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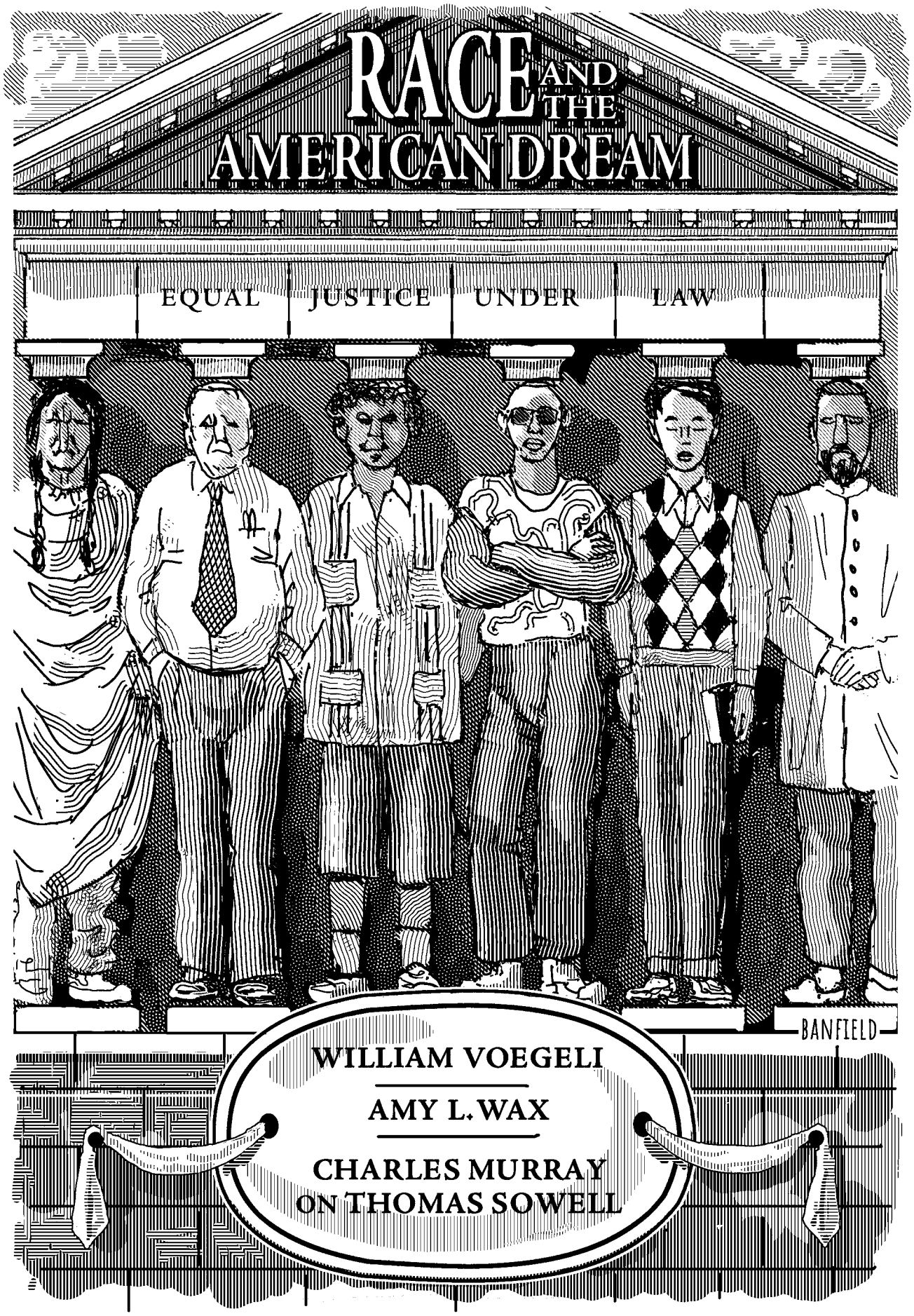

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Book Review by Peter A. Coclanis

Property in Man

The Ledger and the Chain: How Domestic Slave Traders Shaped America, by Joshua D. Rothman.
Basic Books, 512 pages, $35

The slave trade is a hot topic in the scholarly world these days. But scholars are not interested in discussing just any kind of slavery. Present-day slavery and human trafficking—"new slavery," as the University of Nottingham's Kevin Bales calls it—doesn't get much attention. Neither does the history of slavery in Africa, the Middle East, or South Asia. Rather, scholars and activists are almost exclusively interested in the history of the slave trade in the Americas. Politically motivated academics believe that racism and white supremacy constitute a central and uniquely egregious failing of the West. For activists in the U.S., transcending white supremacy means creating and implementing a robust reparations program for African Americans. Scholars committed to this goal can support it best, it seems, by fashioning a "usable past"—i.e., by documenting for the general public the horrors of slavery and reminding people of its pernicious legacy.

