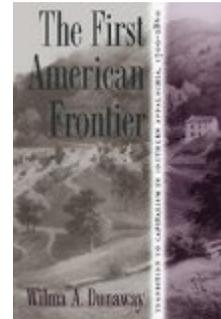


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in the Humanities & Social Sciences

Wilma Dunaway. *The First American Frontier: Transition to Capitalism in Southern Appalachia, 1700-1860*. Chapel Hill: University of North Carolina Press, 1996. xvii + 448 pp. \$27.50 (paper), ISBN 978-0-8078-4540-0; \$65.00 (cloth), ISBN 978-0-8078-2236-4.

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Before you read another word, let me report that what follows is a mixed review. Not too many years ago I have likely offered a uniformly negative (and probably rather hostile) assessment, but having spent 25 years in the trenches, I have come to realize, however reluctantly, that mainstream economic historians must welcome all the help that might drift our way from anywhere in the universe, including the very opposite end of the ideological rainbow. In this instance, the disciples of Adam Smith and Karl Marx have a common opponent: the “golden age, self-sufficiency, non-market communitarians” who have dominated the historiography of the colonial and early national periods for the last generation. Wilma Dunaway is a true believer and proselytizer for sociologist Immanuel Wallerstein’s “world systems” methodology, which from my lay standpoint, and this analogy may seem unfair to many advocates of this scholarly approach, seems very much inspired by Lenin’s “Imperialism as the Last Stage of Capitalism.” For Wallersteinians, imperialism was simply a much, much earlier stage. In a nutshell, Wallerstein maintains, and Dunaway concurs, that the economic elites who resided in the core European states, with the assistance of their overseas representatives, extended capitalism to periphery areas of the globe and exploited millions of powerless inhabitants—including in this instance the Cherokees and other Amerindian tribes living in the southern Appalachian region in the eighteenth century, and subsequently an even larger number of black slaves and landless European settlers who became tenant farmers and marginal industrial workers.

Dunaway argues that European traders quickly incorporated Amerindian tribes into the growing global capitalist system. Her approach seems in tune with Carl

Degler’s comment that capitalism arrived with the first boats to land on North American shores. The transition to capitalism in Appalachia thus came early, and it strengthened and snowballed with the arrival of European settlers. The author directly challenges the historiographical tradition which depicted Appalachia as a region where inhabitants were remote from the effects of larger market forces. Pre-capitalist is not in her vocabulary once Europeans arrive on the scene. On this critical issue, Dunaway aligns herself with the mindset of the economic and business historians with whom I rub elbows two or three times yearly at specialized scholarly conferences. It’s no big secret that social historians never read much of anything my peers have published over the last quarter century and often express a strong disdain for anyone with pro-capitalist leanings. Indeed, we have been a lonely and forgotten group for so long that any allies seem welcome, even the Wallersteinians.

Dunaway draws on data from 215 counties in nine states to produce a study that focuses on the southern Appalachian region, broadly defined. She explores European-Amerindian relations, ownership patterns of farmland and other natural resources, the emergence of towns, and the influence of local elites. In examining the complexities of labor and capital in the region, the author challenges many assumptions about the development of the society and disputes, in particular, the “exceptionalism” label.

A sampling of the rhetoric suggests the tone of the book. “Because the world system is characterized by a tendency toward centralization of wealth and a wide gap between economic classes, the European core needed to search out new land areas to drain off its impoverished

urban and rural masses” (p. 12). “Contrary to long-standing stereotypes, there were few subsistent producers in Southern Appalachia” (p. 20). “Settler Appalachia was ‘born capitalist’” (p. 16). “The local interests of Appalachian counties were subordinated to the drives of the capitalist world economy” (p. 292). “Because of the region’s environmental and market articulation with the world economy, distant capitalists drained surpluses away from Southern Appalachia, removing the potential for its economic growth.” (p. 316).

To support her thesis, Dunaway offers a torrent of facts and figures. She has mined the secondary literature and generated fresh data drawn from primary sources as well. The endnotes are profuse and comprehensive. Where mainstream economic historians and Wallersteinian sociologists stand light years apart is with respect to differing attitudes toward the legitimacy—or in this case the illegitimacy—of materialist development and, particularly, the role of the profit motive in human affairs. The followers of Adam Smith tend to see profitability as a prerequisite for sustained success and a positive signal to a whole group of stakeholders—among them repeat customers, employees, and investors. Most adherents of Smithian economics believe that the occasional emergence of “excessive” profit rates in a given sector will in time attract competitors, who will, in turn, decrease the return on investment to the prevailing norm.

