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Review of *The Business of Slavery and the Rise of American Capitalism, 1815–1860* by Calvin Schermerhorn and *The Half Has Never Been Told: Slavery and the Making of American Capitalism* by Edward E. Baptist†

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The two books being reviewed are concerned with the importance of slavery in the antebellum US South for the economic development of the Northern states. One (Schermerhorn) deals primarily with Southern financial arrangements facilitating the sales of slaves and cotton. The other (Baptist) presents a broader picture of masters' treatment of slaves, as well as how the incomes of slaveowners spurred the demand for Northern industrial production. The review argues that both books overstate the importance of slavery and cotton production for US economic growth. (*JEL* J15, N11, N31, N51, P16)

In his famous speech to the US Senate in 1858, James Henry Hammond, South Carolina politician and slaveowner, commented that "No, you [the Northern states and England] dare not make war on cotton. No power on Earth dares to make war upon it. COTTON IS KING." Hammond backed his claim by demonstrating (at least to his own satisfaction) the importance of cotton to the industrial growth of the North and England, and arguing that without Southern slave-produced cotton, "England would topple headlong and carry the whole civilized world with her, save the South." Hammond was not alone in this contention, given then-contemporary writers such as David Christy (whose 1856 book was entitled *Cotton is King*), Thomas Dew (1852), E. N. Elliott (1861), Thomas Kettell (1860), and Daniel Lord (1861). Some abolitionists such as William Lloyd Garrison (1907), Lydia Maria Child (1836), and the Grimke (1837) sisters, no doubt intending to embarrass the North, pointed to the Northern commercial dependence on southern slavery.

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Some foreigners, such as Edward Gibbon Wakefield (1834), pointed out that "the states, therefore, which forbid slavery, have reaped the economical benefits of slavery, without incurring the chief of its moral evils, seem to be even more indebted to it than the slave states." The emphasis by these commentators was on Southern slave-produced cotton, but, as was demonstrated in the late-eighteenth and early-nineteenth centuries and again in the Civil War period, this clearly understated the extent to which other countries around the world had filled the gap in providing cotton, albeit at higher costs.

By contrast, the most frequent use of Hammond's statement by subsequent historians has been as a source of derision and a sign of Southern intellectual weakness, irrationality, and an inability to understand contemporary reality. They see it as an argument not to be taken seriously, as nothing but an important component of the pro-slavery defense.

Yet, quite recently, more than one century after Hammond, there has emerged a school of historians, now antislavery and antiracist, who argue for the fact that it was Southern slave-grown cotton that was to a great extent responsible for Northern economic development, and without cotton the United States and the world economy could not have grown, at least as rapidly as it did. Thus we have, not for the first time, the proclamation of a truth that has been frequently ignored, now presented as a new, original argument correcting a long-standing historical error. What strange bedfellows the Southern apologists and many of today's historians, including the authors of the two books under review, do make.

If the point to be made is that many individuals in North America were involved with the slave trade and slavery and were benefiting from a highly immoral and evil system, there is clearly enough material to condemn American (and European) whites and to argue that they should deservedly be forced to regard themselves and their descendants as guilty of much immorality and evil. A question harder to establish, however, is to reach agreement on whether the slave trade and the slavery economy was necessary (or essential, or required, or the basis) for the economic growth of the Northern states. There were numerous economic relations—in trade, finance, and population movements—as well as legal positions, that could benefit both sections. That they had a sufficiently large impact to account for Northern economic growth, or even to dramatically raise its rate of growth and development, is, however, considerably more difficult to establish.

The importance of slavery for the economic development of England has been a source of debate among historians since the middle of the twentieth century, starting with the writings of two important Trinidadian intellectual figures. C.L.R. James (1938) (briefly) and Eric Williams (1944), in a frequently reissued book, linked British economic growth to West Indian slavery and sugar production. Perhaps it is the differences in location and crops that permits the two authors being reviewed to skate over Williams's claims and not give them adequate attention. Nevertheless, a comparison and evaluation of these two different, but basically similar, stories of slavery and industrialization might help to clarify both arguments.

The claims of Williams and the two books under review that it was slave-produced sugar and cotton that were responsible for Northern and English economic growth do not evaluate other argued-for major contributions to economic development. Some have argued that it was the amounts exploited from the British working class that permitted more capital investment. Others, mainly scholars in India, have argued that it was the economic exploitation of India by British imperialists that had played the major role in British industrialization. For the United States, there has been some discussion of the exploitation of the working classes in the ante- and postbellum periods, though the role of any colonial area, except for the western territories, makes any symmetrical arguments uncertain. Similarly the role of tariffs in Northern industrial growth is downplayed.

