in 1860, asked rhetorically, "What is the true condition of the laborer?" Using himself as an example, Lincoln responded, "When one starts poor, as most do in the race of life, free society is such that he knows he can better his condition; he knows that there is no fixed condition of labor for his whole life." Although a man may be, as Lincoln had been, a hired laborer "this year," he must be able to look forward to working for himself "the next" and, finally, to be able "to hire men to work for him." For Lincoln, like most of his audience, this was "the true system" (pp. 131-32). Long before 1860, Americans had, according to Oklahoma State University historian James Huston, come to agree on the essential elements of what constituted an appropriate distribution of wealth. In his intelligent and (gratefully) intelligible study of American economic thought, academic and public, *Securing the Fruits of Labor: The American Concept of Wealth Distribution, 1765-1900*, Huston comprehensively surveys the formation, evolution, and disintegration of republican principles of wealth distribution.

Even before the eighteenth century drew to a close, Americans had reached a consensus over what constituted a natural, equitable distribution of wealth. Huston identifies four key elements that he believes framed this consensus: the labor theory of property/value, the political economy of aristocracy, the abolition of primogeniture and entail, and the population-to-land ratio.

For the American revolutionaries, the preservation of individual liberty required "equitability," that is, the nearly equal distribution of wealth. Americans remained convinced through most of the next century that this would be possible only if each person could reasonably expect to receive the fruits of his own labor. More an ethical standard than an economic principle, what Huston terms the labor theory of value/property bestowed property rights on all who labored. Although inequalities might continue to exist, injustice occurred when a privileged few manipulated government to their own benefit.

Revolutionary leaders censured the political system of aristocracy as an enemy of the republican distribution of wealth. In Europe, through policies such as an onerous tax system that fund-ed a bloated and corrupt government bureaucracy, an established church, government-bestowed special privileges, and paper money, the aristocracy appropriated the fruits of others' labor. In removing these props of aristocracy, Americans had created a naturally equitable distribution.

The aristocracy of the Old World derived its strength from its near monopoly of the land. Hereditary aristocracy secured their monopoly through primogeniture and entail, which meant that they obtained great wealth without labor as a result of birth. The fourth axiom identified by Huston, the ratio of land to population, had nothing to do with human choice. The vast frontier afforded Americans an opportunity to own land that was not possible in the Old World. Over the century following the Revolution, the basic principles of the republican theory of the distribution of wealth held sway, according to Huston, without change or significant challenge.

Huston posits a direct correspondence between the commercial agrarian base of the United States economy before the 1880s and the superstructure of political economic ideas about wealth distribution that were held by Americans. During this "Age of the American Revolution," the nation remained overwhelmingly agrarian. Manufacturing, according to Huston, did not undergo any drastic change. Taking advantage of available western lands, Americans experienced horizontal growth and the creation of a national market but not vertical growth, as enterprise remained small scale. Not until the last two decades of the nineteenth century would the unitary economy of the republican era be undone with the coming of large-scale industry and corporate enterprise.

An appreciation of the transatlantic context of American political economic ideas is among *Securing the Fruits of Labor*'s many strengths. Huston briefly but expertly dissects David Ricardo and Thomas Malthus's market-driven theories of wealth distribution. Whatever their differences, both Malthus and Ricardo posited a grim future for laborers based upon the proposition that a fixed wage fund continuously reduced wages to subsistence level. The American counterparts of these English classical political economists divided along free trade and protectionist lines. American political economists of each school believed that the United States could escape the classical economist's "iron law of wages." Less certain that republicanism shaped economic relationships, the free traders nonetheless condemned excessive taxation and monopoly privilege as aristocratic. The equitability standard was even more critical for the protectionists, who insisted that the material well-being of the laborer would be elevated through productivity increases of land and the human creativity.

