

Introduction

The Statue of Liberty

THE UNITED STATES IS A NATION OF IMMIGRANTS. It had its origin in British colonies along the Atlantic coast and grew over time into the interior of what is now the United States. There were many waves of immigrants from many different places, but one wave of immigration, African immigrants, typically is missing from the historical list. “For generations, the impact of slavery has been written out of American history – indeed, with a few fleeting exceptions, such has been the rule through the nation’s existence” (Forbes, 2007, 2).

Most immigrants came to America because they wanted to come, but African immigrants were forcibly brought to America by their captors. They differed from other immigrants because both they were captives who could not choose their place of residence and they became enslaved people in the colonies and early United States. This book aims to bring those neglected immigrants into the mainstream of American economic history by describing what happened to them as the economy developed.

The Declaration of Independence said famously, “All men are created equal.” This equality extended to the British immigrants who dominated the American colonies, but it did not include the enslaved African immigrants. They were considered property, not individuals who could find a place in the American economy by themselves.

The Constitution echoed the Declaration in proclaiming, “We the People of the United States.” Again, enslaved African immigrants were not considered or included. In fact, the framers of the Constitution made great efforts to avoid mentioning them. The framers used euphemisms

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like “other persons” to refer to them as they set rules for politics and economics in the new country.

The Statue of Liberty has stood in New York City harbor since 1886. The torch-bearing arm was exhibited at the Centennial Exposition in Philadelphia in 1876, but it took another decade for the statue to be erected in its current space. It bears the famous poem verses:

Give me your tired, your poor,
Your huddled masses yearning to breathe free,
The wretched refuse of your teeming shore.
Send these, the homeless, tempest-tost to me,
I lift my lamp beside the golden door! (Lazarus, 1883)

Even this later statement is in question now. As one recent book frames our era: “Since the country’s founding, immigration has been at the heart of the American ideal of freedom and democracy, diversity and inclusion, opportunity, and upward mobility. But it has also been at the core of the nation’s struggles with its own identity, at time yielding darker moments in which leaders have turned inward in hopes of preserving a bygone era. [President] Trump is one of them” (Davis and Shear, 2019, 8–9).

This book attempts to adapt these well-known assertions to our times and recount more than two centuries of conflicts since the Declaration and Constitution were written. I integrate Black and white activities into an economic history of America. My premise is that all men – and women – of all colors are created equal. Their histories, as will become clear, are quite different, and the resulting tension still informs us today. And when I discuss the people of the United States, I mean all people independent of their origins and skin color. In short, we all are descendants of immigrants.

Kenneth Stampp declared over fifty years ago, following Gunnar Myrdal, “One fact is established beyond any reasonable doubt. This is the fact that variations in the capacities and personalities of the *individuals* within each race are as great as variations in the physical traits. Therefore, it is impossible to make valid generalizations about races as such” (Stampp, 1956, 10; see also Myrdal, 1944, chapter IV, with footnotes on pp. 1212–18).

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Nonetheless, the European immigrants were incapable of seeing their captives as individuals. Blacks were enslaved people who helped white Americans expand before the Civil War. Indeed, the 1858 *Dred Scott* decision explicitly noted that the founders never considered Blacks, free or enslaved, to be persons with any rights in the American republic. Slavery was outlawed soon after this court decision by the Civil War and Thirteenth Amendment. These rapid changes reveal the contradictions within white people.

Blacks began to participate in American politics en masse for the first time during Reconstruction. This process met with white resistance, and Black inclusion in the growing economy fell sharply as the Gilded Age followed and white political will for Black participation faded. The Supreme Court, still conservative, negated the force of the Fourteenth Amendment on the rights of freedmen.

Marx said, “History repeats itself, first as tragedy, then as farce (Marx, 1852).” The tragedy after the Civil War Reconstruction was followed by the fleeting memory of President Lyndon Johnson’s Great Society. The measures in the second attempt to integrate Blacks into the majority status of the United States induced a reaction that echoes the failure of Reconstruction a century earlier. The Supreme Court encouraged the growth of commerce and industry while it aborted efforts to include Blacks into political and economic activities in both the 1880s and 2010s. The Court promoted white economic progress and impeded the integration of most Blacks into this prosperity.