Thus, the claims of Baptist and Schermerhorn to have presented a startling new interpretation of the past omits a long series of writings and debates, although whether any of these arguments made, then or now, could be right or wrong remains under discussion. To what extent did any of these capture the past with any accuracy? Nevertheless, both authors have demonstrated some excellent original scholarship and quite interesting and useful descriptions of the slave economy, its operations, and impact on both white masters and black slaves. Where they disappoint is the weakness in the attempts to demonstrate their basic claim of the dominant role of Southern slavery in Northern and world development. In some ways, however, these authors end with rather differing interpretations of this relationship. Baptist emphasizes slavery's role in originating institutions of the Northern economy, while Schermerhorn demonstrates the great ability of Southerners to take advantage of financial and other institutions first developed in the North and in England.

Schermerhorn's major concern is with the operations of the domestic slave trade—its financing, the mechanics of acquiring slaves and transporting them to markets, and the sales process. It is this aspect of the slave economy that is his focus, not the operations of the plantation, the sale of its output, and most aspects of the Southern and Northern economies. By extensive research in primary and secondary sources, he gives a thorough description of how things were done and the impact on traders, slaveowners, and those slaves being bought and sold. It is a story well told, and while clearly demonstrating the many evils of the trade, shows the ability and interest of Southerners in dealing with commercial activities. His presentation fits in well with current descriptions of a people able to handle commercial activities and willing to adapt to changing circumstances. There is, however, little use of the available data to estimate how profitable this trade was, its quantitative importance to the Southern economy, and what the basic factors in the trends and cycles in the numbers and characteristics of slaves relocated were. He does not explain why, in the United States and elsewhere, the international slave trade usually ended up to one-half century before the ending of the internal slave trade and slavery. The author is mainly concerned with the mechanics and morality (or lack of same) of the internal slave trade. At times, he seems to be interested in creating a new vocabulary—what, for example, are a "mechanical market" and "slavery's capitalism"? (Is this in contrast with some other variety of capitalism?) It is the detailed descriptions of the mechanics of the slave trade and the impacts upon slaves that makes *The Business of Slavery and the Rise of American Capitalism 1815–1860* such a valuable addition to the study of American slavery and, more generally, American history, although the author's claim that the South caused the Civil War due only "to the imagined threats of abolitionists and other non-slaveholding countrymen" is hardly convincing as presented.

Nor does Schermerhorn provide an answer to the puzzle of why it was only the British or their North American colonies that had both slavery and capitalism. These were successful in achieving both, but not the first to be a major transatlantic slave trader—Spain, with its one-century lead over Britain and France in settling the New World—nor the nation that received more slaves than any other nation—the Portuguese and their Brazilian colony. The need for appropriate conditions in the metropolitan economy for slavery and the slave trade to have the advocated impact has led both Robin Blackburn (1988) and Joel Mokyr (2009), in modifying Williams, to ask whether the expansion of the New World slave systems were a consequence of capitalist economic development and not its creator. This question is similar in spirit to Max Weber's (1930) claim that the Protestant ethic gave rise to modern capitalism, but only when the appropriate (whatever they have been) conditions were present to permit this to happen. Readers must then decide whether the analysis should focus on the setting of these preconditions or the specific triggering mechanisms (or both) that work in only one case but not in others.

Baptist's book is a rather more ambitious work, interested not only in claiming that slavery and cotton were the major contributors to American economic growth—slavery "is what made the United States powerful and rich" (p. xxi)—but is intended also to be a full-scale description of the evils of enslavement and the adverse effects on the lives of the enslaved. Based on a wide (if selective) reading of the slave autobiographies and the Works Progress Administration slave narratives, it presents a story of the horrors that slaves lived within the interest of planter profits, and argues that it was violence that served to increase the productivity of slave labor, with the high human costs it entailed.

Baptist accepts that the productivity of slaves in producing cotton increased over time (pp. 127–29), but rather than attribute some of this either to the movement to better lands, or to improved managerial techniques, or to improvements in seeds, or possibly to an increase in slave heights and strength (compare height estimates of males on p. 40 and p. 183, an increase of about seven inches in the first third of the nineteenth century), his preferred explanation is attribution to an increasing use of "torture" (whipping) by the "labor camp" operatives (slave-plantation owners). Why it took "labor campers" so long to find the appropriate amount of "torture" to be applied and why only for certain crops is not always clear.