The *bien-pensants* who research and write in this vein find it useful for career advancement to virtue signal regarding their progressive credentials and their antipathy toward capitalism. A case in point is University of Alabama historian Joshua D. Rothman's highly publicized new book on the lives of three major southern slave traders during the early 19th century, *The Ledger and the Chain: How Domestic Slave Traders Shaped America*.

Many of today's politically-engaged scholars of American slavery work under one of two interpretive rubrics, which often overlap: racial capitalism, and the "New History of Capitalism" (NHC). The former is a once-obscure formulation closely associated with the black Marxist political scientist Cedric Robinson (1940–2016). Scholars of racial capitalism believe that capitalism originated with the extraction, expropriation, and accumulation of value by one race from another. Over time, they argue, this exploitation became systemic, and it informs capitalism even today. Although in theory racial capitalism can link different races in various dominant and subordinate positions, in practice the focus is almost always on white domination of other races. This domination was particularly pernicious in the 17th and 18th centuries, when white Europeans and European-Americans expanded and intensified the slave trade in the Americas. According to theorists of racial capitalism, these practices were constitutive of capitalism from the start. Though it has taken many forms, racial oppression has remained central to capitalism ever since.

Proponents of the NHC position agree with much of this analysis. The New History of Capitalism first emerged roughly two decades ago in the Ivies. It has become popular thanks to a new generation of historians who were taught by 1960s leftists. Like many of their mentors, these scholars were disillusioned with both capitalism and the so-called "new economic history," which had predominated since the '60s and was predicated explicitly on neo-classical assumptions—i.e., on theory, math, and formal methods. Worst of all, it was increasingly dominated by economists. Like many other historians, those of the NHC school believed that economic history had become overly narrow and arid, fixating on statistics and quantification while paying insufficient attention to matters equally or more

important such as the use and abuse of state and institutional power. There were elements of truth to some of these charges, but it should be noted that mainstream economic historians had in fact long been analyzing the role of institutions in economic history. This approach was called new institutional economics, and it did not lack for adherents. One of its pioneers, Douglass C. North, was co-recipient of the Nobel Memorial Prize in Economic Sciences in 1993—well before the New History of Capitalism was even conceived. But NHC historians love to congratulate themselves on their supposed originality, which often means ignoring their scholarly predecessors.

The fledgling NHC movement benefited immensely from the Great Recession of 2007-09, which at once encouraged greater interest in earlier "crises" of capitalism, and further soured many younger scholars on capitalism and the standard theories about its history. NHC spread rapidly across the U.S., gaining purchase in graduate programs at upper-tier institutions. Its approach and perspective gained particular currency in the study of the history of slavery. Indeed, in a relatively short period of time, the NHC "take" on slavery has become standard in American history circles. This is so despite the fact that virtually every new claim made by NHC scholars, almost all of whom are innumerate, has been systematically refuted by economic historians possessing the expertise in quantification that NHC eschews.

It is generally accepted that capitalism arose first in parts of Europe during the early modern period before spreading elsewhere. Economists and historians, even those with Marxist leanings, once agreed that capitalism was a progressive and liberal system, under which land, labor, and capital were distributed more widely than before. These "factors of production" were also employed more rationally than before as private property, economic freedom, and competition—activated and controlled via the price mechanism and underpinned by the enforcement power of the state—came to inform and organize economic life. NHCers contest this prior scholarly consensus—vehemently.

The standard NHC story goes like this: Rather than having liberal roots, capitalism was illiberal from the start. Ever since its inception in Europe during what NHC scholars refer to as the age of "war capitalism"—a.k.a., the early modern period—capitalism depended upon oppression. It should be seen from the get-go as a vile, top-down economic system, predicated on raw power, state-backed violence, and the exploitation of subaltern groups laboring for the benefit of relentless superordinate groups such as state actors, modernizers among traditional elites, and the rising bourgeoisie.

NHC historians concede that capitalist power, violence, and exploitation took different forms at different times. Such shifts notwithstanding, NHCers believe strongly that slavery played an especially profound role in capitalism's development and constitutes the heritable core of the system's DNA, traceable even today. Mainstream economic historians, not surprisingly, believe otherwise. In the mainstream view, slavery was the relic of a pre-capitalist economic system. The economic dynamism unleashed by capitalism in time generated enough growth and development to enable the dismantlement and eradication of slavery in the Western world far earlier than elsewhere. Eventually, these conditions allowed ever greater proportions of the world's population to prosper while working more and more freely.

