

**Freedom Reconstructed**

*National State Power, Capitalism, and the United States of America's Crisis of Free Labor,*

*1862-1877*

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## **Introduction: The Right to Enjoy the Fruits of One's Own Labor**

In December 1861, President Abraham Lincoln warned Congress in his first annual message against what he described as “the effort to place capital on an equal footing with, if not above, labor in the structure of government.”<sup>1</sup> Before presenting his own view of the ideal relationship between labor and capital, and the government's role in mediating it, he began his remarks on the subject by debunking a few common misconceptions:

It is assumed that labor is available only in connection with capital; that nobody labors unless somebody else, owning capital, somehow by the use of it induces him to labor. This assumed, it is next considered whether it is best that capital shall hire laborers, and thus induce them to work by their own consent, or buy them and drive them to it without their consent. Having proceeded so far, it is naturally concluded that all laborers are either hired laborers or what we call slaves. And further, it is assumed that whoever is once a hired laborer is fixed in that condition for life. Now there is no such relation between capital and labor as assumed, nor is there any such thing as a free man being fixed for life in the condition of a hired laborer.<sup>2</sup>

For Lincoln, the rights of free citizens necessarily included the right to freedom from proletarianization. A worker condemned to a lifetime of labor exploitation was not free. Wage labor was a temporary stepping-stone to true independence, enjoyed by the “large majority” of citizens who “neither work for others or have others working for them” and therefore required “no favors of capital on the one hand nor of hired laborers or slaves on the other.”<sup>3</sup> The true free-labor system, in which “[t]he prudent, penniless beginner in the world labors for wages awhile, saves a surplus with which to buy tools or land for himself, then labors on his own account another while, and at length hires another new beginner to help him,” was “the just and generous and prosperous system which opens the way to all, gives hope to all, and consequent

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<sup>1</sup> Abraham Lincoln, “Abraham Lincoln, Annual Message to Congress, December 3, 1861,” House Divided: The Civil War Research Engine at Dickinson College, <https://hd.housedivided.dickinson.edu/node/40507>.

<sup>2</sup> Abraham Lincoln, “Abraham Lincoln, Annual Message to Congress, December 3, 1861,” House Divided: The Civil War Research Engine at Dickinson College, <https://hd.housedivided.dickinson.edu/node/40507>.

<sup>3</sup> Abraham Lincoln, “Abraham Lincoln, Annual Message to Congress, December 3, 1861,” House Divided: The Civil War Research Engine at Dickinson College, <https://hd.housedivided.dickinson.edu/node/40507>.

energy and progress and improvement of condition to all.”<sup>4</sup>

Lincoln was invoking a familiar American trope: a “harmony of interests” between classes.<sup>5</sup> According to Martin J. Burke, adherents to this view “did not uniformly subscribe to an ideology of classlessness, but they did deny that there were essentially conflicting classes in the marketplace and the republic.”<sup>6</sup> Lincoln and his fellow Republicans generally saw no necessary antagonism between capital and labor, but believed that labor was more fundamental to society’s interests than capital. As Lincoln famously told Congress: “Labor is prior to and independent of capital. Capital is only the fruit of labor, and could never have existed if labor had not first existed. Labor is the superior of capital, and deserves much the higher consideration.”<sup>7</sup> But—as he also maintained—privileging the rights of labor did not violate the rights of capital. The Lincolnian variant of the “harmony of interests” thesis helped solidify the Republican party’s broad coalition of hired laborers, independent proprietors, and capitalist manufacturers around its pro-free-labor, antislavery agenda.<sup>8</sup> As long as the issue of slavery dominated national politics, any potential divisions in the coalition were mitigated by shared opposition to slavery’s expansion. The Republican platform could accommodate constituents who limited their conception of “free labor” to self-possession as well as egalitarians who understood the party’s mandate as the establishment of a republic of independent proprietors free from labor exploitation entirely.

However, the inescapable military pressures of the Civil War, underway as Lincoln

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<sup>4</sup> Abraham Lincoln, “Abraham Lincoln, Annual Message to Congress, December 3, 1861,” House Divided: The Civil War Research Engine at Dickinson College, <https://hd.housedivided.dickinson.edu/node/40507>.

<sup>5</sup> Martin J. Burke, *The Conundrum of Class: Public Discourse on the Social Order in America* (Chicago: University of Chicago Press, 1995), 108-132.

<sup>6</sup> Burke, *The Conundrum of Class*, 132.

<sup>7</sup> Lincoln, “Abraham Lincoln, Annual Message to Congress, December 3, 1861,” House Divided: The Civil War Research Engine at Dickinson College, <https://hd.housedivided.dickinson.edu/node/40507>.

<sup>8</sup> Eric Foner, *Politics and Ideology in the Age of the Civil War* (New York: Oxford University Press, 1980), 44; Charles Post, *The American Road to Capitalism: Studies in Class-Structure, Economic Development and Political Conflict, 1620-1877* (Chicago: Haymarket Books, 2011), 233-236.

delivered his address, were toppling the foundations of the coalition and the republic itself as he spoke. In the months after Lincoln's message to Congress, the financial burdens of waging the war sparked a series of unprecedented social, legal, and economic reforms that reconfigured the national political economy. Put simply, the war effort dramatically expanded and centralized the power of the national state. During Reconstruction, the party was forced to confront the polarizing question of how to use the federal government's newfound authority to meet the political and economic challenges of the postwar era. The abolition of slavery had ruptured the basis of the antebellum Republican coalition, and the meaning of free labor was openly contested. In the North, escalating class conflicts exposed deep rifts over exactly the freedoms to which free laborers should be entitled. In the South, struggles between planters and freedpeople over the terms of free labor brought the divisions in the party's coalition into sharp focus, while the shifting dynamics of the cotton economy pushed increasing numbers of the South's formerly independent farmers into the condition of working as hired laborers for life.

Unilateral Republican control of the federal government and diverse demands on the party by its various constituencies eventually prompted what Eric Foner has called "a shift within the Republican party from an ideological to an organizational mode of politics."<sup>9</sup> According to Foner, Reconstruction pushed the party away from its original ideological basis, rooted in notions of the dignity of labor and the Jeffersonian vision of an equal republic of independent producers, toward the development of a modern national political machine. But there are limits to this interpretation. During the reign of the one-party Reconstruction governments, the coalition that propelled Lincoln to the presidency fractured amidst conflicts over the meaning of "free labor" in the postwar landscape. As Foner has argued, the political turmoil of Reconstruction provoked "a crisis of the free labor ideology inherited from the pre-war years and

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<sup>9</sup> Foner, *Reconstruction*, 484.

based upon the idea of harmony between diverse economic groups.”<sup>10</sup> However, the crisis of free labor cut even deeper into the nation’s social fabric than Foner’s analysis suggests. The disintegration of the antebellum free-labor coalition was not the result of conflicts over political ideology. Rather, the nation’s political and ideological crisis of free labor during Reconstruction was a direct consequence of structural economic conditions imposed by the upheaval of the war.

Wars unleash unpredictable and irrevocable dynamics into the societies that wage them. In the United States, the Civil War provoked an irreconcilable contradiction between the imperatives of reconstructing the South as a component of the newly consolidated capitalist system and the federal government’s simultaneous goal of democratizing the former Confederacy. Meanwhile, the economic transformations that resulted from the war galvanized a variety of political struggles across the North. During Reconstruction, the Republican-controlled federal government became a battleground for a series of conflicts that reshaped the nation permanently. The party’s agenda became increasingly aligned with the profit motives of industrial and financial capitalists, and the massive national debt urgently required a plan to make southern free labor productive enough to restore profitability. At the same time, a tidal wave of popular struggles demonstrated the potential of Reconstruction as a period of substantive democratic reform. As millions of citizens across the nation mobilized around demands that laid their own claims to the right to free labor in the postwar republic, the necessity of reconstructing the nation as a modern capitalist state quickly came into tension with the party’s commitment to the extension of meaningful democratic rights. In other words, Foner’s “crisis of free labor ideology” was a symptom of the political-economic crisis of free labor itself. The new realities of the postwar political economy rendered the prewar concepts of a harmony of class interests and a republic of independent proprietors untenable.

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<sup>10</sup> Foner, *Politics and Ideology in the Age of the Civil War*, 120.

This thesis examines the economic foundations of the political and ideological crisis of free labor in the United States of America during Reconstruction. I will argue that the requirements of resolving the economic instability created by the war effort—and by extension, successfully managing the United States of America's transition to a nationally integrated capitalist system—were fundamentally incompatible with the full implementation of the Reconstruction agenda: the instrumentalization of the federal government to advance the rights of citizens, including the right to enjoy the fruits of one's own labor.

Historical scholarship on the transformation of labor relations during Reconstruction has been primarily concerned with post-emancipation conflicts over free labor in the rural South. There is also a literature on the political activity of northern trade unions in relation to the national Republican party during the same period. By comparison, there is a lack of scholarship that considers both the dynamics of the Reconstruction North and South with regard to the national implications of the crisis of free labor in the aftermath of the war and emancipation. It is therefore necessary to examine the political and economic struggles of rural agricultural labor in the South and (predominantly) urban industrial labor in the North as two components of a larger phenomenon. By analyzing the development of the clashes over labor and democracy in both the North and South in the context of the imperatives of the postwar national political economy, I hope to illuminate the structural conditions underlying the nation's historic conflicts over the right to free labor during Reconstruction.

Chapter One develops an explanation of the social and political ramifications of the dramatic centralization of executive state authority over economic policy in the North between 1862 and 1865, and the role of the war effort in the eventual development of a nationally integrated capitalist economy. This chapter is based on my own synthesis of various secondary



sources about the divergent economic trajectories of the antebellum North and South, the establishment of the national banking and currency systems during the war, and the subsequent rapid expansion and development of the industrial and financial economies. I argue that the foundations of the class conflicts and political realignments that animated Reconstruction-era struggles over the right to free labor were overdetermined by the centralization of national state power and resulting political-economic consolidation that began during the Civil War.

Chapter Two investigates the Reconstruction South's crisis of free labor by analyzing the economic incentives and political objectives of the planters and landholding farmers who wrote in the agricultural periodicals the *Southern Cultivator* and the *Southern Planter and Farmer*, publications widely circulated throughout the South during Reconstruction. My analysis of the political and economic imperatives of profitable free-labor cotton production from the perspective of southern landholders is put into context by an analysis of the political demands of the southern Union League movement. The resolutions and demands of the Union Leagues and their supporters provide insight into the political platforms of organizations formed by freedpeople in the Reconstruction South. By articulating their own claim to the right to free labor in response to planters' attempts to reconstitute the plantation economy, freedpeople's movements underscored the width and the depth of the political crisis provoked by conflicts over labor's relationship to capital in the postwar republic.

Chapter Three begins with an analysis of the political demands of the national labor reform movement in the late 1860s and 1870s, which waged struggles that both deepened the nation's crisis over the meaning of free labor and divided the movement internally, inhibiting its ability to develop an effective national organization. My analysis of the labor reform movement is based on the proceedings of conventions of the National Labor Union and statements of its

leaders, supporters, and allied organizations as examples of the movement's objectives and strategies. The chapter concludes by examining the development of the liberal reform movement that arose in response to the shifting political economy of Reconstruction, based on analysis of the writings of Liberal Republican reformer Carl Schurz and the gubernatorial addresses of New York Democrat Samuel J. Tilden as examples of the liberal reformers' political platform. I argue that the liberal reform movement presented a solution to the nation's crisis of free labor by advancing a vision for the republic that privileged the rights of capital over the rights of labor, culminating in the defeat of Reconstruction at the national level.

## Chapter One: The Civil War, State-Led Economic Development, and Class Conflict, 1862-1865

Conditions of war tend to induce states to expand and centralize administrative authority. James Madison observed this dynamic in 1795 when he wrote: “War is the parent of armies; from these, proceed debts and taxes; and armies, and debts, and taxes are the known instruments for bringing the many under the domination of the few.”<sup>11</sup> But even Madison would have been shocked at the unprecedented expansion of national state power engendered by the American Civil War. The conflict became the catalyst for a kind of nation-building project that transformed the antebellum republic into a modern centrally administered nation-state.<sup>12</sup> As the war dragged on, the executive authority of the federal government began to penetrate virtually every institution of society, with long-lasting and wide-ranging consequences. Measures first enacted as military orders, including the nation’s first conscription policy and the abolition of slavery, became permanent features of the federal legal system.<sup>13</sup> In response to the necessities of wartime, the government invented and refined a dizzying array of new administrative, legal, and financial instruments of state power. The profound centralization of the Union war government played a crucial role in shaping the political and economic landscape of Reconstruction.

Such a dramatic mobilization of the state required an equally dramatic mobilization of capital. The federal budget swelled from \$63 million to over \$1 billion between 1860 and 1865.<sup>14</sup> Ever-expanding budgetary demands and debts eventually necessitated an overhaul of federal

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<sup>11</sup> James Madison, “Political Observations, 20 April 1795,” *Founders Online*, National Archives, <https://founders.archives.gov/documents/Madison/01-15-02-0423>.

<sup>12</sup> Richard Franklin Bensel, *Yankee Leviathan: The Origins of Central State Authority in America, 1859-1877* (Cambridge: Cambridge University Press, 1990), 1-17; Eric Foner, *Reconstruction: America’s Unfinished Revolution, 1863-1877* (New York: Harper and Row, 1988), 23.

<sup>13</sup> On the Union’s military conscription policy, see Bensel, *Yankee Leviathan*, 138-139; James McPherson, *Battle Cry of Freedom: The Civil War Era* (New York: Oxford University Press, 1988), 600-601. On Lincoln’s military orders abolishing slavery in the Confederate States, see Foner, *Reconstruction*, 1-8.

<sup>14</sup> Foner, *Reconstruction*, 23.

fiscal policy in order to maintain the government's solvency. The state assumed a wide range of new powers to extract and allocate resources, resulting in a fundamental transformation of the federal government's relationship to the financial system. Many of the institutional innovations of this era remain with us today: central banking, government-issued fiat currency, and the federal internal revenue system are all legacies of the Union war effort.<sup>15</sup> To finance the war, the Union government carried out a structural reorganization of the national financial system in the span of just a few years. The new structure of the fiscal state would have long-term consequences for the future of the nation's economy and the Republican coalition's Reconstruction program. Policies enacted by the federal government to fund the war became instigating factors in a rapid process of centralization and expansion of the nation's industrial and financial systems, permanently altering the foundations of the national political economy. The end of the war and the advent of Reconstruction therefore provoked a political crisis over the future of the relationship between labor, capital, and the federal government.

1862 was a pivotal year for the consolidation of the state's authority over fiscal affairs. Until February of that year, the Lincoln administration had been financing the war with a dual-pronged strategy of short-term loans from banks and fixed-rate government-issued bonds.<sup>16</sup> The Treasury required purchasers to pay for bonds in hard currency, but banks were dangerously low on gold after a financial panic triggered a bank run earlier that winter.<sup>17</sup> As a result, the Treasury was nearing bankruptcy and the Union war economy was on the verge of collapse. Secretary Salmon P. Chase devised a plan to print government-issued notes and legally obligate banks to accept them as payment, thereby guaranteeing the value of bonds and enabling the

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<sup>15</sup> Bense, *Yankee Leviathan*, 247-248, 297-298; Foner, *Reconstruction*, 21-23; McPherson, *Battle Cry of Freedom*, 444-448, 594.

<sup>16</sup> McPherson, *Battle Cry of Freedom*, 443.

<sup>17</sup> Bense, *Yankee Leviathan*, 249-250; McPherson, *Battle Cry of Freedom*, 444.

