CHAPTER 8
FROM THE GREAT DIVERGENCE TO NEW HISTORIES OF CAPITALISM

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Introduction

The initial major works on what came to be called the 'Great Divergence' debate at the turn of the century emphasized commercial and environmental similarities and linkages across Eurasia in the early modern world. They came at a moment when the end of the Cold War and the rise of East Asia inspired both optimistic predictions of globalization but also dire warnings about the shared prospects of ecological disintegration.[1] The novelty of 'divergence' scholarship was geographic but also disciplinary. Observers had long noted the decline of mainstream economic history since the 1970s – in the United States, the field had migrated largely to economics departments – simultaneous with the rise to dominance of cultural and intellectual history.[2] Kenneth Pomeranz's major work represented a reintroduction of sorts of the tools of global economic analysis into mainstream historical debates.[3] For many, although *The Great Divergence* ostensibly veered from the trends of cultural history, it also shared sensibilities with contemporaneous post-colonial criticism and its challenge to a narrow, Eurocentric Marxist interpretation of world history.[4]

Soon after, and in another corner of the US academy, a new generation responded to the same set of real-life conditions by rediscovering the study of material economic life for themselves. In the past decade, the term 'New History of Capitalism' (NHC) has gained wide prominence inside and beyond academia, inspiring special issues, book series, faculty positions, graduate fields, and research centres.[5] It is a broad category whose contours can only be sketched heuristically. On the one hand, it is widely acknowledged that there have always been historians who took capitalism as their analytical object, both prior to and throughout the putative cultural turn.[6] On the other, a new generation in the 2000s coalesced around a self-conscious desire to reverse declining historiographical interest in economic life.[7] The earliest and most recognizable collection of NHC scholars can be traced to an ongoing Harvard University workshop on the 'Political Economy of Modern Capitalism' jointly organized by Sven Beckert and Christine Desan from 2005 until the late 2010s. As they explained, initial interest emerged from the same globalized context that inspired the 'divergence' scholarship. Rather than optimism, however, it was the recurrent upheavals of the new millennium, from the dotcom bubble of 2000 to

the debt crises of Latin America and Africa, that pushed them to historicize a system that was beginning to fray at the edges – culminating, of course, with the meltdown of 2008.[8] For wider audiences, the new history of capitalism first entered mainstream consciousness with a 2013 *New York Times* article cataloguing major publications within the field. 'The events of 2008 and their long aftermath', it noted, 'have given urgency to the scholarly realization that it really is the economy, stupid'.[9]

Many NHC scholars explicitly cite their debt to the 'divergence' scholarship and its global scale. But from the beginning, many acknowledged that the new interest in capitalism and its history remained 'provincial'. Too often, the 'history of capitalism', Peter Hudson noted, had simply meant the 'history of U.S. capitalism'.[10] The tension, thus, is that NHC's origins stemmed from a regional network of scholars concerned with the study of one part of the world – as do, naturally, almost all intellectual movements – yet 'capitalism' itself is by nature a category demanding transnational frames of analysis and research. In the intervening years, new works have begun to emerge pushing the NHC idea into new directions. The broad resonance of NHC is testament to both the fertility of the 'capitalism' concept and the desire by supporters to keep definitions open ended and receptive to different approaches.

In the following pages, I begin by sketching out the major overarching themes of the subfield's first generation, roughly from the late 2000s to early 2010s. Next, I highlight two particular lines of argument connecting the NHC and 'divergence' literatures, one explicit and one implicit. First, the new histories of slavery have endorsed a global approach to analysing economic change, adopting Pomeranz's transatlantic framing of nineteenth-century English divergence in order to draw out the significance of US cotton. Second, they also share a critique of the orthodox view that free wage labour is the linchpin to capitalist development, instead spotlighting enslaved and indentured workers in the United States to complement the 'divergence' literature's focus on family farms and domestic handicrafts. In these sections, I concentrate on a cluster of works focused on slavery and cotton in particular, for they have received the most attention as the fulcrum of the NHC literature; more importantly, they also share the greatest overlap with the concerns of the 'divergence' debate. Finally, I conclude by assessing recent criticisms of the NHC literature, focused on whether it has been able to realize the category's ambitious promise, and by examining new scholarship that pushes the study of capitalism into wider fields.