Dunaway, in contrast, argues that profit seekers in periphery areas like southern Appalachia invariably produced misery and hardship. This book is littered with victims animate and inanimate—including Amerindians, slaves, tenant farmers, miners, factory workers, day laborers, forests, rivers, the environment generally, and the southern Appalachian economy itself. Profit seekers, absentee owners, and land speculators are the villains. Rarely, if ever, does the author report the exact level of profitability for outside investors, which seems odd since the rest of the text is so thoroughly documented. Given her tone, most readers will probably assume the worse—profit rates of 50 to 100 percent annually for sustained periods. But I wonder. So far as I know, optimistic speculators in frontier lands only occasionally earned fantastic profits, and many, including most notably Confederation treasurer Robert Morris, lost huge sums. A majority of land speculators actually lost money—at least that’s what I think, and if Dunaway in a subsequent publication could prove otherwise, she would make a significant breakthrough. (I once thought that George Washington was among the lucky few who actually came out ahead on his investments in western lands, but colleagues at the

Huntington Library have recently disabused me of that idea.) Persons looking for substantial profits in land were much better served by investments in urban properties—witness the success of John Jacob Astor in the Manhattan real estate market.

Another question kept running through my mind while turning the pages: what level of profit merits the label exploitation? Anything over 5 percent, or 10 percent, or 15 percent, or 25 percent? Are we talking about anything positive at all, including a mere one percent? Would Dunaway allow an investor to earn something around the normative usury rate of 5 to 7 percent without applying the pejorative label. And how about investors who showed consistent losses; were they too exploiters? To my knowledge, few investors in any field were able to sustain returns of 15 percent or higher over long periods during the eighteenth and nineteenth centuries. Dunaway often cites the superior performance of the northeastern economy in the first half of the nineteenth century, but my guess is that investors in that region were earning solid returns. Indeed, in the capitalist world today some of the most profitable corporations also pay the very highest wages to both blue and white collar workers, male and female. Maybe the real problem in Appalachia was the low returns entrepreneurs earned on investments, which discouraged further investment.

Dunaway constantly asserts that the free white inhabitants of the southern Appalachian earned low incomes because of the control exercised by outside capitalists at home and abroad. But, again, her frame of reference is often vague. Compared to households in the industrializing northeastern United States in the first half of the nineteenth century, these mountain peoples were clearly at a disadvantage. But I kept wondering how the living standards of the residents of this so-called peripheral zone compared with other peoples in Asia, Africa, South America, and other parts of Europe, including the unidentified core nations across the Atlantic. Other readers may also find it surprising that an interpretive framework based on a world systems methodology has generated so few global comparisons. Could it be that southern Appalachian living standards ranked among the top 10 to 15 percent on a global scale?

I suspect historians of all ideological stripes will be irritated by Dunaway’s preachy, condescending tone, and her aggressive style. Truisms and reinvented wheels clutter the text. Her revisionist thrust is repetitive and redundant; at least one-third of the text should have received the blue-pencil treatment from copy-editors, but

didn't.

The book title and its subtitle are both misleading. The "first" American frontier was not in southern Appalachia at all, but was located along the Atlantic coast from Maine to South Carolina in the seventeenth century. The term "transition" in the subtitle suggests that what began as pre-capitalist later became increasingly capitalist. A more proper word in this context, given Dunaway's outlook, would have been something along the lines of "deepening" or "extension."

I could go on at much greater length about the deficiencies in this monograph, but remembering my original intention to offer a mixed assessment, I feel compelled to return to the positive aspects. Dunaway proves convincingly that persons in the southern Appalachian region were involved soon after the arrival of Europeans in an expanded system of world trade. Residents produced exportable surpluses of deerskins, tobacco, grain, lumber, and a host of related products. Many European settlers did not become hard-scrabble, self-sufficient

farmers. Absentee owners held a large percentage of the arable land. The wealthiest families in the region owned substantial numbers of slaves and employed them in a range of activities. There is much truth revealed in the data that Dunaway has carefully marshaled. While heavy-handed in her revisionism, she has stuck a neglected chord. Economic historians have had little luck in penetrating the consciousness of their mainstream peers with respect to the realities of colonial and early national capitalism—whether for good or evil; perhaps sociologists like Dunaway will have much better luck in awakening the profession.

Anyone seeking to stir up class discussion and to place North America in a global context should consider the paperback version of this book.

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