For Huston, the political parties in nineteenth-century America fractured along either a Hamiltonian or Jeffersonian axis. In the strongest chapter in the book, Huston concentrates on the political battles that arose over tariff policy and currency and banking. As believers in an activist government, or the positive state, Hamiltonians endorsed establishment of the National Bank, financing internal improvements, and high tariffs. Jeffersonians, on the other hand, favored the laissez-faire policies of a negative state: free banking, low tariffs, and easy access to public lands. Yet both Hamiltonian and Jeffersonian parties framed their political appeals according to the republican consensus on the distribution of wealth. However, Hamiltonians found themselves in the weaker position on banks, Jeffersonians on free trade. Americans responded favorably to Jeffersonian attacks on banks as agencies of special privilege, but they endorsed the Hamiltonian position on protection because they favored government actions that promoted economic opportunity.

Having established the essential parameters of the prevailing American concept of wealth distribution, Huston then attempts, in the book's two most problematic chapters, to contain dissent and slavery within this republican consensus. For

Huston, when antebellum workers and labor radicals railed against "wages slavery" they were not so much rejecting working for others as desirous of receiving their "just fruits." Only utopian communitarians, like John Humphrey Noyes at Oneida or Horace Greeley in his associationist-Fourierist phase, according to Huston, went beyond republican concepts of wealth distribution to advocate socialistic withdrawal from the marketplace. Still, it is their marginality that Huston ultimately finds meaningful about these movements. Dissent, he concludes, did not receive a wide hearing as most Americans continued to believe that working people received the just fruits of their labor.

Slavery was the American institution most at odds with the republican legacy of the American Revolution. Slaves, as Huston himself notes, obviously did not receive the fruits of their labor. Neither is it possible to view the Southern plantation economy as compatible with the basic axioms of republicanism outlined by Huston. Unable to contain slavery within republican consensus, Huston concentrates instead on the Northern opponents, who condemned the institution for failing to provide slaves with any incentive to labor and attacked slaveholders as aristocrats. By 1860, most northerners had come to view the "Slave Power" as a threat to the republican order.

Huston finds that the republican consensus remained largely intact through the Civil War and Reconstruction. Unwilling to go beyond republicanism, radicals in and out of Congress put their faith in political change, extending to the former slaves suffrage rights yet rejecting fundamental economic reconstruction--the plan for confiscation of planter estates and their redistribution proposed by Thaddeus Stevens. Huston concludes that republicanism did not fail in the postbellum South; it was never tried.

By the dawning of the new millennium, republicanism is dead, done in by the large-scale corporation. The coming into power of the "New Aristocrats"--Andrew Carnegie, J. P. Morgan, John D. Rockefeller, Henry Ford, and their like--rendered anachronistic the politics of aristocracy and other axioms of the republican concept of wealth distribution. A new economics defined value, which had been understood as a product of the "fruits of labor" and was now seen as consequence of the consumer's preferences or tastes in the marketplace (marginal utility and marginal productivity theory). Along with this new understanding of the distribution of wealth came a faith that only government could regulate leviathan. Thus, with the passing of republicanism in the early twentieth century came the birth of modern liberalism.

Huston's conclusion that the economic values Americans had formed during the Revolution endured virtually unchanged and unchallenged well into the 1880s will likely leave more than a few readers unconvinced. A number of conspicuous and related problems occur to me. First, Huston's bifurcated model of American economic development (small-scale commercial/agrarian before 1890, large-scale industrial/corporate after) understates the impact that industrialization had in the United States before the 1880s. The issue here is less a matter of the size and scale of manufacturing than of the changes in the mode of production and the growing permanency of the wage system. Early in the process of industrialization, certainly before 1860, division and specialization of labor, standardization of product, and the discipline of labor characterized what was already referred to as the "American system of manufactures." Further, even though the American economy remained primarily agricultural in the decade following the end of the war, most productively engaged Americans, including farmers, could be classified as either wage earners or salaried employees. In the industrial Northeast, the odds against self-employment--the entrepreneurial ideal of antebellum free labor society--were even greater. In Pennsylvania, between 65 and 75 percent of the laboring population worked for someone else; in Massachusetts, the rate was between 75 and 85 percent.[1]

Second, I find Huston's model too narrowly deterministic. He presumes that a direct correspondence existed in each era between the economic base and the superstructure of ideas and values held by Americans. Hence the unity of the American economy during what he calls the Age of the American Revolution produced a uniform set of ideas. In the end, what is significant for Huston about the political wrangling between the Hamiltonians and Jeffersonians is the absence of fundamental conflict. The objectives of either party appear to have gained legitimacy only to the degree that they were in accord with the revolutionary concepts of wealth distribution.

