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## THE GREAT INEQUALIZER: AMERICAN CAPITALISM IN THE GILDED AGE AND PROGRESSIVE ERA

In the last decade, political economy has moved from the margins to the mainstream of the historical conversation in the United States. Galvanized under the banner of the “history of capitalism,” a new generation of historians was inspired to reconsider business, labor, society, politics, and ideas as they related to economic change. Unlike earlier work in the fields of business and economic history, which tended to be internalist and technical in nature, this current scholarship deploys a broad methodological approach. It shifts away from preoccupations with profits and efficiency to embed the realms of “business” and “the economy” in society, culture, and the state. It bridges conceptual divides between cultural and materialist histories, interrogating how ideological commitments shaped market trajectories, and vice versa. Most importantly, it underscores the political nature of economic change, uncovering the contentious and ever-shifting institutional arrangements that underpinned market transactions.<sup>1</sup> As a revitalized field of study, the history of capitalism now generates a steady (and much commented on) stream of monographs, roundtables, edited collections, journal articles, and specialized conferences.

Surprisingly, the conversation about political economy has largely shied away from what had once been the linchpin of economic, business, and labor histories of the United States—the Gilded Age and Progressive Era. With some important exceptions, recent work has mostly focused on earlier and later periods, especially the Early Republic and the post-World War II decades.<sup>2</sup> One strand of scholarship has revisited the antebellum South and the relationship between slavery and American economic development. Far from an outmoded and moribund institution, historians in this vein argue, American slavery was on the cutting edge of nineteenth-century capitalism in its embrace of scientific agriculture, rationalized accounting practices, and methodical labor management, including the calibrated use of violence.<sup>3</sup> Another group has explored the rise of neoliberalism in the late twentieth century. This seismic political–economic shift, these scholars show, did not simply materialize from the crisis of the New Deal order. It was, rather, the result of decades of tenacious political, organizational, and intellectual mobilization that ranged from corporate boardrooms and legislative arenas to universities, think tanks, and a host of grassroots organizations.<sup>4</sup>

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In comparison to the lively discussions about these two epochs, the onset of industrial capitalism in the late nineteenth and early twentieth centuries has garnered relatively little attention. Scholars of political economy during the period have been slow to formulate a new set of historical questions that could energize the conversation or reorient research toward fresh lines of investigation. Few doubt the period's significance, but a dynamic research agenda on the transformation of American capitalism during the decades between the Civil War and the Great Depression has yet to cohere.

This relative neglect is unfortunate because new perspectives on capitalism during the Gilded Age and Progressive Era are sorely needed. The emergence of industrial capitalism has long provided the master narrative for the period as a whole. Textbook accounts never tire of chronicling—in ways that tend to overwhelm rather than invite further inquiry—how an agrarian society of small communities became gripped by the sweeping forces of industrialization, urbanization, immigration, and proletarianization.<sup>5</sup> The general outlines of these epic processes are all too familiar and have not been fundamentally rethought in some time. As a result, the overarching trajectories of the age—the emergence of heavy industry; the growth of national corporations; the rise of highly populated urban centers; the integration of the West and its bounty into the economy of the United States, to name a few—more often serve as backdrops than as topics for historical research in their own right. They are routinely invoked rather than explained, narrated rather than problematized. This entrenched mode of analysis tends to cast industrialization as an exogenous shock that impinged on the lives of Americans, instead of a dramatic process that they themselves shaped and molded.<sup>6</sup>

A history of capitalism during the Gilded Age and Progressive Era, in line with the pioneering work on the political economy of other periods, would aim to demystify some of the quintessential transformations that created the modern United States. This work should resist the temptation to draw facile analogies to our own “new” Gilded Age, reviving a long-discredited caricature of the distant past to constrain analysis of recent developments.<sup>7</sup> It could nevertheless bring to the fore a valuable historical perspective to pressing contemporary concerns about global economic transitions, massive inequality, and strained relations between liberal markets and democratic politics.<sup>8</sup> Rather than resting on the explanatory power of technologies such as the railroad and telegraph, this framework would pursue close examination of the contested processes, institutions, and visions that animated economic change. Instead of corporate flow charts and macroeconomic indicators, it would seek thick description of individuals, events, and confrontations. In place of specialized analysis of particular sites, it would explore the intimate and always power-laden connections between ostensibly disparate spheres (state and market, science and politics, business and ideology), regions (East and West, core and periphery), landscapes (urban and rural), and geographical scales (local, metropolitan, national, continental, and global). In contrast to many existing accounts, it would consider feasible paths not taken and the viability of contending, and at times fundamentally incompatible, approaches to industrial development.