Treasury to float more debt without fear of emptying its gold reserves. The Legal Tender Act, passed on February 25, allowed the federal government to pump \$150 million worth of treasury notes, nicknamed "greenbacks," into the economy. In July, Congress authorized the Treasury to print another \$150 million.<sup>18</sup> That same month, the Internal Revenue Act of 1862 was signed into law, establishing executive authority to levy taxes on virtually all financial transactions, including the nation's first federal inheritance tax and income tax policies.<sup>19</sup> In 1863 and 1864, the centerpiece of Chase's plan fell into place with the passage of the National Banking Acts, which authorized the executive branch to issue national charters to banks that purchased a third of their capital in federal bonds. In exchange, nationally-chartered banks were allowed to issue up to ninety percent of their assets in greenbacks.<sup>20</sup>

These terms had been explicitly designed to make national banking a more attractive venture to the Union's financial magnates. The nation's wealthiest bankers and financiers—Jay Cooke, Moses Taylor, and J.P. Morgan, among others—only agreed to participate in the new banking system after extracting major concessions from the federal government. Before the National Banking Acts were introduced to Congress, they were revised according to the bankers' specifications, requiring nationally-chartered banks to keep relatively little capital in reserve compared with the amount they were allowed to issue in greenbacks.<sup>21</sup> The establishment of the national banking system both increased and concentrated the power of banking institutions, aligning the profit motives of the nation's financial capitalists with the success of the Union war government's banking and currency reforms. By the end of the war, the fiscal relationship between the federal government and its citizens had been fundamentally transformed.

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<sup>18</sup> Foner, *Reconstruction*, 22; McPherson, *Battle Cry of Freedom*, 446-447.

<sup>19</sup> Bense, *Yankee Leviathan*, 297-298; McPherson, *Battle Cry of Freedom*, 447-448.

<sup>20</sup> Foner, *Reconstruction*, 22-23; McPherson, *Battle Cry of Freedom*, 594.

<sup>21</sup> Stephanie McCurry, "The Civil War's Economic Shadow," *Nation*, November 2, 2022.

The new financial system created an integrated capital market driven by the new national currency and therefore unencumbered by the gold standard. A growing class of financial capitalists rode the wave of expansion fueled by speculative markets for government-issued bonds. Political scientist Richard Franklin Bensel notes that the number of bankers and stockbrokers rose dramatically in the years after the passage of the National Banking Acts. In the same period, a diversified market for stocks and bonds began to emerge in New York City. Bensel argues that “these developments were the result of the great expansion of domestic trading and the financial insecurity that accompanied Treasury bond issues whose worth fluctuated in tandem with the changing political fortunes of the government.”<sup>22</sup> After the war, much of the wealth accumulated during the bond-speculation boom was diverted to investments in the railroad industry, fueling an explosive new financial-industrial complex and accelerating the surge of economic expansion and development that began in wartime.<sup>23</sup> By the time the war was over, unprecedented amounts of capital flowed between banks, investors, manufacturing firms, and securities exchanges in northern cities. As the National Banking Acts stipulated, that capital was largely directed by the financiers sanctioned by the Treasury to circulate greenbacks. The Union economy was undergoing a period of dramatic consolidation, and the federal government operated the machinery of the new fiscal state with authority and precision.

In effect, the national banking and currency systems aligned the interests of industrial and financial capital with the interests of the newly centralized state apparatus. Eric Foner has argued that the federal government’s wartime economic policies spurred “the emergence of an American industrial bourgeoisie,” writing that “the war tied the fortunes of this class to the Republican

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<sup>22</sup> Bensel, *Yankee Leviathan*, 249.

<sup>23</sup> Bensel, *Yankee Leviathan*, 249-251; McPherson, *Battle Cry of Freedom*, 451. Railroad construction significantly increased after the Civil War. In 1860, there were approximately 31,000 miles of completed railroad tracks in the United States. After the war ended, the number began increasing steadily; by the end of Reconstruction there were nearly 100,000. See Robert J. Gordon, *The Rise and Fall of American Growth: The U.S. Standard of Living Since the Civil War* (Princeton: Princeton University Press, 2016), 134-135.

party and the national state.”<sup>24</sup> Eager to encourage industrial development crucial to the war effort, the federal government issued large numbers of extremely lucrative contracts to expand the nation’s railway system.<sup>25</sup> The war government was compelled to intensify its strategy of developing industry to keep up with its rising debts and promote the circulation of the new national currency. Moreover, the massive influx of government bonds was a windfall for speculators. During the war, growing markets for private stocks and bonds were hindered by the wave of speculation in government debt.<sup>26</sup> Skyrocketing federal debts and fixed interest rates made government bonds a more secure investment than private corporations. After the war, the end of bond issues pushed investment capital into private industry, yet another catalyst for the expansion and development of northern industry. Uncertainties about the Union’s solvency also drove foreign capital investments away from North America into Europe, further accelerating the growth of domestic capital markets in the United States.<sup>27</sup> However, the issuance of so many federal bonds severely exacerbated the national debt crisis. In 1865, the federal government’s total debt exceeded \$2.6 billion—equivalent to nearly one third of the northern states’ combined gross domestic product.<sup>28</sup>

By the end of the war, the Treasury had injected more than \$400 million into the national economy.<sup>29</sup> Printing such massive amounts of paper money out of thin air caused near-instantaneous currency inflation. The war spurred an industrial boom, but the labor shortage created by military conscription accelerated the mechanization of northern agriculture and

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<sup>24</sup> Foner, *Reconstruction*, 21.

<sup>25</sup> The Pacific Railroad Act of 1862 authorized the executive branch to grant corporations 6,400 acres of public domain and either \$16,000 or \$48,000 in government bonds (depending on the topography of the terrain) for *each mile* of the Union-Pacific transcontinental railroad they agreed to construct. The Act was amended two years later, doubling the acreage of land the federal government was allowed to grant to railroad companies in contracts. See McPherson, *Battle Cry of Freedom*, 451.

<sup>26</sup> Bense, *Yankee Leviathan*, 248.

<sup>27</sup> Bense, *Yankee Leviathan*, 249-250.

<sup>28</sup> Bense, *Yankee Leviathan*, 251; Foner, *Reconstruction*, 22.

<sup>29</sup> Bense, *Yankee Leviathan*, 251.

pushed unprecedented numbers of women into the labor force. As a result, the labor market tightened severely and wages generally could not keep up with the spike in the cost of living.<sup>30</sup> Congress intended the Internal Revenue Act (along with a series of updates ratified in 1864) to offset inflation with new revenue streams, but the new tax code proved woefully inadequate to that effect. Consequently, the economic conditions imposed by the war dramatically heightened class inequality in the Union. Inflation, low wages, and rapid growth spurred the consolidation of a unified northern economy in which political-economic supremacy was increasingly concentrated among financial and industrial capitalists and the federal government. In 1863 and 1864, labor strikes broke out across the North and union activity reached unprecedented levels.<sup>31</sup> Meanwhile, the few bankers and investors who held the majority of bonds tended to benefit from currency inflation because they collected interest in gold while making investments using government-backed paper.<sup>32</sup> Banking and currency policy provoked contentious conflicts over the state's relationship to private financial interests.<sup>33</sup> However, the merger of northern capital and national state power had drastically different effects on the North and the South.

Whether the antebellum South, with its distinct economic system of plantation slavery, can be accurately described as a separate entity from the capitalist North has been the subject of much debate. It is necessary to answer this question in order to evaluate the historical significance of the war and resulting efforts to integrate the South into the national economy during Reconstruction. For our purposes, Eugene Genovese's research is the foundational work

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<sup>30</sup> McPherson, *Battle Cry of Freedom*, 449.

<sup>31</sup> McPherson, *Battle Cry of Freedom*, 448-450.

<sup>32</sup> Bense, *Yankee Leviathan*, 255-258; Foner, *Reconstruction*, 22.

<sup>33</sup> "Like all wartime economic policies, the banking and currency measures created a set of unresolved problems that would bedevil national politics for years to come—how to equalize bank note circulation in different regions of the country, how to reduce the disparity between the greenback dollar and the gold dollar and eventually resume specie payments, and how to pay off the massive national debt." Foner, *Reconstruction*, 23. Also see Gretchen Ritter, *Goldbugs and Greenbacks: The Antimonopoly Tradition and the Politics of Finance in America* (New York: Cambridge University Press, 1997).



on the subject. Genovese draws a distinction between the capitalist North and the slave society of the Old South based on the character of the social relation of master to slave, the critical difference being “whether the owners of the means of production command labor or purchase the labor power of free workers.”<sup>34</sup> Capitalists purchase their workers’ labor power, whereas slaveholders purchase workers as commodities and command their labor directly. For Genovese, this distinction explains the divergent political and economic development of the North and the South, culminating in the secession crisis and the Civil War. Because the capitalist North expanded and developed more rapidly than the slave South, the southern plantocracy had no option but to secede from the Union in a desperate bid to preserve their political and economic position, which depended on the institution of slavery.<sup>35</sup>

In recent years, numerous scholars have dismissed the utility of such a distinction. Sven Beckert and Seth Rockman have argued that northern economic development was fundamentally dependent on southern slavery to such an extent that the North and South were integrated components of a unified economic system: “In the blur of commodities and capital that flowed between the regions, the sectional categories that organize so much of nineteenth-century American scholarship begin to crumble, rendering an unclear line of demarcation between a capitalist North and a slave South, with consequences for how we understand North and South as discrete economies—and whether we should do so in the first place.”<sup>36</sup> In a widely acclaimed essay for the *New York Times Magazine*’s “1619 Project,” sociologist Matthew Desmond goes so far as to call the antebellum South “the birthplace of America’s low-road approach to capitalism,” citing the value of slaves as capital and the cruelty and violence of labor exploitation

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<sup>34</sup> Eugene Genovese, *The Political Economy of Slavery: Studies in the Economy and Society of the Slave South* (Middletown: Wesleyan University Press, 1989), 23.

<sup>35</sup> Genovese, *The Political Economy of Slavery*, 34-36, 283-285.

<sup>36</sup> Sven Beckert and Seth Rockman, eds., *Slavery’s Capitalism: A New History of Economic Development* (Philadelphia: University of Pennsylvania Press, 2016), 27.

on plantations as evidence that the origins of capitalism in the United States can be traced back to plantation slavery.<sup>37</sup> This new school of scholarship surrounding capitalism and slavery rejects Genovese's thesis that the foundations of the northern and southern economies became incompatible because of their antithetical bases of social relations.

Such arguments fail to demonstrate that the antebellum South was a capitalist social formation. It is true that slavery was a brutal, exploitative system. It is also true that plantations produced commodities for a global market driven by the logic of capital accumulation. Slavery and the products of southern slave labor were crucial to the initial development and expansion of the northern economy. None of these facts contradict Genovese's argument that northern capitalism and southern slavery were distinct modes of production. The fact that capitalism and slavery were often deeply interrelated does not mean they were totally interdependent, much less indistinguishable.<sup>38</sup> Genovese was correct to identify the distinction between purchasing labor power and purchasing laborers as a fundamental difference in the dynamics of labor exploitation under capitalism versus slavery. However, recent scholarship's focus on market competition and capital accumulation in the antebellum South raises important questions about Genovese's argument. If planters depended on the northern capitalist market economy—and responded to market competition by systematically reinvesting capital to increase output and efficiency—how was the geographic expansion of slavery antithetical to the geographic expansion of capitalism, and why would the conflict be irrepressible?<sup>39</sup>

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<sup>37</sup> Matthew Desmond, "American Capitalism is Brutal. You Can Trace That to the Plantation." *New York Times Magazine*, August 14, 2019.

<sup>38</sup> See Stephanie McCurry, "Plunder of Black Life: The Problem of Connecting the History of Slavery to the Economics of the Present," *Times Literary Supplement* (May 2017).

<sup>39</sup> Genovese describes the planter class of the Old South as "precapitalist, quasi-aristocratic landholders who had to adjust their economy and their ways of thinking to a capitalist world market." *The Political Economy of Slavery*, 23. This interpretation, while significantly more plausible than equating planters to capitalists, is difficult to reconcile with recent scholarship's well-placed emphasis on the role of slavery in northern economic development and the importance of market competition to the southern plantation economy.

The answer lies in the distinct methods available to capitalists as opposed to slaveholders for responding to market competition by changing the terms of their relationship to their labor force. Sociologist Charles Post explains the difference as the result of “slaves’ position as a constant element of the production-process, who must be maintained whether or not they laboured.”<sup>40</sup> Because planters purchased human beings instead of labor power, they were unable to respond to competition by reducing the cost of labor. In other words, capitalists purchase labor as a form of *variable* capital, whereas slaveholders purchase labor as *constant* capital.<sup>41</sup> Competition compels capitalists to reduce the cost of labor by introducing labor-saving technology, hiring and firing workers at will, and adjusting wages according to market demand. The planters of the Old South had no such options at their disposal; therefore they responded to market imperatives by accumulating land and slaves and extracting as much labor as humanly possible from each enslaved worker. In light of this crucial distinction, the corollary that capitalism in the North and slavery in the South produced contradictory modes of geographic expansion and economic development vindicates Genovese’s argument that the South’s political-economic dilemma over slavery’s expansion was the impetus for the secession crisis.<sup>42</sup> An emphasis on the position of labor as a constant element of production in the South, as opposed to a variable element of capitalist production in the North, reconciles recent interpretations of planters as profit-seeking entrepreneurs subject to the imperatives of a global market economy with Genovese’s thesis that the Civil War was an irrepressible conflict between the capitalist North and the slave South.

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<sup>40</sup> Charles Post, *The American Road to Capitalism*, 133.

<sup>41</sup> Post derives his distinction between constant and variable capital from Marx’s definitions of “constant capital” as capital that “does not undergo any quantitative alteration of value in the process of production” and of “variable capital” as “that part of capital which is turned into labour-power in the process of production. It both reproduces the equivalent of its own value and produces an excess, a surplus-value, which may itself vary, and be more or less according to circumstances.” Karl Marx, *Capital: Volume One* (New York: Vintage Books, 1976), 317.

<sup>42</sup> Genovese, *The Political Economy of Slavery*, 34.

This distinction has profound implications for the economic consequences of the abolition of slavery and the advent of Reconstruction. When the Union military objective shifted toward forcing the South into total submission, the conflict became a war to completely destroy the basis of the Confederate social structure: the institution of slavery. In the summer of 1862, the seemingly intractable nature of the war prompted the Lincoln administration to switch its strategy of limited warfare designed to encourage reconciliation to a strategy of total warfare designed to force an unconditional surrender.<sup>43</sup> As the conflict escalated, so did the Union Army's attacks on southern property and civilian infrastructure. The assault on the institution of slavery played an indispensable role in the Union's success in its military operations through the duration of the war.<sup>44</sup> Military conditions eventually compelled Lincoln to abolish slavery by military order and reincorporate the South into the Union by any means necessary—another unprecedented extension of executive authority provoked by wartime circumstances.<sup>45</sup> By abolishing the social relation of master to slave, emancipation removed the primary barrier to capitalist development in the South. The transition of the southern economy from slave labor to free labor during Reconstruction was a pivotal moment in the development of a national capitalist economic system, and the financial ramifications of the Union war effort had an outsized influence on this process.

Since there were no southern representatives in Congress during the implementation of the wartime fiscal agenda, virtually no consideration was given to the implications of the new financial system for the southern agricultural economy. As one result, southern landholders' ability to obtain credit was severely restricted in the aftermath of the war. The National Banking

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<sup>43</sup> James McPherson, *Drawn with the Sword: Reflections on the American Civil War* (New York: Oxford University Press, 1996), 74-86; McPherson, *Battle Cry of Freedom*, 354-355.

<sup>44</sup> McPherson, *Battle Cry of Freedom*, 562-563, 807-830.

<sup>45</sup> McPherson, *Battle Cry of Freedom*, 494-502

Acts included mandates that posed structural obstacles to agricultural interests, especially in the South. Only banks with \$50,000 in assets on hand were eligible for national charters, stifling the formation of national banks in a region already deprived of capital and devastated by war. A ten-percent tax on state-issued banknotes, intended to promote the circulation of greenbacks, discouraged competition from the region's few state-chartered banks. Perhaps most consequential was the new national banking system's prohibition of mortgages for landholders using real estate as collateral.<sup>46</sup> Before the war, the South's most valuable financial assets were slaves and land.<sup>47</sup> The strength of both the cotton market and the institution of slavery ensured the profitability of plantations, which made land a stable long-term investment and thus made planters creditworthy. With the abolition of slavery, the value of southern landholdings was greatly diminished; real estate was no longer valuable without an immediate supply of labor to make the land profitable. The regulatory structure of the new banking system compounded the problem by preventing property holders from mortgaging their land to obtain credit.