But the real problem for me with Huston's approach in ***Securing the Fruits of Labor*** is his tendency to reify the principal ideas of republicanism. Republicanism is better understood as a common language that different individuals or groups drew on to serve frequently divergent purposes.[2] Rather than their adhering to the common values of an accepted republican consensus, Americans were engaged in a critical debate over the kind of society that they were building. Despite the common terms and shared language, the protagonists in this debate understood themselves to be expressing conflicting economic, political, and social values.

Huston characterizes the labor theory of property/value essentially in terms of workers' hopes for equitability rather than equal distribution. Yet even when nineteenth-century workers expressed a common perception of the problems they faced in a changing economic world they were reacting to industrialization in markedly different ways. One example will suffice. As Paul Faler has shown, Lynn shoe workers in the 1830s did express their right to a fair share to the wealth that their labor produced. However, they could also, by claiming that "the worker is entitled to the full fruit of his toil," take these sentiments in a more radical or egalitarian direction. In this second formulation, they articulated an emerging wage consciousness that wanted "no hire at all." As an alternative to the existing system, shoe workers in Lynn endorsed producers' cooperatives owned and operated by the men who worked in them.[3]

The idea of producer cooperation appealed not only to workers in Lynn, but also, I have found, to a broad cross section of Americans concerned about rapid industrial expansion and the emergence of a permanent wage-dependent class. In the 1860s and 1870s, Americans as different in their backgrounds and ideologies as the labor leader William Sylvis, the abolitionist Wendell Phillips, and the journalists Horace Greeley and Edwin Lawrence Godkin supported producer cooperation as a means of resolving the "Labor Crisis." Nevertheless, they fundamentally disagreed in both how they defined this crisis and how they understood cooperation as a solution. Essentially, Godkin and Greeley viewed cooperation as a safe remedy to the imperfections of the wage system, one that would restore the harmony natural to the relations of production within a free labor order. For their part, both Sylvis and Phillips believed that only through cooperative production would laboring people be able to secure the economic and social rights due them as productive citizens. Theirs was a collective vision, one that identified cooperative production as the basis for building a new order, a cooperative commonwealth, within the United States.

These are serious questions. But the issues I have raised are not meant to detract from an appreciation of what Huston has achieved in ***Securing the Fruits of Labor***. Anyone who tries to make sense of nineteenth-century political economy will need to consider Huston's explication of republican concepts of wealth. Numerous times I found he helped clarify my own thinking on these critical ideas. I recommend this book to anyone who cares, as Huston obviously does, about the distribution of wealth in American society.

Notes

[1]. On nineteenth-century industrialization, see James M. McPherson, ***Battle Cry of Freedom: The Civil War Era*** (New York: Oxford University Press, 1988), pp. 6-46; Walter Licht, ***Industrializing America: The Nineteenth Century*** (Baltimore: Johns Hopkins University Press, 1995); Brian Greenberg, ***Worker and Community: Response to Industrialization in a Nineteenth-Century American City***, Albany, New York, 1850-1884 (Albany: SUNY Press, 1985), pp. 9-19.

[2]. The literature on republicanism is vast. On this point see Thomas Bender, "Intellectual and Cultural History," ***The New American History***, ed. Eric Foner (Philadelphia: Temple University Press, 1997), p. 191.

[3]. Paul Faler, ***Mechanics and Manufacturers in the Early Industrial Revolution: Lynn, Massachusetts, 1780-1860*** (Albany: SUNY Press, 1981), pp. 175-88.