NHCers, however, stress that from the onset of war capitalism until well into the 19th century, slavery was absolutely indispensable to capitalism. Why? Because it was the preferred form of labor organization in areas vital to capitalism—i.e., on slave plantations ("slave

labor camps" in NHC parlance) in the West Indies, Brazil, and the American South. Such plantations, supplied with labor via the Atlantic slave trade, were generative of extraordinary profits and impressive levels of capital accumulation, however unequally shared among the superordinate white population. As time passed, profits and accumulation so derived proved instrumental to the early economic development of both the United States *as a whole* and other parts of the Western world. Capital accumulation sparked by slavery is thus said to have underpinned and reinforced the rise of manufacturing via "free" labor in the West, while at the same time generating the wealth needed for rapacious Western nation-states to impose new forms of imperial domination and labor coercion on workers in peripheral areas, particularly Asia and Africa. A bevy of mainstream economic historians has refuted each of these claims point by point, particularly claims that slavery in the South had a significant impact on the economy of the U.S. as a whole. NHCers completely ignore this fact: out of sight, out of mind.

The fullest version of the NHC argument appears in Harvard historian Sven Beckert's influential book, *Empire of Cotton* (2014). Walter Johnson, Beckert's colleague at Harvard, disclaims membership in the NHC movement but shares many of its interpretative assumptions. Besides Beckert, other leading lights of NHC include writers on slavery such as Edward E. Baptist of Cornell University (author of a highly controversial 2014 study of slavery, *The Half Has Never Been Told*), Seth Rockman of Brown University, Calvin Schermerhorn of Arizona State, Caitlin Rosenthal of California-Berkeley, and Joshua D. Rothman, author of *The Ledger and the Chain*. After an outpouring of work on the subject in the past several decades, the broad contours of the slave trade were already pretty well established before the publication of Rothman's study. Rothman's main contribution is his attempt to examine the workings of the trade at what economists refer to as the level of the firm—that is, in the daily practices of individual companies and business leaders.

Rothman is offering a case study of market dynamics in what has been called the "Second Middle Passage," America's domestic slave trade. Current estimates indicate that between the late 18th century and 1860, somewhere around 1 million African and African-American slaves were trafficked across state lines. That figure dwarfs the number of slaves imported *into* the area comprising the present-day United States via the international slave trade during the entire period between the early 16th century and the end of the Civil War. According to the most comprehensive estimates we have—those in the Trans-Atlantic Slave Trade Database assembled and edited by economic historians David Eltis and David Richardson—roughly 12.5 million Africans were shipped as slaves to the Americas between 1526 and 1865. Of this number, about 10.7 million survived the Middle Passage. Only 388,000 of these were imported into the area comprising the United States today. That is to say, only about 3.6% of the enslaved Africans who survived the "first" Middle Passage were imported into the area comprised today by the United States. The much larger, second Middle Passage is what interests Rothman and serves as the backdrop for his book.

Rothman is a prolific, prize-winning scholar who has written about various aspects of slavery and race relations in the American South. He has been a principal in the NHC movement for some time. The subject of his previous book, *Flush Times and Fever Dreams* (2012), was what he sees as the destructive effects of capitalist development built on speculation and plantation slavery in Mississippi in the 1830s. *The Ledger and the Chain* carries on in the same vein, portraying the internal slave trade as integral to American capitalism. Hence the book's subtitle: *How Domestic Slave Traders Shaped America*. But Rothman's study is actually much narrower in scope than this subtitle implies. He homes in on an important network of slave traders in the South over the course of about a decade. Three men—Isaac Franklin (1789–1846), John Armfield (1797–1871), and Rice Ballard (1800–1860)—were the principals in this network, and, unusually, extant source materials are sufficient for Rothman to chronicle their lives and careers in considerable detail.

The men hailed from different states—Franklin from Tennessee, Armfield from North Carolina, and Ballard from Virginia—and their backgrounds varied as well. But by the 1820s, fate or destiny brought them together in a variety of slave-trading partnerships, which, according to Rothman, accounted *in toto* for the sale and relocation across state lines of over 10,000 slaves in the South between 1828 and 1836 or 1837. Their odious, albeit legal, activities made all three men extremely wealthy by the time they wound down their business in the late 1830s. Although the respective roles of the three principals sometimes changed, Franklin—the oldest and most experienced slave trader of the three—was *primus inter pares*.

Their business, speaking broadly, entailed acquiring enslaved African Americans from Virginia, Maryland, and North Carolina, then relocating them by land or water to parts of the South further to the west. The heart of their business was transferring slaves to fast-developing cotton- and sugar-producing plantation zones of Mississippi and Louisiana. Essentially, these men were reallocating labor from slow-growing areas with labor surpluses to fast-growing areas with labor scarcities, where the marginal value was much higher. This is Labor Economics 101. Much the same kind of migration was occurring among free laborers in the North at the same time, as Joshua L. Rosenbloom of Iowa State University has demonstrated. But because slavers could compel slaves to move, the reallocation of labor was arguably faster and more targeted in the South.