Emancipation had even more direct consequences for the financial position of planters in the postwar South. Unlike the British or French empires, the United States abolished slavery immediately and without compensation for slaveholders.<sup>48</sup> Abolition was a blow to the financial solvency of slaveholders on multiple levels. Human property was useful not only as a source of

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<sup>46</sup> Foner, *Reconstruction*, 22-23; Steven Hahn, *The Roots of Southern Populism: Yeoman Farmers and the Transformation of the Georgia Upcountry, 1850-1890* (New York: Oxford University Press, 2006), 172-173; C. Vann Woodward, *Origins of the New South, 1877-1913* (Baton Rouge: Louisiana University Press, 1971), 183.

<sup>47</sup> In 1859, slaves made up approximately 44% of the capital in the cotton belt, and real estate amounted to just over 25%. In other words, enslaved people and landholdings represented close to 70% of the southern cotton states' total wealth. See Robert Ransom and Richard Sutch, "Capitalists Without Capital: The Burden of Slavery and the Impact of Emancipation," *Agricultural History* vol. 62 no. 3 (1988), 138-139.

<sup>48</sup> Britain's Emancipation Act of 1833 technically outlawed slavery effective the following year, but in reality kept 800,000 people effectively enslaved as "apprentices" of their former owners, obligated to work without pay for twelve subsequent years. The length of the term was later reduced to four years. As compensation, ex-slaveholders were paid a total of over 20 million pound sterling. The provisional government of the Second French Republic abolished slavery effective two months from April 1848, compensating slavemasters 6 million francs each—paid in credit to those in the colonies and cash to those in France. See John Stauffer, "Abolition and Antislavery," in *The Oxford Handbook of Slavery in the Americas*, eds. Robert L. Paquette and Mark M. Smith (New York: Oxford University Press, 2010), 569-571.

labor; slaves could be sold for cash or mortgaged as financial instruments to leverage their owners' debts. Accordingly, a planter generally had a better chance of obtaining credit the more human beings he owned. In the years leading up to the secession crisis, the price of slaves was rising rapidly and consistently; slaveholders therefore could expect their most valuable assets to appreciate over several years.<sup>49</sup> Emancipation without compensation rendered planters unable to maintain the creditworthiness they had enjoyed before the war. As economist and African-American studies scholar Gerald D. Jaynes has shown, the historically unique circumstances of the immediate, uncompensated emancipation of approximately four million people was a decisive factor in the diminished creditworthiness of southern planters during Reconstruction.<sup>50</sup> The abolition of slavery, as much as the new financial environment, deprived ex-slaveholders of the collateral required to finance production. As the following chapter argues, the financial conditions of the postwar South forced planters to seek extra-economic means of labor coercion in the absence of the leverage necessary to coerce labor using purely economic incentives.

Abolition provoked fundamental questions about the future of the nation's political economy that could not be resolved without further conflict. The embattled planter class struggled to reconfigure the plantation economy without the advantages of access to credit or the ability to command slave labor. Meanwhile, the freedpeople of the South seized on the political opportunities afforded to them by their newfound freedom and asserted their own conception of their right to free labor in a more perfect union. As soon as they got the chance, they began organizing their own political organizations, invariably tied to the apparatus of the national

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<sup>49</sup> The average price of a slave in the South consistently rose from 1840 to 1860, doubling from \$400 to \$800 between 1850 and 1860, reaching unprecedented heights on the eve of the Civil War. See Ransom and Sutch, "Capitalists Without Capital," 136.

<sup>50</sup> Gerald D. Jaynes, *Branches Without Roots: Genesis of the Black Working Class in the American South, 1862-1882* (New York: Oxford University Press, 1986), 30-31.

Republican party.<sup>51</sup> In their struggles for the right to free labor, freedpeople complicated Reconstruction-era politics by envisioning the federal government as an instrument for creating a republic of independent landholding citizens: a vision that may well have been familiar to prewar Republicans but was in tension with the necessity of developing of a profitable southern economy based on free labor. What if free citizens used their rights to agitate for reforms that threatened to undermine postwar economic recovery? This question would loom over the political struggles of Reconstruction, both in the South and the North.

The class conflicts of the wartime Union continued into Reconstruction. The labor activism that emerged in 1863 and 1864 escalated through the end of the war, culminating in the formation of the first national trade unions in the country's history. In 1866, a wide assortment of regional and national unions formed a centralized umbrella organization called the National Labor Union.<sup>52</sup> The labor movement's growth was rapid and dramatic. In April 1865, there were three national trade unions; by the early 1870s there were twenty-one.<sup>53</sup> By 1873, a greater proportion of industrial workers were unionized than at any other time before the twentieth century.<sup>54</sup> The rising labor reform movement found allies among pro-Reconstruction radicals. In Massachusetts, prominent abolitionists like Wendell Phillips, William Lloyd Garrison, and William F. Channing provided the labor movement with both rhetorical and financial support.<sup>55</sup> In cities across the Reconstruction North, the NLU and later organizations like the Knights of Labor and the Irish-American Land League drew from the ideological roots of the prewar antislavery labor movement.<sup>56</sup> At the core of the movement's national agenda was the demand

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<sup>51</sup> Foner, *Reconstruction*, 281-307.

<sup>52</sup> McPherson, *Battle Cry of Freedom*, 450; David Montgomery, *Beyond Equality: Labor and the Radical Republicans, 1862-1872* (New York: Vintage Books, 1967), 176.

<sup>53</sup> Foner, *Reconstruction*, 478.

<sup>54</sup> McPherson, *Battle Cry of Freedom*, 450.

<sup>55</sup> Montgomery, *Beyond Equality*, 123-124.

<sup>56</sup> "Eclipsed by the rise of evangelical reform, sidetracked, perhaps, by the free-labor ethos of the Republican party, the labor-oriented critique which linked slavery to labor conditions in the North rose like a phoenix from the ashes

that the centralized activist state formed out of wartime necessity be directed toward the establishment of a free-labor economy based on democratic equality.

Organized labor's explosive growth revealed profound contradictions, both within the movement itself as well as in national politics. Class-consciousness and union activity not only inflamed radicals' egalitarian passions but ignited a kind of Jacksonian sentiment, antimonopolist in its orientation but generally conservative and extremely suspicious of executive state authority.<sup>57</sup> At times, the coalition was divided over the extent to which the state should be used to address labor issues.<sup>58</sup> More fundamentally, the concrete meanings of abstractions that supposedly united the coalition—free labor, democracy, equality—were not immediately clear in the aftermath of the war. There was no consensus about what the antebellum vision of an egalitarian republic of independent producers meant in the post-slavery, postwar context. Republicans and national labor reform organizations ranged between enthusiasm, indifference, and hostility toward the expansion of Reconstruction and the role of black men (let alone any women) in the labor movement and politics in general. One thing most labor reform organizations agreed on was a program of economic expansionism and protectionism; a nationalist policy agenda of high tariffs and industrial growth driven by greenbacks was widely understood as a necessary adjustment to the relationship between labor and capital.<sup>59</sup> This tendency put the labor coalition at odds with the vast majority of Republicans, even self-proclaimed radicals. Chapter Three examines the development of the labor reform movement's national platform as well as the contradictions both within the coalition itself and between organized labor and the national Republican party.

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of the Civil War, to inspire the great crusades of the National Labor Union, the Knights of Labor, and even the Irish-American Land League." Foner, *Politics and Ideology in the Age of the Civil War*, 96.

<sup>57</sup> Montgomery, *Beyond Equality*, 72-76; Ritter, *Goldbugs and Greenbacks*, 3-9.

<sup>58</sup> Foner, *Reconstruction*, 475-484.

<sup>59</sup> Montgomery, *Beyond Equality*, 85-89.



The economic conditions of the postwar landscape pitted the party's Reconstruction agenda against the continued stability of the national economy. Bensel notes that "an active Reconstruction policy expanded the fiscal requirements of the state in two ways: directly by requiring spending for military administration and subsidization of loyal elements in the South and indirectly by requiring spending for benefits to important elements of the national Republican coalition, such as federally financed projects for internal development, political patronage created by federal employment, and direct subsidization of railroad expansion."<sup>60</sup> Understandably, therefore, the first Republican congressional representatives to withdraw support for expansionary Reconstruction measures came from districts where financial interests were overrepresented.<sup>61</sup> The national debt crisis alone was enough to provoke anxiety. Instability of currency markets was also a major issue. Bankers who had lent the federal government gold to fund the war were dismayed at the prospect of being repaid in depreciated paper currency and thereby effectively losing substantial returns on their investments. In addition, Reconstruction posed pressing questions about the future of cotton production, enmeshed with questions about financial markets. Exports—cotton being the most important—were now even more integral to the international economic position of the United States because foreign capital exchange was conducted in gold while the domestic economy ran entirely on greenbacks.<sup>62</sup> Recommencing high-volume cotton production as quickly as possible was essential to maintaining a favorable exchange rate between the two currencies and a favorable balance of trade for the nation.

These concerns, and their salience to the prospects of postwar economic recovery, imposed significant limitations on the future of Reconstruction. As we will see, the political agitation of northern and southern labor pushed industrialists and financialists into an

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<sup>60</sup> Bensel, *Yankee Leviathan*, 301-302.

<sup>61</sup> Bensel, *Yankee Leviathan*, 324-329.

<sup>62</sup> Bensel, *Yankee Leviathan*, 301.

increasingly adversarial stance toward the free-labor platform and the expansion of the Reconstruction agenda. Moderate Republicans and many Democrats argued that the exorbitant national debt, currency inflation, and general economic instability could only be reined in by fiscal reform: reduced spending, low tariffs, and a return to the gold standard. A wide variety of social movements, invoking their rights as citizens to free labor, took precisely the opposite stance. Antagonism deepened and hardened as class inequality widened. While the economic boom that began during the war continued through the 1870s, journalists coined new terms like “multi-millionaire” to describe the unprecedented wealth of capitalists like Cornelius Vanderbilt; in the same period, the average life expectancy of a U.S. citizen decreased by approximately five years.<sup>63</sup> The economic inequality and political turmoil of the Reconstruction era exposed deep contradictions in the Republican party’s agenda. What did the prewar platform of free labor and republicanism mean in the newly centralized postwar capitalist nation-state? The radical vision of a democratic republic of equal, independent citizens and the imperatives of stabilizing the national economy after its staggering transformation could not be reconciled without a series of confrontations. Undoubtedly the most historic and revolutionary such confrontations—the struggles over the transition from slavery to free labor in the South—escalated in the aftermath of the war.

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<sup>63</sup> The first recorded usage of the phrase “multi-millionaire” is found in an obituary of Vanderbilt from 1877. See Eric Hobsbawm, *The Age of Capital, 1848-1875* (New York: Vintage Books, 1996), 143. On the average annual life expectancy in the United States during the 1870s, see Gordon, *The Rise and Fall of American Growth*, 211.

## **Chapter Two: Credit, Land, and “Free Labor” in the Reconstruction South, 1865-1877**

The conflicts between planters, freedpeople, and independent farmers over the direction of the southern economy during Reconstruction marked a turning point in the development of capitalist social relations in the South. This process began with the defeat of the Confederacy in the Civil War and the abolition of slavery, but the meaning of “free labor” in the postwar South was up for contentious debate so long as the Republican party maintained both national power and its commitment to Reconstruction. The South could not be fully incorporated into the national capitalist political economy until after Reconstruction for precisely this reason; in order to make free-labor cotton production profitable, the planter class would have to defeat both freedpeople and small farmers in their struggles for political and economic autonomy, which had been galvanized by the opportunities presented by Reconstruction. Initially, the top issue among plantation owners was what they called the “labor question”—the question of how to extract labor from emancipated slaves. Over time, the shifting conditions of the postwar financial environment also exacerbated conflicts between merchants and creditors on one hand and landholding agriculturalists on the other.

The *Southern Cultivator*, an agricultural periodical published in Augusta, Georgia and widely circulated throughout the cotton belt, provides a window into the concerns of southern landholders during the conflicts of Reconstruction. A similar publication based in Richmond, Virginia, the *Southern Planter and Farmer*, contains additional insight into southern planters’ analysis of the South’s economic position during this period. This chapter analyzes the political, economic, and ideological crisis of southern free labor from the perspective of planters and independent farmers during Reconstruction based on articles, editorials, and correspondence of these periodicals, and the perspective of landless freedpeople by examining the political demands

of party newspapers and resolutions of organizations affiliated with the Union League movement. The struggles over land and labor in the South accelerated after the end of the war, revealing a multitude of incompatible competing agendas for an ideal free-labor economy and the society it would produce.

Planters' first strategy for reconstituting the plantation system was to use state-level criminal legal policy to coerce freedpeople into selling their labor under blatantly oppressive conditions. Mississippi and South Carolina enacted the first "Black Codes" in 1865, threatening freedpeople with prosecution under vagrancy laws if they were not employed by white landowners, preventing them from terminating labor contracts, and denying them the right to sue their employers. Louisiana passed a similar set of laws soon after.<sup>64</sup> Most of the other former Confederate states followed suit, implementing their own Black Codes over the course of the following year.<sup>65</sup> An affront to the Republican free-labor agenda, the Black Codes were eventually nullified by Congress with the passage of the 1866 Civil Rights Bill by a two-thirds congressional majority. President Johnson's initial veto of the bill helped forge an uneasy alliance between moderate and Radical Republicans in Congress, ushering in the brief yet revolutionary period of Radical Reconstruction.<sup>66</sup> The new regime forced planters to formulate new responses to the labor question and opened new avenues for freedpeople as political actors, setting the stage for a series of social and political conflicts over the terms of free labor in southern agriculture.

After the Black Codes were repealed, plantation owners described their predicament in lucid terms. "In the days that are past," observed the editors of the *Southern Cultivator* in 1867,

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<sup>64</sup> W. E. B. Du Bois, *Black Reconstruction in America, 1860-1880* (New York: The Free Press, 1967), 167-168; Foner, *Reconstruction*, 199-200.

<sup>65</sup> Du Bois, *Black Reconstruction*, 170-180.

<sup>66</sup> Du Bois, *Black Reconstruction*, 270-286; Foner, *Reconstruction*, 208-209, 239-261.

“slave labor was considered the capital, and the land only an implement with which to make the crop.”<sup>67</sup> However, land was now the only asset most planters owned, and without a guaranteed labor supply, the *Cultivator*’s editors sensed impending disaster. They grimly pronounced that “plantations on an extended scale, with free labor, cannot be made profitable.”<sup>68</sup> A Virginia landowner identified the crux of the issue when he wrote to the *Southern Planter and Farmer* that freedpeople, “where there exists no power to enforce the performance of their contracts, cannot now be relied upon, and it is too probable never can be.”<sup>69</sup> The problem was simple: if former slaves were not legally forced to work for planters, they would much rather produce for their own consumption than sell their labor to their former masters—if they could independently access land. Planters feared the resulting scarcity of labor would prevent profits from returning to antebellum levels. An article from the *Shreveport Southwestern*, reprinted in the *Cultivator*, precisely illustrates this fear: “Without the compulsion of stringent vagrant laws—without meting out the exact justice to the laborer, as well as exacting it—we cannot conceive it more than probable, in the nature of things that the freedmen will be more than self-supporting,” lamented the authors. “The history of the race in the British West Indies will be their history. A small per centage of them will work fairly; the mass will labor as their necessities impel; but the average result will be of little avail in restoring king cotton to his former prestige.”<sup>70</sup>

Their fears were not unfounded. Freedpeople were deeply opposed to working for their former owners and avoided doing so if at all possible. In 1867, a planter from Georgia put it bluntly: “they will almost starve and go naked before they will work for a white man if they can get a patch of ground to live on, and get from under his control.” The overturn of vagrancy laws

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<sup>67</sup> “What We Need.” *Southern Cultivator*, vol. 25, no. 11, November 1867.

<sup>68</sup> “What We Need.” *Southern Cultivator*, vol. 25, no. 11, November 1867.

<sup>69</sup> “Extract.” *Southern Planter and Farmer*, vol. 29, no. 5, May 1868.

