Preface

When Americans went to civil war in 1861, the United States was the leading supplier of the era’s most important agricultural commodity—cotton. By the early twentieth century, that same country had emerged as the foremost industrial nation in the world, surpassing the manufacturing output of Germany, France, and the United Kingdom combined. This was arguably nothing less than the greatest leap in industrial capacity in human history to that point. It catapulted a new set of industries—iron and steel, mining, chemicals, meatpacking, and, most importantly, railroads—to the core of American capitalism, radically recasting social relations, labor regimes, political institutions, and ideological commitments.

How did this momentous transformation come about? How did a slave-owning, cotton-exporting republic become a hegemonic industrial nation in the span of less than four decades? This question is central to our appreciation of the full arc of American history in the nineteenth century. It is likewise crucial for our understanding of the origins of modern capitalism in America in an epoch that witnessed the rise of the large business corporation, the accelerated formation of American state institutions, an explosive growth of urban centers, and the rapid settlement of the Great West. And yet this question has been elided more often than it has been directly engaged. Standard accounts routinely invoke the revolutionary power of technologies such as the railroad and the telegraph. Histories of business chronicle the seemingly self-propelled rise of large bureaucratic firms. Textbooks list the many tons of steel that were forged, the gross product that flowed out of factories, the growing density of cities, and the millions of immigrants who poured into the country. These narratives allow the sheer magnitude of the process to overwhelm contextual historical analysis. They cast this transition as nearly inexorable, recounting the drama in broad brushstrokes rather than interrogating, unpacking, and explaining it.
This book challenges the overdetermined quality of these sweeping narratives. It revisits some of the key underlying processes that reshaped the American economy during those formative decades, asking not how Americans adapted to industrial capitalism, as studies of the period have typically done, but how industrial capitalism emerged in the United States in the first place. All history is contemporary history, and this book is not exceptional in drawing inspiration from recent events, in this case the global economic transformation of our own time. One of the crucial insights that scholars have drawn from the geopolitics of the present day is that the nation-state cannot be assumed to be the obvious unit of analysis. Although the nation-state could be imagined as the container of economic activity for much of the twentieth century, this is clearly not the case in the current global system. Nor was it in the late nineteenth century, a fiercely vibrant era marked by far-flung capital flows, metropolitan dynamism, and the absorption of continental interiors into the world economy. The renewed awareness of the permeability and malleability of political boundaries has already altered our historical understanding of the United States in the nineteenth century. Historians of the early national period, for example, have situated the young republic within a longer history of interactions throughout the Atlantic Ocean. Historians of slavery have traced the aggressive territorial expansion of the “Cotton Kingdom” in North America. Historians of native Americans have embedded the trajectories of Indian polities in interimperial networks of exchange, diplomacy, and power. Similarly, the formation of a national economy that extended across the continent in the late nineteenth century—the product of an array of highly contentious economic and political projects—cannot be taken for granted but must itself become a topic for historical inquiry.

Therefore, instead of tracing national economic growth over time, this book explores the formation of the new geography of American capitalism in the latter decades of the nineteenth century—an uneven and contradictory process not captured by macroeconomic indicators or master narratives of “industrialization.” It locates many of the important trajectories of the era on subnational scales of analysis—city, metropolis, territory, and region—which have often been concealed under the blanket cast by more conventional national optics. Most crucially, the book tracks the movement of investment capital from urban centers in the East and into the Great West in the aftermath of the Civil War. It examines how the moneyed elite of Boston—the folks known as the Boston Brahmins—mobilized
their saved resources out of cotton manufacturing in New England toward faraway destinations such as Michigan, Kansas, Illinois, and, increasingly, Colorado, Dakota, Wyoming, and Oregon. The migration of wealth from Boston and other old cities in the East toward bold new investment frontiers in the West financed railroads, mines, farms, stockyards, and many other business ventures. This redeployment of capital greatly expanded the territorial reach of American agriculture and transformed budding western enterprises into gigantic industries. This movement reoriented American capitalism away from the cotton-based Atlantic economy of earlier decades toward the new industrial political economy organized around an interconnected domestic market.

New frontiers of wealth and investment also delineated new frontiers of social contestation. The incorporation of remote sites and territories into an integrated economic whole was far from seamless. Moving up and down between geographical scales of analysis, this book engages political controversies that accompanied the formation of a national market at every level. It reveals how grassroots political mobilizations, in the urban East and the rural West, pushed back in a variety of ways against the pull of concentrated capital. As urban dwellers debated municipal budgets, metropolitan jurisdiction, and the uses of public space, they more fundamentally struggled over how best to position their own metropolis in an emerging interconnected system of cities. As settlers of western territories argued over the regulation of railroads, protection of labor, and extraction of natural resources, they contested the terms, rules, and payoffs of their participation in national commerce. These populist movements were not monolithic in their agenda. Nor were they limited to a particular party, organization, or region. They nevertheless drew on a shared producerist ideology to challenge centralized financial power. Against the tenets of liberal political economy, they conceived of economic change, not as derived from immutable natural laws, but as politically defined, and thus also politically malleable. They embraced the democratic possibilities of an urban industrial society, founded on free and empowered labor. They supported, and in many cases successfully enacted, capacious and democratically controlled state action on multiple geographical scales that promoted more decentralized and egalitarian development paths.

The controversies that surrounded the emergence of a national industrial economy in the late nineteenth century show that economic transformations, even massive ones, are never simply inevitable outcomes of
technological breakthroughs or products of spontaneous market transactions between individuals. Nor do they ensue seamlessly in linear and irreversible fashion according to an evolutionary logic. These shifts proceed, rather, through the deliberate mobilization of strategic actors and intense battles over politically enforced rules, regulations, and entitlements. The political and legal infrastructure that creates markets can be put together in many different ways, with vast implications for the shape of development, the allocation of resources, and distribution of wealth. Only a magnificent sleight of hand can obscure the struggles that mold this infrastructure and propose its formation is bound to converge toward some logical or necessary endpoint. While the balance of power between contending social groups and contending visions of progress is uneven, the outcomes—then and now—are never predetermined. Few living in the 1850s could have predicted what lay ahead. How Gilded Age Americans made their history is, therefore, the subject of this book.
Brahmin Capitalism