While the title proclaims that he will provide "the half [that] has never been told," this seems to refer to the truth about the Southern economic system and also what the slaves experienced and confronted. Many of the examples and arguments presented are now well-known to scholars of slavery and to others interested in this topic. Much of the argument resembles both black and white historians' descriptions of the deleterious impact of slavery on the enslaved that was considered accurate before the 1950s, before the many counter-arguments that this very negative presentation of the slaves was psychologically harmful to today's African Americans, as well as clearly inaccurate. There are, moreover, some surprising omissions from the writings on slavery of the past half-century. Major descriptions of slave life by, for example, Kenneth Stampp (1956), Eugene Genovese (1974), and Ira Berlin (1998), are given brief (if any) mention. He does not fully engage at all in what should be of major interest to him, the last decades of works concerning economic aspects of the slave economy by scholars such as Gavin Wright (2006), Roger Ransom and Richard Sutch (1977), and Claudia Goldin (1976), not to say Robert Fogel (1989) and Fogel and Engerman (1974), whose work is both drawn upon and harshly criticized elsewhere. These have been a major analytical and statistical battleground, but are not discussed in any detail. There is only some preemptory discussion towards the end of the book consistent with the recent outpouring of work on slave culture and agency, issues that some now consider central to understanding the lives of those enslaved. The arguments would seem to fit awkwardly with the descriptions of the many excesses of masters' cruelty and their pernicious effects upon the slaves. A frequent image provided is of something called a "whipping machine." This and the related discussions suggest a rather constant and frequent use of whipping. Yet it turns out that such a device probably, at least according to Baptist, did not exist. It was "not a material thing" but "was used as a metaphorical argument" (p. 142). While the prospect and actuality of whipping were clearly among the most vicious evils of slavery (though whipping at that time was not limited to the slave economy), merely the legal acceptance of whipping slaves, even if it was relatively infrequently used, would be enough to condemn the slave system. Baptist's imagery, however, is hard to reconcile with one of the few measures of whipping found in the literature, that by the distinguished historian Herbert Gutman (pp. 140, 448 n. 54). Gutman's calculation from the Bennet Barrow plantation points to a somewhat different scenario, as do the detailed estimates of whipping collected for the West Indies by the British Anti-Slavery Society. Baptist's discussion of slave life, nevertheless, does serve as a very dramatic and essential reminder of what slavery could mean once legally established and accepted.

Baptist's economic analysis, intended to demonstrate the essential role of the slave-grown cotton economy for Northern economic growth, is weakened by some variants of double and triple counting and some confusion of assets and income flows. To go from a value of the Southern cotton crop in 1836 of "about 5 percent of that entire gross domestic product," to "almost half of the economic activity in the United States in 1836" (pp. 321–22) requires his calculation to resemble the great effects claimed by an NFL club when trying to convince city taxpayers that they should provide the money to build a new stadium because of all of the stadium's presumed primary and secondary effects.

Of course, in defense of basic proposition it could be claimed, as was earlier done by one of the first historians to deal with the impact of slavery upon New England, William B. Weeden (1891), that although "slavery was a small factor [as was the slave trade] in New England . . . [the slave trade] exercised a great influence in the whole commerce of the first half of the eighteenth century." Yet the corollary to the contention that small things can have large effects—the claim that large things could then only have small effects—is less frequently contemplated.

While not discussed in detail in either book, the data on the importance of the slave-trade for New England shipping merchants is often proclaimed. Yet the estimated share of slave traders in Rhode Island in the transatlantic slave trade was under 5 percent, the Newport slave trader Aaron Lopez's share of the slave trade in his shipping was about 7 percent, the share of Newport slave traders in all their vessels was under 10 percent, and the estimated share of slave-carrying vessels in peak years was about 8 percent of all vessels (see Platt 1975 and Coughtry 1981). In his detailed study of the Browns of Providence Plantation, James Hedges points out that "seldom, however, was the slave trade the chief commercial interest of the New England merchants, and many of them were not concerned at all." Hedges (1952, 1968) does point out the greater importance to New England of "other types of trade involving the Caribbean area," including the West Indies, but he also points to the role of Brown's trade with "the Baltic, South America, Canton, Batavia, and Europe among other parts of the world prior to the 1830's." He further states that "to 1765 the African slave trade engrossed but a small proportion of the time and energy that the Browns paid to commercial affairs," nor does it appear that that trade became more important to them after 1765. (For more discussion of these issues, see Engerman, n.d.)

One has great respect for the moral intensity of both authors, if not for all aspects of their historical interpretations, and all can wish with them (and most others) that slavery had never existed, even if that would have left many poor persons even poorer. But slavery did exist. It is also widely accepted that much more should be done today to offset its legacies. The general response, however, by Baptist is to charge those who disagree with him, even when it is over what some might regard as "merely" errors of historical fact and understanding, with racism, which is particularly curious. It would seem that on issues regarding contemporary racial policy, many of these critics would have few differences with Baptist, whatever disagreements may persist concerning some aspects in the understanding of the historical past.

Both books being reviewed seem to desire to create a new set of terms for certain behaviors that slaves themselves did not use. Baptist substitutes what he seems to regard as necessarily much harsher terms for the words used by slaves in various discussions. This, at times, reads as if he is putting words in the mouths of slaves, suggested perhaps by the use at times of "probably" or "perhaps" when providing comments attributed to the enslaved. It is not fully accurate, as Baptist claims, that "some fundamental assumptions about the history of slavery and the history of the United States remain strangely unchanged" (p. xvii) since the nineteenth century, as a review of the current literature concerning slavery that fills in the gaps in his introduction might indicate. These two very well-researched books, however, do contribute some very useful information about how the slave system operated, what its impacts were, and how it could successfully survive for such a long time—as well serving to question the many years of James Hammond's derisive dismissal by many scholars aimed at his arguments concerning the role of cotton in the world economy.

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