<sup>70</sup> “The New Question.” *Southern Cultivator*, vol. 25, no. 2, February 1867.

produced an urgent “want of laborers...some of our best planters are selling off their stock, not being able to get freedmen to work their lands.”<sup>71</sup> The *Cultivator*’s editors opined that the ideal way to “give the negro” the “correct views of his situation and relation to the white race” was to provoke “the necessity of *his seeking* employment.”<sup>72</sup> One Alabama planter remarked that freedpeople generally seemed to think their newfound freedoms included freedom from labor exploitation. They “did not understand how they could be free, and be compelled to work at the same time for support.”<sup>73</sup> The contours of the struggles over land and free labor in the Reconstruction South are discernable from the writings of these anxious planters. After the structural upheaval of the war deprived ex-slaveholders of their antebellum methods of acquiring credit and commanding labor, they would seek new ways of mitigating their risk and maintaining their profits. Meanwhile, freedpeople demanded measures they hoped would allow them political and economic autonomy, which tended to be antithetical to the interests of their former masters.

Radical Reconstruction unleashed a massive wave of political mobilization by paramilitary and electoral organizations called “Union Leagues,” often formed out of wartime Union Army units.<sup>74</sup> Untold numbers of black southerners, most of whom had been slaves only a few years prior, joined local and state-level Union League-affiliated organizations to demand rights including expanded suffrage, public education, labor protections, and land redistribution. Across the region, Leagues established schools and organized mutual aid funds, labor strikes, militias, and voter registration programs. Through the end of Reconstruction, virtually every Republican organization in the South was affiliated with a Union League in some way.<sup>75</sup> The Leagues laid claim to the rights of freedpeople as equal citizens of the republic. Their

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<sup>71</sup> “Laborers Wanted.” *Southern Cultivator*, vol. 25, no. 3, March 1867.

<sup>72</sup> “Effect of Negro Labor on Cultivating Less Land.” *Southern Cultivator*, vol. 26, no. 11, November 1868.

<sup>73</sup> “The Crops of the South of 1866 a Failure—Why!” *Southern Cultivator*, vol. 25, no. 5, May 1867.

<sup>74</sup> Steven Hahn, *A Nation Under Our Feet: Black Political Struggles in the Rural South from Slavery to the Great Migration* (Cambridge: Harvard University Press, 2003), 177-178; Foner, *Reconstruction*, 283-285.

<sup>75</sup> Hahn, *A Nation Under Our Feet*, 177-198; Foner, *Reconstruction*, 283-285.

membership identified so strongly with the Jeffersonian ideals of liberty and equality that many swore oaths on the Declaration of Independence alongside the Bible upon joining.<sup>76</sup> In 1867, the newspaper of the Union Republican Club of the Parish of New Orleans commemorated the Declaration's signing by affirming their agenda as an embodiment of its principles: "The first Radical Republican platform in this country was adopted in the city of Philadelphia just ninety-one years ago today—that is on the 4th of July, 1776."<sup>77</sup>

Union League resolutions expressed their members' demands in the language of citizenship rights and republicanism. In an emblematic example, the Grand Council of the Union Leagues of Alabama proclaimed: "It is the cardinal principle of our Government that the people shall rule, and under this principle, whether we will it or not, the freedman will soon be recognized as a man, with all the powers and all the rights of every other man under our republican system."<sup>78</sup> At the national level, Leagues supported organizations with radically egalitarian conceptions of political rights compared to the majority of the party's base; the National Equal Rights League Convention of Colored Men adopted a resolution demanding "the right to wield the ballot, because we are American citizens, and as such entitled to it," declaring suffrage a "natural and inherent right, pertaining to every native-born American citizen, whether white or black, who has reached his majority."<sup>79</sup> This view was considered extreme at the time, even among Republicans. However, the Leagues' vital role in the national party's organizing efforts strengthened the radical coalition's position, especially in the early years of Reconstruction. Constitutional protections for birthright citizenship and universal male suffrage

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<sup>76</sup> "Union League Ritual." *Anderson Intelligencer*, vol. 3, no. 11, August 28, 1867; "The Horrible Oath Revealed." *American Citizen*, July 4, 1868;

<sup>77</sup> "1776 and 1867." *New Orleans Republican*, July 4, 1867.

<sup>78</sup> Union League Of Alabama, Grand Council, "Address of the Grand Council, U.L.A., to the Councils of the Union League in Alabama." January 2, 1867.

<sup>79</sup> National Equal Rights League, "Address and Resolutions of the National Equal Rights League Convention of Colored Men, Held at Washington, D. C., January 10th, 11th and 12th, 1867." Washington D.C., 1867.

would eventually be established by the Fourteenth and Fifteenth Amendments, in no small part due to freedpeople's efforts.<sup>80</sup>

League associations formed state-level political parties, effectively satellites of the national Republican party. The example of Georgia is instructive; in 1865, Leaguers from throughout the state pledged allegiance to an umbrella organization named the Equal Rights and Educational Association of Georgia. Several months later, the Association created a statewide political program and a newspaper, the *Weekly Loyal Georgian*, to spread its message.<sup>81</sup> The Union Republican Party platform, published in the paper, advocated for "the free and legal rights of all men" and the establishment of a public education system for the citizens of Georgia, declaring the party "identified in its history and by its essential principles with the rights, the interests and the dignity of labor" and expressing "sympathy with the toiling masses of society."<sup>82</sup> The Georgia's Union Republican Party's radical stance was characteristic of Reconstruction-era southern League associations; "free labor" could not be free without social and political equality, they argued. League agitation both widened and divided the Republican base as freedpeople confronted the realm of national politics with their own vision of a reconstructed South.

To most freedpeople, democratic freedom, land ownership, and the right to free labor were inseparable. Leaguers defined "free labor" as the right to enjoy the fruits of one's own labor, which typically precluded working land owned by someone else. Before the end of the war, Leagues began calling for the redistribution of Confederate lands to freed slaves and poor southern Unionists. Upon its formation in 1863, the National Union League of Tennessee

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<sup>80</sup> Foner, *Reconstruction*, 115-119, 251-261.

<sup>81</sup> Georgia Equal Rights And Educational Association, "Proceedings of the Convention of the Equal Rights and Educational Association of Georgia: Assembled at Macon, October 29th, Containing the Annual Address of the President, Captain J. E. Bryant." Augusta: Office of The Loyal Georgian, 1866, 1-7.

<sup>82</sup> "Platform Union Republican Party, Adopted at Atlanta July 4th," *Weekly Loyal Georgian* vol. 2, no. 27, August 10, 1867.



proclaimed it “the duty of the Government at once and forever to confiscate the entire property of all influential rebels” and redistribute it to “the poor and working class of the South...now without money; without stock of any kind to till the soil; and without protection for the production of that soil, should they have means to till it.”<sup>83</sup> The struggle for land redistribution galvanized and radicalized the League movement as it spread through the South during Reconstruction.<sup>84</sup> One observer from North Carolina reported hearing “negroes say that they were told the lands of the Southern people would be confiscated, and that they were promised lands, horses, etc.” by the Leagues.<sup>85</sup> Supporters made demands for land ownership directly alongside appeals to the right to free labor; a committee composed of “the colored citizens of Norfolk” organized by Leagues in Virginia in 1865 resolved that the “surest guarantee for the independence of the colored people will be found in their becoming the owners of the soil on which they live and labor.”<sup>86</sup> Anthony Paul Dostie declared that “Louisiana must become the land of human rights—the land where every one can enjoy his own labor, his own soil...and all other rights of a magnanimous Republic” in a fiery 1866 speech before the Union Association of New Orleans.<sup>87</sup>

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<sup>83</sup> National Union League of Tennessee, “A Committee Having Been Appointed By the National Union League of Tennessee, Council No. 1, to Prepare a Memorial to their Fellow-Leaguers, the Following Is Respectfully Submitted...” Nashville, Tennessee, December 14, 1863.

<sup>84</sup> “A critical issue was independent access to land, and Leaguers were frequently involved in efforts to prevent freedmen from contracting as agricultural laborers. These efforts were not tangential—they were a critical facet of mobilizing the freedmen. League agitation inspired agrarian radicalism among the labor force, and this is central to understanding the nature of the movement.” Michael W. Fitzgerald, *The Union League Movement in the Deep South* (Baton Rouge: Louisiana University Press, 1989), 176.

<sup>85</sup> “Teachings of the League of North Carolina.” In *Documentary History of Reconstruction: Political, Military, Social, Religious, Educational and Industrial, 1865 to the Present Time*, ed. Walter L. Fleming (Cleveland: A.H. Clark and co., 1905), 23-24.

<sup>86</sup> Colored Citizens of Norfolk, “Equal Suffrage. Address from the Colored Citizens of Norfolk, Va., to the People of the United States. Also an Account of the Agitation Among the Colored People of Virginia for Equal Rights. With an Appendix Concerning the Rights of Colored Witnesses Before the State Courts, June 5, 1865.” *Colored Conventions Project Digital Records*, <https://omeka.coloredconventions.org/items/show/563>.

<sup>87</sup> A.P. Dostie, “A Loyal Voice from Louisiana. Speech of Hon. A.P. Dostie, Delivered Before the Union Association of New Orleans, January 27, 1866.”

For a time it seemed that land redistribution might be enacted by Congress, but the plan proved to be a bridge too far for the Republican coalition. Such a violation of landholders' property rights was anathema to most Republicans, and would likely inflame tensions with the party's opposition. By late 1867, currency inflation and the national debt commanded Congress's attention and the land question was dropped.<sup>88</sup> The radical coalition was able to win significant legal victories, including birthright citizenship and universal male suffrage, but most freed slaves would remain landless and therefore unable to achieve full independence as they defined it for themselves.<sup>89</sup> At this point, the southern dimension of the crisis of free labor became painfully clear to Republicans. If "free labor" required land, as the Leagues argued, a free-labor South could never be economically productive. Landowning freedpeople would have no reason to enter the labor market. Without an abundant supply of cheap labor, how would the cotton economy recover from the war? Confiscation of southern property might even provoke similar conflicts in the North and rupture the basis of the nation's capitalist property relations.<sup>90</sup> If land redistribution was on the table in the South, what was to stop northerners from making similar demands? For the Republican Reconstruction coalition, "free labor" in the postwar South would have to be limited to the freedom to work for an employer without direct coercion; under this definition, free labor and a lifetime of market-based coercion were compatible.

The planter class saw the surge in freedpeople's political activity as the result of northern interference; "radical promise and political harangues keep the negroes irresponsible and

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<sup>88</sup> Foner, *Reconstruction*, 308-316.

<sup>89</sup> Du Bois, *Black Reconstruction*, 325-379; Foner, *Reconstruction*, 251-280.

<sup>90</sup> On the importance of land ownership to southern Republican ideology, see Foner, *Reconstruction*, 104-106; For Republican opposition to confiscation, see Bense, *Yankee Leviathan*, 349-350. Bense argues that "such intervention in southern property relations was likely to erupt into an uncontrollable, ever-widening threat to the capitalist order... The problem with a class-centered policy of wealth redistribution was that it was difficult to see how it could be limited to the South." Confiscation was therefore too likely to undermine "the foundations of capitalist property relations in the North."

discontented,” claimed an observer from South Carolina in 1868.<sup>91</sup> “The experience of the past two years has taught some very bitter lessons, and one in particular, namely: that a freedman is a *free man*—so free, indeed, that neither law nor gospel can hold him when some fancy or whim suggests to him a change of location or service,” wrote an exasperated North Carolina plantation owner. “Until his radical friends cease to tamper with him, he will continue to be a canker in the body politic,” he concluded.<sup>92</sup> “If this radical incubus is ever removed from our country, and the negro becomes again a *sane being*, we may make him almost as useful as formerly in our agricultural pursuits,” one Georgia planter theorized.<sup>93</sup> In the absence of a legal means of forcing freedpeople to work for them, landholders could not profitably run large plantations. They could not afford to pay cash wages, nor could they access credit. It was not a system of labor but a “system of robbery,” complained the planter from North Carolina. “When fifteen, ten, or even five laborers are to receive such wages as will maintain them in comfort, and these wages are to be drawn from the farm, it is self-evident that, unless work commensurate with these wages is faithfully rendered, the employer’s legitimate profits are, to the extent of that neglect, sacrificed,” resulting in “the increasing poverty of the land owner.”<sup>94</sup> The risk associated with cash wages was a barrier to establishing a viable free-labor plantation economy.

Planters wanted an affordable labor supply to make their land profitable. Freedpeople wanted their own land. Since neither side’s demands were met, a compromise emerged which did not fully satisfy the interests of either.<sup>95</sup> Gradually, planters began employing what became known as the share-wage system. Workers were paid a share of the crop and their employers

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<sup>91</sup> “Experiment with White Labor.” *Southern Cultivator*, vol. 26, no. 9, September 1868.

<sup>92</sup> “The Labor Question.” *Southern Cultivator*, vol. 26, no. 2, February 1868.

<sup>93</sup> “Slavery Not the Source of All the Evils in the South.” *Southern Cultivator*, vol. 26, no. 2, February 1868.

<sup>94</sup> “The Labor Question.” *Southern Cultivator*, vol. 26, no. 2, February 1868.

<sup>95</sup> Post, *The American Road to Capitalism*, 272. Post describes the rise of share-wage tenancy as “a class-compromise between the planters’ desire to continue the production of cotton as a cash-crop under their command, and the freedmen’s aspiration to produce their own subsistence independently.”

typically provided them the means of their subsistence, including the right to live on the employer's land. As early as 1866, plantation owners reported relative success paying wages in shares. In the words of one Mississippi planter: "We gave our negroes one third of the crop, and also furnished food and a portion of clothing to the laborers. This was perhaps too much, as a rule. Our negroes worked very well, considering they were free. No free negroes will ever cultivate cotton and corn as well as the slaves did."<sup>96</sup> After paying wages in shares instead of cash in 1867 and finding the arrangement preferable, a planter from Georgia wrote to the *Southern Cultivator* predicting that "the greater number of farmers will try to adopt the share labor system."<sup>97</sup> Generally speaking, he was proven correct. Over the next few years, planters experimented with share wages at higher rates until they became the norm. The share-wage system shifted some of planters' risk to their labor force but also paradoxically reduced risk for workers because they were more likely to actually receive payment. It also offered freedpeople a chance of enjoying some of the fruits of their own labor; a share of the crop was preferable to a shaky promise of cash wages.<sup>98</sup>

The spread of share-wage payments facilitated a growing tendency toward decentralized oversight of the labor process. Over time, centralized gang labor was replaced by smaller units, or "squads," of workers—part of the "compromise" between freedpeople and their former masters over the terms of free labor. By the end of the 1860s, many planters agreed that share-wage labor was most profitable when workers were "divided off in squads—each squad

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<sup>96</sup> "A Letter from an Experienced Cotton Planter." *Southern Cultivator*, vol. 25, no. 2, March 1867.

<sup>97</sup> "The Question of Labor." *Southern Cultivator*, vol. 26, no. 1, January 1868.

<sup>98</sup> Jaynes has convincingly argued that the widespread adoption of share-wage payments in the late 1860s resulted from planters' low access to credit and labor's hesitance to shoulder the credit burden of their employers. During Reconstruction, the South failed to generate a market for money-wage labor for two reasons: "because the financial position of too many planters was too weak for the to make a reasonably periodic payroll, and because free labor, after a disastrous experience, wisely declined to extend credit to planters on such risky terms as a pseudo-guaranteed wage to be paid with a lump sum at the end of the season." *Branches Without Roots*, 157.

having its own head man, full of self-confidence in regard to his farming ability.”<sup>99</sup> By 1870, squad labor was outmoded by family-based sharecropping due to the squad system’s inefficiency and freedpeople’s steadfast insistence on autonomy.<sup>100</sup> As sharecropping became the primary mode of labor exploitation, oversight of the labor process was increasingly directed by workers themselves as opposed to drivers or overseers. Employing fewer workers by reducing the amount of labor required for production gradually became a more attractive strategy for planters to mitigate their risk. Moreover, the merchants who provided commodities needed for furnishing share-wage workers took on a newfound importance to the southern agricultural economy. The South’s lack of banking institutions made merchants the primary source of credit for both planters and their laborers.<sup>101</sup> In sum, considerable influence on the character of class relations was shifting from the direct command of the employer toward the impersonal forces of the market. However, the employer’s ability to respond to those forces was constrained. Unlike cash wages, shares could not be adjusted according to market fluctuations; workers received the same portion of the crop regardless of the cost of production or the price of cotton. In this way, the share-wage system further inhibited the development of capitalist social relations in the South.