It is premature to sketch the contours of a synthetic new history of capitalism for the Gilded Age and Progressive Era, and indeed the authors in this special issue attempt no such task—at least not yet. The essays, instead, push critically and productively against some of the assumptions, dichotomies, and organizing concepts that have framed much of the historical canon about the period. They do so by revisiting the connections between

political economy and several related subfields, including intellectual history, agricultural history, history of the state, history of science, gender history, and transnational history. They point out blind spots and neglected perspectives while also identifying fruitful points of intersection, ones that will hopefully stimulate inquiries on a variety of other interdisciplinary fronts. How might the critical insights of the history of science challenge our understanding of tariff policy? Could greater emphasis on the work of social reproduction transform our understanding of American state building? How could new perspectives on farmers modify long-standing assessments of American industrialization? Correspondingly, could political economy problematize the emphasis on non-state actors in recent work on the United States and the world? How would greater attention to economic thought complicate the intellectual history of the Progressive Era? Might greater attention to business practices enrich our understanding of farmers' cooperatives?

In the process, the essays not only open up the history of capitalism to a broad range of adjacent conversations, but also bring some of the staples of historical writing about the Gilded Age and Progressive Era under intense scrutiny. They dispel romanticized notions of grassroots mobilization and working-class life. They tackle naïve presuppositions behind "corruption" as an analytical category. They reject normative expectations about the origins, shape, and purpose of modern state institutions. They soften stark distinctions between free and coerced labor, formal and informal global power, national and international development. They raise questions about the teleological association of reform with Progress, or of Progressivism with a nascent social democracy. Together, the articles unravel traditional trajectories—from *laissez faire* to market regulation, from individualism to corporatism, from corruption to reform, from isolationism to internationalism, from classical to progressive liberalism—greatly confounding the arc of modernization that has commonly framed scholarship about the period.

The history of capitalism as featured in these essays is not driven by the allure of studying money and power. It emphatically does not mark a triumphant return of history "from above." It instead signals a desire to revisit the foundational building blocks of political economy, entailing a lot of hard-nosed research on a range of complicated and seemingly dull issues. The authors search for more than a morality tale about greed, corruption, and market volatility, with easy culprits and obvious takeaways. They, rather, look for a better understanding of the deep and surprisingly resilient structures of power and inequality. In this sense, this history of capitalism provides a much-needed corrective to what Daniel Rodgers recently described as a thinning out of notions of structure and power over the last quarter century.<sup>9</sup> Whereas the prevailing mode of thought in the social sciences has embraced an emphasis on choice, performance, and individual desires, and has lost patience with painstaking contextual analysis, the essays in this volume engage politics, institutions, social formations, ideology, and practice. They unearth the often hidden architecture of capitalism—canonized metrics, state agencies, collective mobilizations, day-to-day practices, and ideological modes of thought—countering postulated markets with actually existing markets. They thus recast capitalism, not as an inexorable force of history or an unfolding logic in need of a "response," but as the product of numerous and simultaneous historical battles unevenly waged on a wide range of terrains—formative battles that await further investigation.

## NOTES

<sup>1</sup>Sven Beckert, "History of American Capitalism" in *American History Now*, eds. Eric Foner and Lisa McGirr (Philadelphia: Temple University Press, 2011); Michael Zakim and Gary J. Kornblith, eds., *Capitalism Takes Command: The Social Transformation of Nineteenth-Century America* (Chicago: University of Chicago Press, 2011); Jeffrey Sklansky, "Labor, Money, and the Financial Turn in the History of Capitalism," *Labor* 11:1 (2014): 23; Jeffrey Sklansky, "The Elusive Sovereign: New Intellectual and Social Histories of Capitalism," *Modern Intellectual History* 9:1 (2012): 233–48; William H. Sewell, "A Strange Career: The Historical Study of Economic Life," *History and Theory* 49:4 (Dec. 1, 2010): 146–66; "Interchange: The History of Capitalism," *Journal of American History* 101:2 (2014): 503–36; Jason Scott Smith, "A Reintroduction to Political Economy: History, Institutions, and Power," *Journal of Interdisciplinary History* 36:1 (2005): 63–71; Richard R. John, "Farewell to the 'Party Period': Political Economy in Nineteenth-Century America," *Journal of Policy History* 16:2 (2004): 117–25. It is the conscious effort to politicize the history of economic life that sets the history of capitalism apart from the fields of business and economic history, including the truly groundbreaking work in these fields; see Kenneth Lipartito, "Reassembling the Economic: New Departures in Historical Materialism," *American Historical Review* 121:1 (2016): 101–39; Kenneth Lipartito, "Connecting the Cultural and the Material in Business History," *Enterprise & Society* 14:4 (2013): 686–704; Philip Scranton and Patrick Fridenson, *Reimagining Business History* (Baltimore: Johns Hopkins University Press, 2013).