Rothman is not oblivious to the "labor-market" story, but he is unconcerned in *The Ledger and the Chain* with economic analysis—indeed, with analysis of any kind. Instead, his main concern is to establish essential links between three men, the nefarious business they conducted, and what in his view was the nefarious economic system then arising in the United States. Rothman clearly reviles Franklin, Armfield, and Ballard. He castigates "the corrupted nation that encouraged them," and he reports finding himself "angry, disgusted, horrified, and beset with...grief" while working on his book. He grudgingly concedes, however, that his subjects were good at their work. He is correct in this assessment—almost in spite of himself, for he makes little attempt to embed the trading activities of his unholy trinity in the broader context of American business history.

For over a half century now, business historians have argued that one of the central developments in American private enterprise during the first half of the 19th century was the gradual emergence of specialized merchants and commercial middlemen to replace the general "all-purpose" merchants who had previously predominated. This change, referred to in the literature as the rise of functional specialization, arose because the U.S. market was growing so rapidly. The growth in market size was due not only to increases in the country's population and land area, but also to rising income levels, important improvements in transportation and communications, and the growth in the proportion of Americans who were willing and able to participate in market exchange—including the exchange of slaves.

All over the U.S., mercantile middlemen of one sort or another—jobbers, brokers, agents,

freight forwarders, warehousers, etc.—as well as bankers and insurers emerged or grew in relative importance, providing specialized services more efficiently than hitherto. The domestic slave trade followed these larger trends. Specialized merchants such as Franklin, Armfield, and Ballard—and others such as Austin Woolfolk, who preceded them—began to provide services to those interested in selling or acquiring slaves. In marketing terms, such traders assembled and bundled small "lots" into larger ones, warehoused and transported "merchandise," then "broke bulk" and sold "inventory" at the retail level, often providing short- and long-term financing to the buyers. The fact that their business involved buying and selling human beings is heinous by modern standards, and was considered so by numerous people at the time. But in terms of its operational procedures, slaving was no different than any other contemporary trade.

Rothman, then, is correct in conceding that Franklin, Armfield, and Ballard were good at what they did, and in his book he provides a good deal of under-analyzed evidence to support this point. The three men were methodical in acquiring slaves, and in putting together able teams of purchasing agents to secure them. They often built their own facilities to house and sell their "merchandise," and they located these facilities adroitly near centers of commerce. They made extensive use of advertising and strove to display their "merchandise" to buyers in advantageous ways so as to encourage sales. They vertically integrated by employing their own ships and crews to transport slaves—both their own and slaves owned by other traders—from Virginia to the Old Southwest. They diversified their portfolios by establishing slave plantations of their own. In other words, in their pursuit of the main chance, men on the make such as Franklin, Armfield, and Ballard chose to specialize in selling slaves. Such specialization, when viewed in a narrow economic sense, paid off handsomely for them. Their brethren in the North pursued similar strategies with other trades and services.

One would think that in a case study ostensibly about how "domestic slave traders shaped America," the author would make an effort at rigorous economic analysis. Unfortunately, Rothman does not. To be sure, financial records from the past are often incomplete or difficult to fathom, but Rothman attempts no careful audits of the surviving accounts. He talks sporadically about "profits" in a casual way, but never in terms of total revenue minus total expenses in a given year or period, much less in terms of return on investment (ROI). Indeed, he accepts without blinking an estimate of Franklin and Armfield's "nett profits" in 1829 published by abolitionists Benjamin Lundy and William Lloyd Garrison in Lundy's newspaper, the *Genius of Universal Emancipation*. There is not a table, graph, or price series in the study, and Rothman makes no serious attempt to demonstrate the quantitative importance of links between the activities of Franklin, Armfield, and Ballard, and parts of the U.S. outside of the South. Like almost all New Historians of Capitalism, he doesn't even attempt to *define* capitalism, preferring only to signal his distaste for it with vacuities such as "Black bodies propelled the American economy toward the future."

Rothman is a diligent, even punctilious researcher who writes well. But to understand how these three men's business developed and operated, clear-headed analysis rather than moralizing is preferable. Writing history requires objectivity of the kind described by historian Thomas Haskell—an attempt not at neutrality, but at detachment and fairness. In cases like this one, that might require what Haskell called "a very substantial measure of self-overcoming." Rothman—who, by his own admission, was angry, disgusted, horrified, and beset with grief while working on this book—seems less concerned with objectivity than with establishing moral clarity about where he stands on questions relating to who in history was right, and who was wrong. This would matter less had the author and publisher marketed *The Ledger and the Chain* not as a substantive contribution to the history of American capitalism, but as a moral tale about the domestic slave trade. Rothman provides ample genealogical detail, scene-setting, and descriptions of his subjects' sometimes base and vile behavior. But he proves almost nothing about the economics of the slave trade or slavery's relationship to capitalism. He doesn't even care to try.

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