Limited access to credit and the low efficiency of decentralized work units created new incentives that pushed many planters toward a preoccupation with saving labor. “Labor at the South is at present very dear...when measured in terms of so much work, done in a given time,” opined the editors of the *Cultivator* in 1868. “Work done by machinery is always cheaper than

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<sup>99</sup> “Deep Breaking, Wide Rows, and Shallow Culture.” *Southern Cultivator*, vol. 30, no. 4, April 1872; For more examples of similar arguments, see B.T. Harris, “A Pleasant Letter.” *Southern Cultivator* vol. 26, no. 4, April 1868; “Goodwyn Agricultural Club. Discussion of the Labor Question.” *Southern Planter and Farmer*, vol. 32, no. 11, November 1871; “Fertilizers and Labor.” *Southern Cultivator*; vol. 30, no. 5, May 1872.

<sup>100</sup> See Jaynes, *Branches Without Roots*, 31, fig. 3.3. “The combination of postharvest payments with gang labor was incompatible with efficiency and worker morale. Over time, share wage gangs disintegrated, step by step, into family-based sharecropping.”

<sup>101</sup> Jaynes, *Branches Without Roots*, 43; Hahn, *The Roots of Southern Populism*, 173-174.

that done by hand,” they advised.<sup>102</sup> Correspondents tended to agree. “The owner of the farm, requiring the least amount of labor, can, of course, afford the highest rate of wages for what is required, and especially as his hands, in operating labor-saving implements, can earn much more than they otherwise could—while, being few in number and employed but for a short time, they consume little,” wrote a planter from Arkansas.<sup>103</sup> James A. Hall of Greenville, Georgia condemned “the old modus operandi of farming” and advocated for labor-saving technology in his “improved farming” plan for 1869, imploring readers: “We must explode ante-bellum and ante-deluvian ideas—burn up ante-deluvian plows, and procure labor-saving implements.”<sup>104</sup> The paper’s editors made the same case for reducing the cost of labor by replacing it with machines. “A farm cultivated by the old methods with six hands, can, by the use of improved implements, be as well cultivated with one,” they estimated. The logic of the argument is clear: implementing labor-saving machinery would enable employers to reduce the cost of their labor force while maintaining or even increasing profits by reducing the risk of employing workers: “You save the wages and feeding of five hands; you have the same product, no trouble or annoyance, and when you are done with your machine you put it under shelter—it eats nothing and requires no more attention.”<sup>105</sup>

The advertisement pages of the *Southern Cultivator* reflect both growing demand for labor-saving machinery and the increasing prevalence of merchants as creditors. In 1867 and 1868, advertisements for tools such as Bickford and Huffman’s grain drill and Crawford’s hand garden cultivator, which promised to “save the labor of four to six men,” began appearing alongside the usual advertisements for seeds, fertilizers, and basic implements like the Brinly

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<sup>102</sup> “Saving of Labor.” *Southern Cultivator*, vol. 26, no. 1, January 1868.

<sup>103</sup> “The Labor Question and Incidentally the Food Question.” *Southern Cultivator* vol. 26, no. 11, November 1868.

<sup>104</sup> “Improved Farming, etc.” *Southern Cultivator*, vol. 28, no. 2, February 1870.

<sup>105</sup> “How to Cultivate Large Farms with Few Laborers.” *Southern Cultivator*, vol. 26, no. 2, February 1868.

plow.<sup>106</sup> Between 1867 and 1870, the number of “commission merchants” advertising in the *Cultivator* tripled from three to nine. The following year, the *Southern Planter and Farmer* began advertising plows “whereby a great saving of labor to man and team is effected.”<sup>107</sup>

Considering the scarcity of capital in the South, it is unsurprising that labor-saving machines and the influx of merchant credit emanated disproportionately from the North.<sup>108</sup> Planters found themselves in yet another predicament; they needed credit from merchants, who required payment in cotton, which they were “compelled to force it on the market at a time when speculators are endeavoring to depreciate its true value,” in the words of one Alabama planter.<sup>109</sup> E. Steadman of Georgia remarked that “the Southern planter sells his cotton at 25cts. per pound, and buys it back so far as required for domestic use at 100cts. per pound; and in this way millions pass from the South to enrich other sections... We do the work, raise the staple, and pass it to others to reap the profits.”<sup>110</sup> Commission merchants filled the need for credit in the South, but the region’s dearth of capital markets and reliance on cash-crop cultivation put landholders at the mercy of their creditors, who were themselves subject to the fluctuations of the international cotton market.

Planters faced impediments to the implementation of labor-saving machinery because of share payments and the relative autonomy afforded to laborers by the prevalence of decentralized work units. Employers who directly purchased workers’ labor power benefited most from saving labor, and the majority were increasingly paying shares of the crop instead. The advent of sharecropping inhibited the introduction of labor-saving technology because the bulk of hired agricultural labor set their own work rhythms and divided labor amongst themselves.

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<sup>106</sup> *Southern Cultivator*, vol. 26, no. 2, February 1868; *Southern Cultivator*, vol. 26, no. 5, May 1868.

<sup>107</sup> *Southern Planter and Farmer*, vol. 32, no. 12, December 1871.

<sup>108</sup> *Southern Cultivator*, vol. 25, 1867, vol. 26, 1868, vol. 28, 1870.

<sup>109</sup> “More Corn, Small Grain, Meat, etc.” *Southern Cultivator*, vol. 26, no. 11, November 1868.

<sup>110</sup> “Prize Essay.” *Southern Cultivator*, vol. 28, no. 6, June 1870.

Landowners had no readily available means of setting the everyday terms of production to their own satisfaction. Planters reported that freedpeople and other share-wage workers had little interest in adopting labor-saving machines and could not be compelled to use them efficiently without direct supervision.<sup>111</sup> One plantation owner from Georgia wrote to the *Cultivator* that economic development was unlikely because “the negroes have the agriculture of the South pretty much in their own hands.” In this new agricultural system, freedpeople had to be “compelled in some way to improve the land” or they would continue their ruinous “plan of renting land, and paying said rent in cotton” with no inclination to systematically increase output.<sup>112</sup> Because planters were subject to the imperatives of the global cotton market, a condition exacerbated by their growing dependence on commission merchants, their inability to respond to market competition by adjusting wages or replacing labor with machinery posed an existential threat.

The new national banking system prohibited nationally-chartered banks from extending lines of credit using land as collateral, but the merchants who financed agricultural production in the Reconstruction South faced no such restriction. Most agriculturalists—planters and small farmers alike—needed credit to grow crops, and land was usually the only property they owned. Through the 1870s, land ownership in the South was increasingly concentrated among merchants as property was seized as collateral for unpaid debts. Over time, most of the sprawling antebellum plantations were broken up. Farmers who lost their land entirely had no option but to become tenants on someone else’s property. Gradually, cotton cultivation spread to areas that had previously been home to independent landholders who were under no compulsion to grow cotton

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<sup>111</sup> For examples of planters discussing their failures to implement labor-saving technology into the production process, see “Deep Breaking, Wide Rows, and Shallow Culture.” *Southern Cultivator*, vol. 30, no. 4, April 1872; “Brinly’s Ploughs.” *Southern Cultivator*, vol. 32, no. 10, October 1874; “A Very Important Question—What Are We Drifting To?” *Southern Cultivator*, vol. 33, no. 11, November 1875.

<sup>112</sup> “A Very Important Question—What Are We Drifting To?” *Southern Cultivator*, vol. 33, no. 11, November 1875.



to stay on their land. The “upcountry” areas outside the cotton belt, where soil was less fertile and land was cheaper, were increasingly populated by share-wage laborers and tenant farmers who had been landholding “yeomen” before the abolition of slavery. To mitigate their risk, merchants began requiring liens on the crop in exchange for extending credit. Eventually, they demanded to be repaid exclusively in cotton, and market competition started to become the organizing principle of agriculture, even for subsistence farmers.<sup>113</sup> The National Banking Acts’ ban on loans backed by real estate gave the South’s new rising class of merchant-landlords a regional monopoly on credit.

One way farmers responded to the new whirlwind of market pressure was by organizing associations around agricultural interests. The most notable example was the National Grange of the Order of Patrons of Husbandry, commonly known as the National Grange. Composed of local chapters made up of landholding farmers, the Grange exploded in popularity in the South after its national apparatus was consolidated in 1873. The National Grange’s declaration of principles, reprinted in the *Cultivator*, denounced “the credit system, the mortgage system, and every other system tending toward prodigality and bankruptcy” as well as the “surplus of middlemen” whose “exactions diminish our profits.”<sup>114</sup> The Georgia State Grange established “agencies to secure supplies of grain for seed at reduced cost,” cooperatives intended to diminish the credit burden of farmers.<sup>115</sup> In 1874, Grangers began advertising discounted seeds to each other in the *Cultivator* to reduce dependence on commission merchants.<sup>116</sup> The *Cultivator*’s readers expressed widespread enthusiasm about the Grange; letters of support poured in from across the South. Planters and independent farmers alike believed the organization could break

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<sup>113</sup> Hahn, *The Roots of Southern Populism*, 179-182; Foner, *Reconstruction*, 392-395.

<sup>114</sup> “Declaration of Principles by the National Grange. Adopted at St. Louis, February 11, 1874.” *Southern Cultivator*, vol. 32, no. 4, April 1874.

<sup>115</sup> “Georgia Patrons of Husbandry—Address of the Master.” *Southern Cultivator*, vol. 32, no. 10, October 1874.

<sup>116</sup> “New Advertisements.” *Southern Cultivator*, vol. 32, no. 3, March 1874.

up the “cotton broker’s ring” and the “shackles of monopolies” that bound producers to their creditors.<sup>117</sup> Southern Granges expanded rapidly; according to Steven Hahn, the movement spread from Floyd and Gwinnett Counties to the entire Georgia upcountry in just two years.<sup>118</sup> In July of 1874, the *Cultivator* estimated the Grange had approximately 2,500 chapters across the South.<sup>119</sup> The following year, the National Grange relocated its headquarters to Kentucky.<sup>120</sup> By C. Vann Woodward’s count, in 1876 there were 685 Granges with over 18,000 total members in Virginia alone.<sup>121</sup> Through the end of Reconstruction, Grangers formed statewide farmer cooperatives in virtually every corner of the South.<sup>122</sup>

The southern Grange movement’s meteoric rise is evidence of a seismic shift in class relations. Its dramatic growth can be partly attributed to the postwar financial climate, which reconfigured the cotton economy by expanding production beyond the antebellum plantation belt. To many southerners, the Granges presented an opportunity to coordinate a coherent solution to their mounting credit problems. “Individual energy—individual genius will not do against combinations of mind and capital. The planters must unite,” declared a South Carolina Granger in 1874.<sup>123</sup> A common suggestion was for Granges to form joint stock companies to establish independent lines of credit or enhance their bargaining power over creditors.<sup>124</sup> Some

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<sup>117</sup> “The Cotton Broker’s Ring.” *Southern Cultivator*, vol. 32, no. 11, November 1874; “Make Cotton On Your Own Capital—Borrowing Ruinous.” *Southern Cultivator*, vol. 32, no. 11, November 1874; For more discussion of support for the Granges in the rural South, see “Labor—Reform Needed.” *Southern Cultivator*, vol. 33, no. 11, November 1875; “Mode of Applying Manures—Crops and Labor—Worms in Bee-Gums—’Humbugs,’ etc.” *Southern Cultivator*, vol. 33, no. 11, November 1875; “How Long Will the South Continue to Burnish the Club With Which to Break its Own Head?” *Southern Planter and Farmer*, vol. 38, no. 4, April 1877.

<sup>118</sup> Hahn, *The Roots of Southern Populism*, 222.

<sup>119</sup> *Southern Cultivator*, vol. 32, no. 7, July 1874.

<sup>120</sup> *Southern Planter and Farmer*, vol. 36, no. 8, August 1875.

<sup>121</sup> Woodward, *Origins of the New South*, 94.

<sup>122</sup> Lawrence Goodwyn, *The Populist Moment: A Short History of the Agrarian Revolt in America* (New York: Oxford University Press, 1978), 32, 59, 72, 198. According to Goodwyn, the local and state-level organizations formed by southern Grangers were supplanted by Populist formations like the Southern Farmers’ Alliance and the Colored Farmers’ Alliance in the 1880s and early 1890s.

<sup>123</sup> “The Cotton Broker’s Ring.” *Southern Cultivator*, vol. 32, no. 11, November 1874.

<sup>124</sup> “Inquiries, Answers to Inquiries, etc.” *Southern Cultivator*, vol. 33, no. 5, May 1875.

hoped the Grange would be able to remove merchant credit from the equation entirely. “Banking facilities are required in cotton-growing,” wrote a farmer from Pine Bluff, Arkansas. “The cotton growers require a certain amount of money per annum. They are now being organized into Granges throughout the whole cotton district of the United States, and in their corporate capacity can deal in large numbers.” He suggested that the organizational structure of the Grange would enable farmers to bypass commission merchants and deal directly with the Bank of England and cotton spinners in Manchester. “It may result in a permanent alliance between the cotton spinners of England and the cotton growers of the South,” the farmer hoped. “This alliance is not practicable without the Granges.”<sup>125</sup>

Southern agriculturalists saw their reliance on merchants to fund production as a major reason for the South’s limited economic development during Reconstruction. The National Grange offered a potential solution in its call “to bring producers and consumers, farmers and manufacturers, into the most direct and friendly relations possible.”<sup>126</sup> The belief that Granges would encourage “the improvement of the practices of the *farmer himself*” while “getting him out of debt and keeping him out” was a potent rallying cry to debt-burdened agriculturalists who depended on merchants for credit and commodities in the absence of a developed southern economy.<sup>127</sup> Accordingly, optimizing efficiency, developing a “home market” for agricultural products, deepening the South’s division of labor, and achieving independence from bankers and merchants were inextricably linked goals for many southern agriculturalists. If the South could develop its own manufacturing industry and financial markets to buttress southern agricultural

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<sup>125</sup> “Cotton States Granges.” *Southern Cultivator*, vol. 32, no. 8, August 1874.

<sup>126</sup> “Declaration of Principles by the National Grange. Adopted at St. Louis, February 11, 1874.” *Southern Cultivator*, vol. 32, no. 4, April 1874.

<sup>127</sup> “Write for the Cultivator.” *Southern Cultivator*, vol. 32, no. 4, April 1874; For more examples of agriculturalists expressing the belief that Granges would promote internal southern economic development, see “Thoughts for the Month.” *Southern Cultivator*, vol. 32, no. 2, February 1874; Sampson Duffy, Letter to Editor, *Southern Cultivator*, vol. 32, no. 3, March 1874.

interests against northern capital, producers believed their profits would grow and their debts would shrink as the credit monopoly of merchant-landlords was broken up.

Because southern landholders were compelled to grow cotton for northern markets to obtain credit, their economic interests were subordinated to the fluctuations of those markets. As one Georgia planter put it: “Cotton, having yielded his supremacy as king of this great nation, has become a vascillating [sic] tool, controlled and held subject to the whims of northern capitalists.”<sup>128</sup> It stood to reason that expanding the South’s industry would stimulate a domestic market for agricultural products, promoting economic growth and development. “With the introduction of these factories to the South will follow employment of her labor, the process and profits of working up over a million of bales of cotton, the bounty on the same, cities and towns will grow,” opined a planter from Virginia. He located the cause of the disparate rates of northern and southern agricultural development in the South’s lack of a home market: “It is the home-market at the North that prospers the farmer and gives value to his lands,” he observed. The development of a similar market in the South would bring “general prosperity and commercial and industrial independence, with its natural fruits.”<sup>129</sup>

However, the same factors that necessitated development hindered it. Merchants’ leverage as creditors, the predominance of family-based sharecropping, and the protections for freedpeople’s political rights won during Reconstruction prevented the planter class from instituting reforms that would make cotton culture reliably profitable for landowners in the long term. Their attempts to shift risk onto workers or reduce the cost of labor using cash wages and labor-saving machinery were inhibited by their low creditworthiness and by freedpeople’s militant struggles for autonomy over labor conditions. As planters discovered after the repeal of

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<sup>128</sup> “Hog Raising.” *Southern Cultivator*, vol. 26, no 6, June 1868.