Poor whites often appear in this story along with Blacks. They can be seen suffering under slavery just as they suffer now in mass incarceration. There are two ways to include these unfortunates in this story. One way is to regard them as collateral damage to the anger directed at Blacks. A more accurate view is that the dominant whites – landowners in the antebellum South, postbellum industrialists, and financial moguls and internet wizards today – engage in class as well as racial prejudice.

Each time there was a partial move toward integrating Blacks into the white economy and polity or helping poor people advance, there also was a reaction that returned Blacks and poor whites to widespread subservience. This was true in the Gilded Age of the late 1800s, and it is true again in the new Gilded Age of the last several decades. Blacks

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made gains toward integration in Reconstruction and in the Civil Rights Movement during postwar prosperity. Some of these gains have lasted, as I will show, but full integration remains far off because policies even in good times exclude Blacks and benefit whites.

It is worth stressing how much the Gilded Age of the late nineteenth and early twentieth century looks like our current Gilded Age. Everyone remembers robber baron names from the first Gilded Age, from Carnegie to Rockefeller and J. P. Morgan. Their current analogues today are Jeff Bezos of Amazon, Tim Cook of Apple, Sundar Pichai of Google, and Mark Zuckerberg of Facebook who testified before the antitrust subcommittee of the House Judiciary Committee in late July 2020 about antitrust and big tech. To which we should add Charles Koch of oil, Robert Mercer of finance, and Rupert Murdoch of FOX TV. The other similarity of course is that the robber barons of both periods created conditions for the establishment of Jim Crow laws then and the growth of mass incarceration, also known as the New Jim Crow, today.

Between these similar periods came the disturbances of world wars and depression in the early twentieth century. Everyone suffered, but Blacks tried peacefully to alleviate their fortunes in the Great Migration. Whites struggled through the violence and created economic and political foundations for the following prosperity ranging from interstate highways to personal computers. But while some educated Blacks have joined white society today by getting a good education, the cost of keeping many Blacks imprisoned and disenfranchised reduces economic growth in the United States.

The following chapters reveal that each time there was a concerted move toward integrating Blacks into the white economy and polity, there was an adverse reaction that returned Blacks to widespread subservience. Blacks made gains toward integration in Reconstruction and in the Civil Rights Movement, but they suffered reversals in the Gilded Age and in the new Gilded Age of today. The new Gilded Age is based on services instead of manufacturing, and demand for workers has fallen. The new robber barons inflame racial prejudice to maintain their political hegemony, while neglecting investment other than prisons for Black and brown people.

Isabel Wilkerson, whose research I cite and quote later in this book, recently championed the use of caste in understanding the role of Blacks

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in the United States. She equated racism and casteism, arguing, “Through no fault of any individual born to it, a caste system centers the dominant caste as the sun around which all other castes revolve and defines it as the default-setting standard of normalcy, of intellect, of beauty, against which all others are measured, ranked in descending order by their physiological proximity to the dominant caste” (Wilkerson, 2020a). And she quoted Andrew Hacker saying, “White Americans of all classes have found it comforting to preserve Blacks as a subordinate caste: a presence that despite all its pain and problems still provides whites with some solace in a stressful world” (Hacker, 1992).

Wilkerson defined the difference between racism and casteism in her book: “Any action or institution that mocks, harms, assumes, or attaches inferiority or stereotypes on the basis of the social construct of race can be considered racism. Any action or structure that seeks to limit, hold back, or put someone in a defined ranking, seeks to keep someone in their place by elevating or denigrating that person on the basis of their perceived category, can be seen as casteism.” Simply put, accusing people of being inferior is racism, while acting to keep those people inferior is casteism (Wilkerson, 2020b, 70).

This book chronicles two episodes of dominant racism and casteism. Two Gilded Ages cannot make a rule, but the history described here and the analyses of Hacker and Wilkerson suggest that the future may be very much like the past.

The ensuing chapters provide a chronological survey of an inclusive American economic history in the nineteenth and twentieth centuries. The chapters start with slavery and the Civil War, Reconstruction, and the Gilded Age of the late nineteenth century. They continue with chapters on the world wars and depression, postwar prosperity, a new Gilded Age, and economic decline in our day. Each chapter integrates Black economic history into the conventional white economic history of the United States. Including Black people in this narrative provides a complete description of our history and suggests some paths by which we could integrate Blacks entirely in mainstream economic progress.