<sup>2</sup>Most notably Jonathan Levy, *Freaks of Fortune: The Emerging World of Capitalism and Risk in America* (Cambridge, MA: Harvard University Press, 2012); Richard White, *Railroaded: The Transcontinentals and the Making of Modern America* (New York: W. W. Norton & Company, 2011).

<sup>3</sup>Sven Beckert and Seth Rockman, eds., *Slavery's Capitalism: A New History of American Economic Development* (Philadelphia: University of Pennsylvania Press, 2016); Sven Beckert, *Empire of Cotton: A Global History* (New York: Knopf, 2014); Edward E. Baptist, *The Half Has Never Been Told: Slavery and the Making of American Capitalism* (New York: Basic Books, 2014); Walter Johnson, *River of Dark Dreams: Slavery and Empire in the Cotton Kingdom* (Cambridge, MA: Harvard University Press, 2013); Adam Rothman, *Slave Country: American Expansion and the Origins of the Deep South* (Cambridge, MA: Harvard University Press, 2005); Joshua D. Rothman, *Flush Times and Fever Dreams: A Story of Capitalism and Slavery in the Age of Jackson* (Athens: University of Georgia Press, 2012); Caitlin Clare Rosenthal, "From Memory to Mastery: Accounting for Control in America, 1750–1880." (PhD diss., Harvard University, 2012).

<sup>4</sup>Bethany Moreton, *To Serve God and Wal-Mart: The Making of Christian Free Enterprise* (Cambridge, MA: Harvard University Press, 2009); Julia C. Ott, *When Wall Street Met Main Street: The Quest for an Investors' Democracy* (Cambridge, MA: Harvard University Press, 2011); Louis Hyman, *Debtor Nation: The History of America in Red Ink* (Princeton, NJ: Princeton University Press, 2011); Shane Hamilton, *Trucking Country: The Road to America's Wal-Mart Economy* (Princeton, NJ: Princeton University Press, 2008); Benjamin C. Waterhouse, *Lobbying America: The Politics of Business in the New Economic Order, 1970–1990* (Princeton, NJ: Princeton University Press, 2014); Angus Burgin, *The Great Persuasion: Reinventing Free Markets since the Depression* (Cambridge, MA: Harvard University Press, 2012); Kim Phillips-Fein, *Invisible Hands: The Making of the Conservative Movement from the New Deal to Reagan* (New York: W. W. Norton & Company, 2009); Kim Phillips-Fein and Julian E. Zelizer., eds., *What's Good for Business: Business and American Politics since World War II* (Oxford: Oxford University Press, 2012).

<sup>5</sup>Alfred D. Chandler, *The Visible Hand: The Managerial Revolution in American Business* (Cambridge, MA: Belknap Press of Harvard University Press, 1977); Robert H. Wiebe, *The Search for Order, 1877–1920* (New York: Hill and Wang, 1967); Alan Trachtenberg, *The Incorporation of America: Culture and Society in the Gilded Age*, American Century Series (New York: Hill and Wang, 1982); William Cronon, *Nature's Metropolis: Chicago and the Great West* (New York: W.W. Norton, 1991).

<sup>6</sup>For an old critique along these lines, see Martin J. Sklar, *The Corporate Reconstruction of American Capitalism, 1890–1916: The Market, the Law, and Politics* (Cambridge: Cambridge University Press, 1988), 117–25. See also James Livingston, "The Social Analysis of Economic History and Theory: Conjectures on Late Nineteenth-Century American Development," *The American Historical Review* 92:11 (1987): 69–95; James Livingston, *Origins of the Federal Reserve System: Money, Class, and Corporate Capitalism, 1890–1913* (Ithaca, NY: Cornell University Press, 1986); Gerald Berk, *Alternative Tracks: The Constitution of American Industrial Order, 1865–1917* (Baltimore: Johns Hopkins University Press, 1994); Gerald Berk, "Corporate Liberalism Reconsidered: A Review Essay," *Journal of Policy History* 3:1 (1991): 70.

<sup>7</sup>On the pitfalls of this, see Richard R. John, “Who Were the Gilders? And Other Seldom-Asked Questions about Business, Technology, and Political Economy in the United States, 1877–1900,” *The Journal of the Gilded Age and Progressive Era* 8:4 (Oct. 2009): 474–80.

<sup>8</sup>The relevance of these issues is underscored in Thomas Piketty, *Capital in the Twenty-First Century*, trans. Arthur Goldhammer (Cambridge, MA: Harvard University Press, 2014).

<sup>9</sup>Daniel T. Rodgers, *Age of Fracture* (Cambridge, MA: Belknap Press of Harvard University Press, 2012), 100.