<sup>129</sup> “How Long Will the South Continue to Burnish the Club With Which to Break its Own Head?” *Southern Planter and Farmer*, vol. 38, no. 4, April 1877.

the Black Codes, they could not adapt to market incentives effectively without directly coercing freedpeople to work for them on profitable terms. The abolition of slavery had removed the final structural obstacle to the development of capitalist agriculture in the South; during Reconstruction, southern agriculture was not yet fully capitalist, but the fetters had broken and social relations were increasingly governed by market forces. Still, the conditions of the postwar financial environment and the hard-fought resistance of freedpeople impeded further capitalist development.

Unable to respond successfully to market imperatives, planters' best option for maintaining their class position was the political subjugation of their labor force. As one argued in a foreboding 1875 letter to the *Cultivator*, direct management of labor, cash wages, and strict vagrancy laws ("rigidly enforced against both blacks and whites") would increase profits and reduce landholders' reliance on merchants, "but, in order to reach that happy state, *the white man must hold the reins, both political and agricultural—and not the negro.*"<sup>130</sup> By that point, the only legal circumstance preventing planters from imposing supremacy over their workers was the Grant administration's tepid support for Reconstruction. After the end of Grant's presidency and the Republicans' subsequent abandonment of Reconstruction, the wave of agrarian revolt that propelled both the Union Leagues and the Granges eventually coalesced into the Populist movement. As share-wage farming spread across the South, popular resistance against the financial power of merchant-landlords and federal banking and currency policy exploded.<sup>131</sup> Southern Democrats responded by reincarnating the Black Codes as part of the earliest iterations of the "Jim Crow" regime. The doctrine of "white supremacy" provided political cover for the

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<sup>130</sup> "A Very Important Question—What Are We Drifting To?" *Southern Cultivator*, vol. 33, no. 11, November 1875.

<sup>131</sup> Goodwyn, *The Populist Moment*, 118-124; Hahn, *The Roots of Southern Populism*, 269-289; Woodward, *Origins of the New South*, 235-263.

revocation of democracy from the majority of southerners, black and white.<sup>132</sup> Because the Reconstruction coalition obstructed planters' surest plan for a successful transition to free labor—extra-economic coercion of labor on profitable terms—the Compromise of 1877 cleared the way for the full development of capitalist social relations in the South. As we will see, the defeat of Reconstruction at the national level resulted from another series of tumultuous struggles over the trajectory of the postwar political economy, this time in the North.

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<sup>132</sup> Du Bois, *Black Reconstruction*, 353; Post, *The American Road to Capitalism*, 275-279; Woodward, *Origins of the New South*, 322-349.

### **Chapter Three: Banking, Currency, and “Free Labor” in the Reconstruction North, 1865-1877**

In the Reconstruction North, conflicts over labor rights and fiscal policy realigned the national political spectrum and provoked divisive questions about the nation’s economic future. In the process, the labor reform movement born out of the war began to form its first national political organizations, advancing its own agenda for a postwar free-labor republic with a platform drafted by northern workers.<sup>133</sup> The radical implications of organized labor’s political program and the class character of the movement’s base heightened the contradictions between the Republican party’s free-labor platform and the imperatives of postwar economic stability. As Reconstruction continued, these contradictions exacerbated the party’s political and ideological crisis over the meaning of “free labor” in an industrial capitalist nation-state with a centralized financial system. Eventually, these struggles gave rise to a new conservative political program legitimated by a new ideology: a distinctly American form of economic liberalism. The liberal reform movement of the late 1860s and early 1870s posed a direct challenge to both the labor reform movement and the national Republican party. Driven to an increasingly conservative position by the economic instability of the Reconstruction era, the liberals successfully united around an agenda of antidemocratic reform and austerity, culminating in the political victory of capital over labor and the defeat of Reconstruction at the national level.

This chapter analyzes the development of the national labor reform movement by examining the proceedings of the conventions of the National Labor Union, the first national political organization to emerge from the movement during Reconstruction, as well as speeches of its president William H. Sylvis. An analysis of statements issued by local and national organizations affiliated with the NLU and writings of the movement’s supporters published in the

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<sup>133</sup> McPherson, *Battle Cry of Freedom*, 450; Montgomery, *Beyond Equality*, 196.

*Workingman's Advocate*, a Chicago newspaper dedicated to the national labor reform movement and later the NLU's official mouthpiece, offers further insight into the movement's political agenda and its conception of the right to free labor.<sup>134</sup> Finally, the chapter concludes with an analysis of the liberal reform movement as a response to the political crisis provoked by struggles over Reconstruction economic policy, focusing on the letters of national liberal reform advocate Carl Schurz and the public addresses of New York governor Samuel J. Tilden as examples of the liberal reform movement's political platform in the 1870s. Each movement's program presents its own articulation of the ideal relationship between labor and capital, and the government's role in mediating it. The antithetical nature of their agendas reveals the depth of the political crisis provoked by the consolidation of the national economy during the Civil War.

Organized labor united around a long list of demands including wage increases, prohibition of child labor, anti-monopoly legislation, and a general policy of fiscal expansionism based on greenbacks.<sup>135</sup> But nothing mobilized the nascent movement as much as the campaign for the eight-hour workday. In 1865 and 1866, a reduction of working hours from ten to eight hours per day was invariably the primary goal of labor reform organizations.<sup>136</sup> Supporters linked the Republican party's Reconstruction agenda to the condition of northern workers by presenting this demand as a prerequisite for the success of a postwar free-labor republic. The famed abolitionist William Lloyd Garrison told the Grand Eight Hour League of Massachusetts he

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<sup>134</sup> The *Workingman's Advocate* was established in 1864 by a group of striking *Chicago Times* workers and managed primarily by Chicago labor organizer and future NLU leader Andrew C. Cameron. Labor historian David Montgomery has named the *Advocate* "among the most important institutions of the labor movement" during Reconstruction. See Montgomery, *Beyond Equality*, 161-162; in either late November or early December of 1868, the *Advocate* became the "official organ of the National Labor Union" and NLU president William H. Sylvis took a position on the paper's board of editors. See *Workingman's Advocate*, vol. 5, no. 21, December 12, 1868.

<sup>135</sup> Foner, *Reconstruction*, 474-482; Montgomery, *Beyond Equality*, 176-180.

<sup>136</sup> "State Convention." *Workingman's Advocate*, vol. 2, no. 39, April 21, 1866; "Our State Convention." *Workingman's Advocate*, vol. 2, no. 40, April 28, 1866; "Trades' Union Items." *Workingman's Advocate* vol. 2, no. 42, May 12, 1866; "Workingmen's Meeting at Indiannapolis [sic]." *Workingman's Advocate*, vol. 3, no. 7, September 8, 1866; "From New York." *Workingman's Advocate*, vol. 3, no. 16, November 10, 1866.



supported agitation for the eight-hour workday for the same reason he had agitated against slavery: “The same principle which has led me to abhor and oppose the unequalled [sic] oppression of the black laborers of the South, instinctively leads me to feel an interest in whatever is proposed to be done to improve the condition and abridge the toil of the white laborers of the North, or, rather, of all overtasked working classes without regard to complexion or race—and more equitably to adjust the relations between capital and labor.”<sup>137</sup> His remarks were reprinted favorably in the *Workingman's Advocate*. The *Advocate* published similar arguments in its editorials, including the demand that “eight hours shall constitute a legal day’s work for an American freeman, irrespective of color or race” on the basis of the principle of “equal justice to *all men* irrespective of creed, nationality, or religion.”<sup>138</sup>

In its articulations of the demand for the eight-hour workday, the labor reform movement drew from a radical reinterpretation of antebellum free-labor ideology, claiming the right to a legal limitation of the working day as an indispensable right of free citizens. In order to exercise their citizenship rights, labor reformers argued, workers had to be legally protected from the unjust labor exploitation that undermined their ability to engage in social and political affairs. As an article published in the *Advocate* put it, “capitalists have, by their spare time, so arranged the laws that by labor, interest, and other similar devices they get more than their fair share of the products of labor. Reduce the hours of labor, and the laborers can spend some time to amend these unjust laws, and place better ones in there [sic] stead.”<sup>139</sup> In a similar vein, an 1866 convention of Indianapolis trade unions unanimously adopted a resolution stating that “long hours of labor are inconsistent with the economical, social, and moral welfare of society” as well as “inconsistent with the demands upon us as men, to be informed and educated, so that we shall

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<sup>137</sup> “Important Accessions,” *Workingman's Advocate*, vol. 2, no. 42, May 12, 1866.

<sup>138</sup> “Eight Hours; Strikes or Legislation?” *Workingman's Advocate*, vol. 3, no. 4, August 18, 1866.

<sup>139</sup> “The Labor Reform,” *Workingman's Advocate*, vol. 2, no. 45, June 2, 1866.

be able to perform with honor and intelligence our duties as citizens.”<sup>140</sup> The *Advocate*’s editors railed against the federal government’s “labor-plundering legislation” that resigned American workers to a fate worse than “any European despotism has dared to create.”<sup>141</sup> An eight-hour workday was a necessary bulwark against the encroaching tyranny of a capitalistic aristocracy.

A natural alliance between trade unions and smaller local “eight-hour leagues” prompted a series of conventions of the National Labor Congress, a wide array of labor reform activists and union leaders from around the country, in Baltimore in 1866.<sup>142</sup> As the *Advocate* reported, the movement for the eight-hour workday was a major impetus for the formation of the NLC: “The Eight Hour principle, to prove effective, must assume a national importance; must be agitated and demanded simultaneously from Maine to Texas; and it is with a view to effect this result that the Baltimore Convention has been called.”<sup>143</sup> At one such convention, a committee was formed to develop a national political strategy for achieving an eight-hour workday. In August, they adopted a resolution “recommending every friend of the movement to vote for no candidate not pledged to vote for a law making eight hours a day’s work.”<sup>144</sup> The *Advocate* reported on the deliberations in detail. By September, the Congress had resolved to “organize a Permanent National Labor Union” and decided on a rudimentary organizational structure, and the National Labor Union was officially established.<sup>145</sup> The formation of the NLU was a prominent example of the rapid growth that characterized the labor movement during Reconstruction; within several years of the first NLC conventions, the number of national trade unions in operation had nearly tripled.<sup>146</sup> Sometime in late 1866 or early 1867, the *Workingman*’s

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<sup>140</sup> “Workingmen’s Meeting at Indiannapolis [sic].” *Workingman’s Advocate*, vol. 3, no. 7, September 8, 1866.

<sup>141</sup> “Eight Hours—Its Legal, Moral, and Intellectual Bearing.” *Workingman’s Advocate*, vol. 2, no. 43, May 19, 1866.

<sup>142</sup> Montgomery, *Beyond Equality*, 176-177.

<sup>143</sup> “The Eight Hour Address II.” *Workingman’s Advocate*, vol. 2, no. 52, July 21, 1866.

<sup>144</sup> “Editorial Correspondence.” *Workingman’s Advocate*, vol. 3, no. 5, August 25, 1866.

<sup>145</sup> “National Labor Congress—A Full Account of the Proceedings.” *Workingman’s Advocate*, vol. 3, no. 6, September 1, 1866.

<sup>146</sup> Foner, *Reconstruction*, 478.

*Advocate* changed its slogan from “Devoted Exclusively to the Interests of the Producing Classes of the Northwest” to “Devoted Exclusively to the Interests of the Producing Classes,” a reflection of organized labor’s increasingly national focus.<sup>147</sup>

Labor reform advocates positioned themselves as the defenders of the right to free labor. Union organizer Ira Steward was known to draw comparisons between northern wage labor and southern slavery.<sup>148</sup> Writers for the *Advocate* depicted the movement’s aims in almost utopian terms with a distinctly republican zeal characteristic of Reconstruction-era labor reform organizations. In one of their reports on the NLC, the paper’s editors described the movement’s governing principle as the conviction that “‘government was designed for the happiness of the individual, irrespective of his wealth or position.’ This is clearly laid down in the Declaration of Independence...included under the words ‘among these rights.’ The task of the members of this Congress will be to stand up for these rights.”<sup>149</sup> Implicit in this argument was a criticism of the rampant class inequality engendered by the war. The relationship of capital to labor had become so disfigured that the republic was no longer free. One of the aims of Reconstruction, then, was to reconstruct the postwar national economy on the basis of free labor and equality. In this way, the labor reform movement envisioned the national state as a vehicle for its own radical political program. Once liberated from the influence of capital, the federal government would be the political arm of free labor, or so the thinking went.

Therefore, banking and currency reform were also crucial planks in the movement’s platform. In the years after the war, monopolization of the financial sector was an inescapable fact of economic life, and labor organizers placed the blame squarely on capitalists and their

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<sup>147</sup> *Workingman’s Advocate*, vol. 3, no. 16, November 10, 1866; *Workingman’s Advocate*, vol. 4, no. 2, August 3, 1867.

<sup>148</sup> Foner, *Reconstruction*, 478.

<sup>149</sup> “The National Labor Congress.” *Workingman’s Advocate*, vol. 3, no. 3, August 11, 1866.

representatives in the federal government. The Industrial Anti-Monopoly Union of Illinois, which sent delegates to the NLU's 1867 convention, declared in its founding statement that "our monetary, financial and revenue laws are in letter and spirit opposed to the principles of freedom and equality upon which our democratic institutions are founded—there is in their every provision manifestly a studied design to shield non-producing capital from its just proportion of the burdens of the government."<sup>150</sup> Again, the incompatibility of the Reconstruction-era political economy with republican government was invoked in support of the labor reform agenda; just like the NLU, the Anti-Monopoly Union resolved that "the design of the founders of the Republic was to institute a government which would vest the sovereignty in the people and give to each citizen the largest political and religious liberty compatible with the good order of society and secure to each the rights to enjoy the fruits of his labor."<sup>151</sup> The Union depicted the concentration of political and economic power among bankers and financiers as a threat to the founding vision of the republic because it violated one of the most basic rights of citizenship: the right to free labor, in this case defined as the right to enjoy the fruits of one's own labor.

Labor reform organizations typically advocated for democratic oversight of capital markets via federal regulation and stable government-printed paper currency. The National Labor Union was no exception. In 1867, the NLU formally declared its support for greenbacks and its opposition to hard currency.<sup>152</sup> The public statements of William H. Sylvis, founding member and later president of the NLU, provide insight into the rationale behind organized labor's opposition to a return to the gold standard during Reconstruction. In a speech delivered in Boston

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<sup>150</sup> "The Industrial Anti-Monopoly Union of Illinois." *Workingman's Advocate*, vol. 2, no. 49, June 30, 1866; "The Convention." *Workingman's Advocate*, vol. 4, no. 2, August 3, 1867.

<sup>151</sup> "The Industrial Anti-Monopoly Union of Illinois." *Workingman's Advocate*, vol. 2, no. 49, June 30, 1866. This portion of the resolution's language is also found in the NLU's statement of founding principles and resolutions adopted by various other trade unions affiliated with the NLU. See "National Labor Congress—A Full Account of the Proceedings." *Workingman's Advocate*, vol. 3, no. 6, September 1, 1866.

<sup>152</sup> Montgomery, *Beyond Equality*, 177.

in January 1867, Sylvis fiercely condemned “the combinations of gold gamblers, money brokers, note shavers, speculators and forestallers, who place a fictitious value upon money and plunder the poor of the necessities of life.”<sup>153</sup> He called for the formation of cooperative savings banks as a means for workers to avoid “placing our savings in the keeping of bankers, banking institutions, and savings-banks, under control of capitalists.”<sup>154</sup> The following year, Sylvis demanded “an immediate repeal of the National Bank law, and all other banking laws, because the whole banking system, and especially the national banking system, is a swindle from beginning to end,” charging that national banks were “sustained by a direct tax upon the industry of this nation.”<sup>155</sup> He emphatically urged the federal government to repay the national debt in greenbacks as opposed to gold, declaring government-backed paper currency the best path toward “a monetary system that will give to the people a secure, cheap, and abundant currency” because its value could supposedly be less easily manipulated by speculators.<sup>156</sup>

In reality, Sylvis’s economic analysis was more than a bit flawed; the inflation induced by an *overabundance* of paper currency was actually a contributing factor to the economic conditions he decried. However, his words reflected the sentiments of millions of industrial and agricultural workers across the Reconstruction North. In the late 1860s and early 1870s, support for the total abolition of national banknotes in favor of federally-regulated fiat currency—a view commonly known as “greenbackism”—was widespread among union membership.<sup>157</sup> To many supporters of the labor reform movement, greenbackism presented a commonsensical solution to

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<sup>153</sup> William H. Sylvis, “Address Delivered at Boston, January, 1867,” in *The Life, Speeches, Labors and Essays of William H. Sylvis, Late President of the Iron-Moulders International Union; and Also of the National Labor Union*, ed. A.C. Cameron (Philadelphia: Claxton, Remsen and Haffelfinger, 1872), 177.

<sup>154</sup> Sylvis, “Address Delivered at Boston, January, 1867,” in *The Life, Speeches, Labors and Essays of William H. Sylvis*, 203.

<sup>155</sup> Sylvis, “Address Delivered at Birmingham, PA, September, 1868,” in *The Life, Speeches, Labors and Essays of William H. Sylvis*, 227.

<sup>156</sup> Sylvis, “Address Delivered at Birmingham, PA, September, 1868,” in *The Life, Speeches, Labors and Essays of William H. Sylvis*, 227.

<sup>157</sup> Foner, *Reconstruction*, 478; Ritter, *Goldbugs and Greenbacks*, 47-48.

the rampant instability of the financial system during Reconstruction. Like Sylvis, they believed a financial economy based exclusively on the national paper currency, regulated by the political rule of a free and equal citizenry, would allow the nation to quickly resolve its debt and reduce its tax burden. In addition, the fear that currency markets could be monopolized by speculators and their political allies in government was by no means outlandish; in September 1869, a scheme to corner the gold market by railroad entrepreneurs Jay Gould and James Fisk (with the blessing of President Grant, no less) triggered a financial panic on Wall Street.<sup>158</sup> Supporters of labor reform typically viewed such scandals as evidence of the state's unnaturally close alignment with capital to the detriment of labor. Calls to break up monopolies, pay the national debt in greenbacks, and limit working hours appealed to a broad coalition of workers across the North. The conditions of the northern economy, transformed by the wartime industrial boom, encouraged a profound radicalization of the movement.

One of the most striking transformations of the postwar economy was the rising prevalence of women in the workforce. Accordingly, labor reform organizations composed of women played an increasingly prominent role in the movement as Reconstruction continued.<sup>159</sup> Women's suffrage activists also ardently supported the labor reform movement's political agenda. The inaugural issue of the *Revolution*, the women's movement newspaper managed by Susan B. Anthony and edited by Elizabeth Cady Stanton, demanded "educated suffrage, irrespective of sex or color" along with "equal pay to woman for equal work" and a national eight-hour workday.<sup>160</sup> The paper's official "commercial and financial policy" included support for greenbacks as the basis of an "American system of finance" to keep "American products and

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<sup>158</sup> Edwin G. Burrows and Mike Wallace, *Gotham: A History of New York City to 1898* (New York: Oxford University Press, 1999), 914.

<sup>159</sup> Burrows and Wallace, *Gotham*, 987-990; Foner, *Reconstruction*, 479; Montgomery, *Beyond Equality*, 396-398.

<sup>160</sup> *Revolution*, vol. 1, no. 1, January 8, 1868; Montgomery, *Beyond Equality*, 396.

labor free.”<sup>161</sup> In 1868, the NLU formally recommended the *Revolution* to its constituents as “the only paper in New York that advocates the financial policy of the National Labor Union.”<sup>162</sup> Sylvis also publicly expressed support for women’s suffrage and extolled the importance of women’s equality, both to the labor reform movement and his vision of a free-labor society. “Rest assured, gentlemen, we cannot go forward without marching hand-in-hand with woman,” he told a crowd of supporters in 1867. “Why should women not enjoy every social and political privilege held by men? The time, I hope, is not far off when universal suffrage and universal liberty will rule all over the world.”<sup>163</sup>

At its 1868 convention, the NLU elected Susan B. Anthony to the NLC with the support of a national organization she had formed called the Workingwomen’s Protective Association. Elizabeth Cady Stanton was also elected to a seat at the same meeting.<sup>164</sup> However, the convention exposed the fragility of the alliance between the women’s suffrage movement and the national labor reform movement. While Anthony and Stanton were awarded seats on the NLC, the Congress overwhelmingly rejected a proposal to support extending the franchise to women—despite the fact that Stanton had attended the convention in her capacity as a representative of the Women’s Suffrage Association.<sup>165</sup> The political demands of the women’s movement expanded the labor coalition’s base of support, but deeply fractured its membership over the issue of universal suffrage. For the duration of Reconstruction, the labor movement would never resolve this predicament. The coalition of labor reform organizers and women’s suffrage activists crashed on the rocks of the political conflicts over the Fifteenth Amendment,

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<sup>161</sup> *Revolution*, vol. 1, no. 1, January 8, 1868.

<sup>162</sup> “Proceedings of the Second Annual Meeting of the National Labor Union Convened at New York, Sept. 21, 1868.” *Workingman’s Advocate*, vol. 5, no. 12, October 10, 1868.

<sup>163</sup> Sylvis, “Address Delivered at Boston, January, 1867.” In *The Life, Speeches, Labors and Essays of William H. Sylvis*, 220, 222.

<sup>164</sup> Montgomery, *Beyond Equality*, 398.

<sup>165</sup> Montgomery, *Beyond Equality*, 398.

which established constitutional protections for the voting rights of men, but not women. The ratification of the Fifteenth Amendment in 1870 ruptured the relationship between the women's suffrage movement and many of its other former allies, especially civil rights activists and Radical Republicans.<sup>166</sup> As the labor reform movement's national political ambitions grew, divisive questions about how broadly to interpret the NLU's egalitarian principles threatened to disintegrate the coalition.

The most contentious issue by far was "the subject of negro labor." NLU membership was thoroughly divided over whether to support integration of black workers into local unions. At its 1867 convention, the NLC determined the question to be "involved in so much mystery, and upon it so wide diversity of opinion amongst our members, we believe that it is inexpedient to take action on the subject in this National Labor Congress."<sup>167</sup> The decision was postponed until the following year, but the issue was never raised at the 1868 convention.<sup>168</sup> From 1869 on, the NLU would support the formation of segregated local unions and avoid most national civil rights issues.<sup>169</sup> Meanwhile, black-led labor organizations continued to draw in new members across the nation. The first Colored National Labor Convention was held in December 1869 in Washington, D.C., and a platform drafted by labor organizer Isaac Myers was unanimously adopted.<sup>170</sup> Myers's platform declared that "the exclusion of colored men and apprentices from the right to labor in any department of industry or workshops in any of the States and Territories of the United States, by what is known as 'Trades Unions,' is an insult to God and injury to us

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<sup>166</sup> Foner, *Reconstruction*, 447-448,

<sup>167</sup> "Proceedings of the National Labor Congress. Second Annual Session." *Workingman's Advocate*, vol. 4, no. 5, August 24, 1867.

<sup>168</sup> "Proceedings of the National Labor Congress. Second Annual Session." *Workingman's Advocate*, vol. 4, no. 5, August 24, 1867; "Proceedings of the Second Annual Meeting of the National Labor Union Convened at New York, Sept. 21, 1868." *Workingman's Advocate*, vol. 5, no. 12, October 10, 1868.

<sup>169</sup> Du Bois, *Black Reconstruction*, 354-358; Foner, *Reconstruction*, 479.

<sup>170</sup> "Colored National Labor Convention, Convened and Held in Washington, D.C., December 6th, 7th, 8th, 9th, and 10th, 1869." *New Era*, vol. 1, no. 1, January 13, 1870.



and disgrace to humanity.”<sup>171</sup> Apart from its condemnation of segregation in trade unions, the language of the CNLC platform was nearly identical to the standard platform of unions affiliated with the NLU, including the usual section about the people’s entitlement to “the largest political and religious liberty compatible with the good order of society” and “the use and enjoyment of the fruits of their labor and talents.”<sup>172</sup>

On the last day of the convention, the CNLC voted to officially establish its own “National Labor Union,” which would come to be known as the Colored National Labor Union to distinguish it from the NLU.<sup>173</sup> The CNLU, along with most other black labor organizations, tended to be even more averse to striking than other labor reform advocates, and generally indifferent to the debate over which currency should be used to repay the national debt; these factors further solidified most northern black labor reformers’ loyalty to the Republican party.<sup>174</sup> Significant rifts over pressing issues for the labor coalition, such as integration, resumption of the national debt, and the movement’s national political strategy, split the national union movement into separate, segregated blocs. The two blocs shared key demands, such as an eight-hour workday, equal pay for women, and stricter enforcement of labor protections; however, many of the issues that divided them—currency and national civil rights policy in particular—put black labor reform organizations in the North in a notably less antagonistic stance toward the national Republican party compared with their white counterparts.<sup>175</sup>

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<sup>171</sup> “Colored National Labor Convention, Convened and Held in Washington, D.C., December 6th, 7th, 8th, 9th, and 10th, 1869.” *New Era*, vol. 1, no. 1, January 13, 1870.

<sup>172</sup> “Colored National Labor Convention, Convened and Held in Washington, D.C., December 6th, 7th, 8th, 9th, and 10th, 1869.” *New Era*, vol. 1, no. 1, January 13, 1870.

<sup>173</sup> “Colored National Labor Convention, Convened and Held in Washington, D.C., December 6th, 7th, 8th, 9th, and 10th, 1869.” *New Era*, vol. 1, no. 1, January 13, 1870.

<sup>174</sup> Foner, *Reconstruction*, 480; Montgomery, *Beyond Equality*, 191.

<sup>175</sup> “Colored National Labor Convention, Convened and Held in Washington, D.C., December 6th, 7th, 8th, 9th, and 10th, 1869.” *New Era*, vol. 1, no. 1, January 13, 1870.

Women's suffrage activists and the CNLU took the movement's free-labor ideology to its logical egalitarian conclusion. In doing so, they revealed the depth of the divisions in the coalition, illustrating the limits of both the NLU's organizational capabilities and its potential to effect democratic reform. At the national level, agitation by organized labor created new divisions in the Republican coalition, exposing contradictions in the party's Reconstruction platform. The labor reform movement's depictions of a free-labor republic corrupted by capitalist oligarchs was a scathing indictment of the Radical Republicans' vision of a harmony of interests between classes, which was rapidly becoming ideologically untenable in the consolidated capitalist economy of the postwar period.<sup>176</sup> Even the minority of Radical Republicans who supported the eight-hour workday stopped short of supporting a legal means of enforcing it, and their support dwindled as the economy faltered. The few local and state-level eight-hour laws that did pass went totally unenforced.<sup>177</sup> Conflicts over labor, banking, and currency divided party membership starkly along class lines, and the party could no longer unite its coalition around the pre-Civil War "free labor" agenda.<sup>178</sup> As David Montgomery put it, the labor reform movement "directly challenged the Radicals' claim to be the voice of the people."<sup>179</sup> The social and economic conditions of Reconstruction had created a political crisis for Republicans and radicalized organized labor.

By 1870, the NLU was describing its agenda as "a definite line of policy directly at variance with that of the dominant parties," and the labor movement as "a contest between capital and labor."<sup>180</sup> The following year, an editorial urged the nation's workers to "replace the demagogues and mouthpieces of monopoly, now in power by those who are *pledged* to legislate

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<sup>176</sup> Montgomery, *Beyond Equality*, x.

<sup>177</sup> Post, *The American Road to Capitalism*, 261; Montgomery, *Beyond Equality*, 262-263.

<sup>178</sup> On the divisions in the national Republican party over currency policy see Ritter, *Goldbugs and Greenbacks*, 34-38.

<sup>179</sup> Montgomery, *Beyond Equality*, 196.

<sup>180</sup> "The Aims of the National Labor Union." *Workingman's Advocate*, vol. 6, no. 30, March 1, 1870.

for the benefit of the people.”<sup>181</sup> Increasingly frustrated with both major parties, NLU leadership transformed the organization into a national political party in preparation for the upcoming 1872 elections. In the end, the formation of the National Labor Reform Party spelled the beginning of the end for the NLU. As the organization’s bureaucratic machinery was turned exclusively toward national electoral politics, the influence of local unions was gradually eclipsed by the national leadership and the whole endeavor became decidedly less democratic over time.<sup>182</sup> The National Labor Reform Party was barely a factor in the elections, and the NLU was effectively defunct from then on.<sup>183</sup> In the years that followed, the labor movement maintained its growth as the number of national trade unions multiplied and organizations like the Industrial Congress and then the Knights of Labor surged in membership.<sup>184</sup> However, the NLU’s brief foray into party politics and subsequent implosion demonstrated the movement’s lack of a coherent national political strategy as well as the fractured state of the Reconstruction “free labor” coalition. The presidential elections also exhibited one of the first major symptoms of the Republican party’s impending crisis.

On the surface, the presidential election of 1872 appears fairly insignificant; Grant and the Republicans easily won reelection. However, the most prominent electoral trend in 1872 was the relative success of the liberal reform movement, especially in Republican party politics. Discontent with the Grant administration had been fomenting within the party over currency inflation, Reconstruction policy, and widespread charges of corruption and nepotism. Liberal reformers, whose ranks included moderate Republicans, northern Democrats, and increasing numbers of former Radicals, demanded lower taxes and expenditures, a return to the gold

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<sup>181</sup> “The National Labor Party.” *Workingman’s Advocate*, vol. 7, no. 23, February 4, 1871.

<sup>182</sup> Du Bois, *Black Reconstruction*, 358-359; Montgomery, *Beyond Equality*, 186-196.

<sup>183</sup> Ritter, *Goldbugs and Greenbacks*, 47-48.

<sup>184</sup> Foner, *Reconstruction*, 501-502, 515; Montgomery, *Beyond Equality*, 194-196.

standard, civil service reform, and an immediate end to Reconstruction.<sup>185</sup> Several prominent Republicans defected from the national party and formed the Liberal Republican party to challenge Grant in 1872.<sup>186</sup> Carl Schurz, one of the party's founding members, wrote to his fellow Liberal Republican, newspaper editor E.L. Godkin, that their platform of "civil service reform, revenue-reform, and other good things" could unite a wide coalition and defeat "the patronage-politicians and corruptionists" of the Grant administration.<sup>187</sup> "He seems to have a genius for suicide," Schurz wrote of the president several days later.<sup>188</sup> He was convinced that Grant was leading the party and the nation to ruin with his penchants for favoritism and "unduly strengthening the Central Government" with Reconstruction measures like "the insane Ku-Klux legislation."<sup>189</sup>

An astonishingly diverse array of politicians apparently agreed with the liberals' diagnosis. The Democratic National Convention begrudgingly endorsed the Liberal Republican candidate Horace Greeley for president in favor of nominating a Democrat and splitting the conservative vote.<sup>190</sup> But the liberal platform appealed not only to conservatives. Even Senator Charles Sumner, one of the former Radical Republican champions of Reconstruction, opposed the national party and lent his support to Greeley, one of the most telling signs of the Republican party's crisis. As Schurz wrote to Sumner in 1871: "You tell me in your letter that the Republican party must be saved. I am convinced that it can be done only by making it the party of reforms

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<sup>185</sup> Foner, *Reconstruction*, 484-488.

<sup>186</sup> Foner, *Reconstruction*, 488-509.

<sup>187</sup> Carl Schurz, "To E.L. Godkin, March 31, 1871," in *Speeches, Correspondence and Political Papers of Charles Schurz*, vol. 2, ed. Frederic Bancroft (New York: G.P. Putnam's Sons, 1913), March 31, 1871, 254.

<sup>188</sup> Schurz, "To Jacob D. Cox, April 4, 1871," in *Speeches, Correspondence and Political Papers of Charles Schurz*, vol. 2, April 4, 1871, 255.

<sup>189</sup> Schurz, "To Charles Sumner, August 14," in *Speeches, Correspondence and Political Papers of Charles Schurz*, vol. 2, August 14, 1871, 279; Schurz, "To Jacob D. Cox, April 4, 1871," in *Speeches, Correspondence and Political Papers of Charles Schurz*, vol. 2, April 4, 1871, 255.

<sup>190</sup> Foner, *Reconstruction*, 505-506.

and by suppressing the bad influences governing it.”<sup>191</sup> With his letter Schurz enclosed a transcript of one of his speeches calling for a new reform party. Few observers of national politics could deny that a rollback of Reconstruction seemed to be on the horizon. The Liberal Republicans were a loose-knit coalition and a weak electoral challenge to Grant, but their campaign was clear evidence of a significant development in national politics: the widening appeal of liberalism as a response to the class conflicts of Reconstruction.<sup>192</sup>

New York City was the intellectual and political center of the liberal reform movement. New York liberals equated “free labor” with freedom from government intervention in the labor market. In 1865, Godkin described calls for the eight-hour workday as attempts to “nullify the natural economic laws by a law of the state.”<sup>193</sup> A few years later, one New York Republican opined that the United States was “a free country, and everybody ought to be allowed to work just as long as he pleases.”<sup>194</sup> The preference for liberal economics surged among upper-class New Yorkers in the 1870s. Sven Beckert describes this trend as a “distinct departure” from New York capitalists’ general support for the economic expansionism of the 1860s.<sup>195</sup> By the early 1870s a majority had embraced an “agenda of interpreting laissez-faire economics as a system of natural laws beyond human interference, and they now included in their interpretation not only the protection of private property, but also minimal taxation, a stable currency, and a reduction in state spending.”<sup>196</sup> Labor reformers had it backwards, the liberals argued; the freedoms of the republic were under threat by an assault on capital, not labor. Liberal reformers viewed

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<sup>191</sup> Schurz, “To Charles Sumner, August 14,” in *Speeches, Correspondence and Political Papers of Charles Schurz*, vol. 2, August 14, 1871, 257.

<sup>192</sup> Foner, *Reconstruction*, 488-511.

<sup>193</sup> Edwin L. Godkin, “The Eight-Hour Movement,” *Nation*, vol. 1, November 16, 1865. Quoted in Montgomery, *Beyond Equality*, 248.

<sup>194</sup> Quoted in Burrows and Wallace, *Gotham*, 987.

<sup>195</sup> Sven Beckert, *The Monied Metropolis: New York City and the Consolidation of the American Bourgeoisie, 1850-1896* (Cambridge: Cambridge University Press, 2001), 191.

<sup>196</sup> Beckert, *The Monied Metropolis*, 194.

free-market economic policy and rule by the propertied and intelligent classes as solutions to the seemingly unending conflicts of Reconstruction.<sup>197</sup> Economic factors would dramatically accelerate these political and ideological trends in the months following Grant's reelection.

A few months after the Republicans' victory, the Panic of 1873—at the time, the most widespread and devastating economic depression in world history—pushed the bubbling crisis over the national debt and currency inflation to the forefront of national politics, accelerating the party's slow-burning departure from the activist-state expansionism of Grant's first term.<sup>198</sup> A reduction in spending became one of the administration's top priorities, and support for Reconstruction, even among Republicans, was lower than ever. It was during this period that railroad lawyer-turned-politician Samuel J. Tilden, one of the faces of the liberal reform movement, rose to new prominence in New York State Democratic politics.<sup>199</sup> Tilden called for lower taxes and expenditures across the board, an attractive proposal to wealthy New Yorkers threatened by the economy's sharp decline. The liberal program presented a political means of adjusting the economy to meet the demands of the postwar financial environment.<sup>200</sup> In 1874, Tilden ran for governor of New York on his liberal reform platform and handily won the election.<sup>201</sup> His brief tenure as governor (1875-1877) served as a blueprint for liberal opponents of Reconstruction around the nation, giving rise to the most robust implementation of the liberal agenda thus far.

Tilden's gubernatorial addresses read like manifestos of the 1870s New York liberal program. In his first annual message as governor, he described sound government as the solution

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<sup>197</sup> Post, *The American Road to Capitalism*, 264.

<sup>198</sup> Du Bois, *Black Reconstruction*, 684; Foner, *Reconstruction*, 512-526; Ritter, *Goldbugs and Greenbacks*, 36-38.

<sup>199</sup> Foner, *Reconstruction*, 568.

<sup>200</sup> "In general, the political-economic requirements of the financial system added up to something close to a classically liberal economic philosophy of free trade, open markets, and a central state of distinctly limited powers." Bense, *Yankee Leviathan*, 300.

<sup>201</sup> Beckert, *The Monied Metropolis*, 214; Burrows and Wallace, *Gotham*, 1032-1033.

to the labor problem: “The growth of the State in wealth and population has brought with it more complex relations between capital and labor,” he declared, “which should be more carefully studied, in order that legislation may be adapted to their requirements.”<sup>202</sup> The passage of the Reconstruction Amendments had “close[d] the chapter” of Reconstruction, “and henceforth our politics are to turn upon questions of the present and the future, not upon those of the settled and final past.”<sup>203</sup> Tilden announced his intention to “relieve the industry of the State from the evils” of poor-relief laws and public development projects and called the proliferation of greenbacks a “fallacious” and “unsound policy.”<sup>204</sup> He told his audience that the entirety of Reconstruction had been “characterized by unsound public finance.” It had been “almost ten years since the civil war ceased” and the time had come “to repair the wastes of our accumulated capital.”<sup>205</sup> The federal government, by virtue of its “vast fiscal operations” and “its dominion over currency and the business of banking,” was the primary obstacle to economic recovery.<sup>206</sup>

As governor, Tilden systematically cut taxes, reduced spending, and replaced positions held by elected municipal and county officials with unelected administrators appointed by the governor’s office.<sup>207</sup> Such reforms were not only “sound” liberal policy, but also implementations of Tilden’s subtle redefinition of democratic government in the new liberal paradigm. As he told the state legislature in May 1875, it was the “duty of the State to establish constitutional provisions and to enact laws protecting, as far as practicable, the inhabitants of cities from abuses of maladministration committed by the local governing officials in matters of expenditure,

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<sup>202</sup> Samuel J. Tilden, “First Annual Message,” in *The Writings and Speeches of Samuel J. Tilden*, ed. John Bigelow (New York: Harper and Brothers, 1885), 28.

<sup>203</sup> Tilden, “First Annual Message,” in *The Writings and Speeches of Samuel J. Tilden*, 65.

<sup>204</sup> Tilden, “First Annual Message,” in *The Writings and Speeches of Samuel J. Tilden*, 28, 51.

<sup>205</sup> Tilden, “First Annual Message,” in *The Writings and Speeches of Samuel J. Tilden*, 63.

<sup>206</sup> Tilden, “First Annual Message,” in *The Writings and Speeches of Samuel J. Tilden*, 63.

<sup>207</sup> Tilden, “Municipal Reform Message,” in *The Writings and Speeches of Samuel J. Tilden*, 124; Beckert, *The Monied Metropolis*, 214.

taxation, and assessment.”<sup>208</sup> The state government’s obligation to its citizens, Tilden argued, was to protect them from the threat of their own elected local representatives’ bad governance. To that end, he proposed legislation that month conferring unprecedented authority over fiscal management previously held by democratically elected officials to the state’s Board of Supervisors.<sup>209</sup> Tilden’s municipal reform agenda was one of the most comprehensive, and popular, examples of civil service reform in the nation. Coasting to national prominence on the back of his reputation as a successful reform governor, Tilden was named the Democrats’ presidential nominee in 1876 with a mandate to enact the liberal agenda nationally.<sup>210</sup>

The results of the 1876 election were so close and so bitterly contested that neither Tilden nor Rutherford B. Hayes, nominated by an increasingly fractured and rudderless Republican party, achieved a majority sufficient to be elected. One of the most well-known political crises in the nation’s history ensued, eventually resulting in the Compromise of 1877. In exchange for pledging their delegates to Hayes, the Democrats demanded their highest priority: the end of Reconstruction. The Republicans conceded, and the future of the United States was fundamentally and permanently altered. In effect, the Compromise ended not just the remnants of the military occupation of the South but also the federal government’s commitment to the expansion of state power for democratic purposes. In a dramatic turn of events that illustrated the federal government’s priorities, the Hayes administration turned the military resources freed by the end of Reconstruction toward its Indian removal agenda in Oregon and the violent suppression of the 1877 railroad workers’ strike.<sup>211</sup> As Foner has written, “1877 marked a decisive retreat from the idea, born during the Civil War, of a powerful national state protecting

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<sup>208</sup> Tilden, “Municipal Reform Message,” in *The Writings and Speeches of Samuel J. Tilden*, 124.

<sup>209</sup> Tilden, “Municipal Reform Message,” in *The Writings and Speeches of Samuel J. Tilden*, 148.

<sup>210</sup> Burrows and Wallace, *Gotham*, 1034-1035; Foner, *Reconstruction*, 568-569.

<sup>211</sup> Foner, *Reconstruction*, 583.



the rights of American citizens.”<sup>212</sup> In the postwar period, a variety of invocations of the right to free labor emerged, shaped by the escalating class conflicts of the Reconstruction era. The Compromise of 1877 solidified the political victory of liberal capitalism over the free-labor republicanism of the pre-Civil War period.

The national labor reform movement’s political platform, embodied by the demands of the NLU and the CNLC, articulated a distinct vision of a postwar free-labor republic in which the rights of free citizens and the democratic organization of the state depended on the right to the fruits of one’s own labor. This vision, radical in its implications yet increasingly anachronistic in the consolidated capitalist economy of the Reconstruction era, united a remarkably broad coalition and pushed many politicians, even Radical Republicans, into a conservative position. Furthermore, the movement was plagued by internal divisions over its coalition’s commitment to the universal extension of political rights, divisions which became painfully apparent when the National Labor Reform Party failed to unite the coalition in the 1872 elections. Labor activism continued through the post-Reconstruction period, but the idea that the federal government, much less the Republican party, could be instruments of labor in its struggle against capital was no longer tenable. Even less plausible was the notion of a harmony of interests between classes. Most significantly, the idea that the rights of a free citizenry included the fundamental right to the fruits of one’s own labor was decisively defeated.<sup>213</sup> In both the North and the South, the meaning of “free labor” slowly but surely morphed into proletarian wage labor.

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<sup>212</sup> Foner, *Reconstruction*, 582.

<sup>213</sup> “The ideals of the independent producer and the language of ‘equal rights’ and free labor survived (to be reinvigorated by the Knights of Labor in the 1880s), but they increasingly served as a ‘protest ideal,’ a critique of the emerging capitalist order, rather than an expression of faith in individual mobility and the harmony of interests in society” after the Republicans’ retreat from Reconstruction. Foner, *Reconstruction*, 515.

In this respect, the liberals emerged victorious from the political and economic conflicts that characterized northern society during Reconstruction. The liberal reform movement's vision of limited government combined with virtually unlimited property rights replaced the conception of labor's relationship to capital that had first united the party of Lincoln. The class character of the political conflicts of the Reconstruction era made the latent contradictions of the free-labor coalition so apparent that economic liberalism supplanted the Republicans' vision of a harmony of class interests. Liberalism provided a legitimating ideology that justified capitalists' position at the top of an increasingly hierarchical class structure that had rendered the Republican free-labor ideology of the antebellum era obsolete. Equipped with their new liberal worldview, the nation's political and economic elite regarded themselves as society's stewards, responsible for guarding the economy from the excesses of democratic government. With the prewar Republican vision of a free-labor utopia contradicted by the turbulent experience of the postwar period, the new liberal definition of "freedom" started to become hegemonic.

The "counterrevolution of property" against the popular democratic revolutions of Reconstruction was complete.<sup>214</sup> The Compromise of 1877 finalized the transition to the political inequality and free-market economics of the so-called "Gilded Age."<sup>215</sup> In other words, the outcome of the political and economic struggles of Reconstruction transformed the United States into a modern liberal capitalist nation-state. In response to the economic imperatives and political conflicts of Reconstruction, the national Republican party abandoned its mission of forming a more perfect free-labor republic to maintain its power amidst the transition from the antebellum political economy to the national capitalist political economy of the postwar period. The crisis

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<sup>214</sup> Du Bois termed the resistance that defeated Reconstruction the "counter-revolution of property." *Black Reconstruction*, 580-636.

<sup>215</sup> Foner has written that the end of Reconstruction marked the "transition from the ideological politics of the Civil War era to the 'professionally managed politics' of the Gilded Age." *Reconstruction*, 485.

provoked by the war and the abolition of slavery was resolved by the advent of the liberal regime, which revoked significant political rights from most citizens while legitimating the political rights of capital by redefining economic freedom as freedom from government intervention in markets.

### Conclusion: “The Unending Tragedy of Reconstruction”

If an eagle be imprisoned  
 On the back of a coin  
 And the coin is tossed into the sky,  
 That coin will spin,  
 That coin will flutter,  
 But the eagle will never fly.  
 —Henry Dumas, “America”

Conflicts over the future of free labor exemplified the radical, revolutionary potential of Reconstruction, as well as its inherent limitations as a period of meaningful democratic reform given the imperatives of maintaining the structural integrity of the national economy. By tying their struggles for a democratic free-labor society to the Republican party and the centralized national state, the mass movements of Reconstruction-era politics left indelible marks on the nation’s history, forcing the federal government to take their demands seriously. By the same measure, they circumscribed the limits of their own success, eventually driving both major parties into an antidemocratic liberal position out of political and economic necessity. In the end, the liberal program of austerity and technocratic government was the Republican party’s only political path forward and best means of resolving the economic dilemmas provoked by the war. The coin would spin, the coin would flutter, but the eagle would never fly.

W.E.B. Du Bois was the first scholar to identify Reconstruction as a world-historical revolution, not merely of “the very foundations of American democracy, both political and economic” but “comparable to the upheavals of France in the past, and in Russia, Spain, India, and China today.”<sup>216</sup> When Du Bois published his masterpiece *Black Reconstruction* in 1935, he saw the revolution’s promises no closer to fruition—with catastrophic consequences—and the nation’s citizens no closer to understanding its legacy: “The unending tragedy of Reconstruction is the utter inability of the American mind to grasp its real significance, its national and

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<sup>216</sup> Du Bois, *Black Reconstruction*, 708.

worldwide implications.”<sup>217</sup> Despite the dramatic historical developments of the past nine decades, his words are as painfully relevant today as when he first wrote them. Americans presently enjoy substantial protections for political rights compared to the 1860s or the 1930s. But issues galvanized by the Civil War and Reconstruction—the federal government’s obligations to protect citizens’ rights to economic autonomy, social equality, and substantive democracy—are still very much unresolved in the United States. Severe socioeconomic inequality and dwindling upward mobility are major caveats to a free republic. One of the many unending tragedies of Reconstruction is our collective tendency, as students of history and subjects of government, to mistake the nominal equality of citizens in a liberal capitalist democracy for the genuine political and economic democracy for which the free-labor movements of the Reconstruction era struggled.

Their struggles revealed a disharmony of interests between labor and capital, and between the federal government’s mandate to successfully manage the nation’s economic transformation and its commitment to citizenship rights and democracy. The militant freedpeople of the southern Union Leagues, the workers of the national labor reform movement, and countless other Americans all staked their own claims to their rights as citizens in the rapidly and dramatically changing landscape of the postwar political economy. For the federal government, the requirements of stabilizing the newly consolidated national economic system precluded crucial demands of Reconstruction-era mass movements in the North and the South—property redistribution to freedpeople, breaking up financial monopolies, an eight-hour workday, the right to enjoy the fruits of one’s own labor—before the war even ended. In the words of Du Bois:

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<sup>217</sup> Du Bois, *Black Reconstruction*, 708.

“One reads the truer deeper facts of Reconstruction with a great despair. It is at once so simple and human, and yet so futile.”<sup>218</sup>

The history of Reconstruction contains many bitter failures. But despair will not rectify the global ramifications of Reconstruction’s unending tragedies, nor will it rebuild continually broken promises of freedom and equality. “And the rebuilding, whether it comes now or a century later, will and must go back to the basic principles of Reconstruction in the United States ... Land, Light, and Leading for slaves black, brown, yellow and white.”<sup>219</sup>

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<sup>218</sup> Du Bois, *Black Reconstruction*, 728.

<sup>219</sup> Du Bois, *Black Reconstruction*, 635.

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