The Major Contours of the History of Capitalism

The earliest NHC works spanned a variety of topics in US history, including the early history of money, counterfeiting, and financial speculation; efforts at corporate risk management through insurance, futures, and industrial trusts; the rise of Walmart and the service economy; the proliferation of consumer credit; popular investment in public stock markets; diverse forms of manual labour in early America; and, the topic receiving the most attention, histories of enslaved labour and the cotton economy of the US south.[11]

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Synthesizing these along with several historiographical essays that established the field's contours, I see a handful of key uniting themes.[12]

First is the mobilization of empirical history against naturalistic economic theory. The latter includes both neoclassical models of profit-maximizing individuals as well as orthodox Marxist teleologies from unfree to free labour. Ultimately, many NHC works can be glossed as critical expositions of the 'extra-economic' power concealed in free-market ideology, both political and physical coercion, reflecting heightened real-world scrutiny of neoliberal globalization. If mainstream theories presumed that private, individual activity naturally gave rise to homogeneous market behaviour, then NHC works have foregrounded the historical role of the state in the creation of markets. Beckert's *Empire of Cotton*, for instance, argues that the global economy grew polarized in the nineteenth century according to which states were strong enough to forge advantageous markets for capital (Euro-America) and which were not (Egypt, Brazil, India, China). And Stephen Mihm's *A Nation of Counterfeiters* concludes that free-market dynamics in the postbellum period relied, paradoxically, upon the federal government abolishing the patchwork, local monetary system in favour of a national currency.[13]

Second, within the endeavour of history pitched against economics, NHC scholars stressed a mixture of different genres of historical writing, drawing together subfields that traditionally ask distinct questions about economic life: labour and social history, concerned with working-class formation; business history, which spotlights the careers of individual capitalist firms; and economic history, with its central macroeconomic question of what drives national growth.[14] Under the banner of 'capitalism', these authors have given themselves the latitude to move between genres, ranging from Seth Rockman's social history of putatively unskilled labour in Baltimore to Julia Ott's intellectual history of a corporate-backed 'shareholder democracy' ideal, each contributing to Louis Hyman's call for 'history from below, all the way to the top'.[15] Jeffrey Sklansky argues that historians of capitalism were beginning to reintegrate the fields of social and intellectual history, a move enabled by embracing the category 'commodification', which shared a long tradition of combining analyses of both objective social relationships organized around money with subjective histories of seeing, valuing and classifying the world anew.[16]

Third, and related to the emphasis on interdisciplinarity, is NHC's refusal to define capitalism in advance and instead allow the object to arise organically from empirical case studies. Beckert and Desan recall that in their seminar, they considered it 'an advantage, not a defect' to avoid overarching definitions. They instead entertained a diversity of foci, including the relation between wage labour and capital; the predominance of market relations; acquisitiveness and profit-seeking; racial and gender hierarchies; and the role of credit and finance.[17] Throughout the field's development, many have objected to the lack of terminological clarity.[18] Others have offered their own attempts to pin down the concept's fundamental meaning.[19] No single interpretation has prevailed, but each attempt can perhaps be seen as validation for Beckert and Desan's insistence that ambiguity is a positive motor for debate.

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Fourth, and finally, has been an attempt to expand the parameters of 'capitalism' outward, temporally and geographically, from its association with urban industrialization. Historians have pushed back the starting date of capitalism to the eighteenth century, which has meant a reinterpretation of the British colonies, the American Revolution, and the slavery economy of the US south.[20] They have also sought to locate capitalism in rural and international settings, linking US history with that of the Americas, Europe, Asia and Africa. It is on this point that NHC scholars have most explicitly credited the influence of 'divergence' scholarship and Pomeranz's work in particular.[21]

Transnational Stories of Capitalist Development

In their major works on Eurasian 'divergence', Pomeranz and later Prasannan Parthasarathi stressed that the conventional story of English exceptionalism, grounded in simplistic oppositions between Europe and Asia, no longer withstood scrutiny from new globally oriented research. Pomeranz challenged the myth that Europeans held exceptionally high levels of capital stock in the early modern world, arguing that Asian societies presented comparable levels of livestock, transport capital and agricultural output. The same held true for Europe's purportedly exceptional rates of life expectancy, caloric intake, demographic patterns, and technological and scientific know-how.[22] Similarly, Parthasarathi challenged the Eurocentric biases colouring analyses of South Asia, arguing Mughal India was comparable to Europe in terms of political decentralization, economic mobility, market integration, labour reallocation, protection of property rights, and fertility rates.[23]

Making sense of industrializing England's unquestioned economic superiority, then, required looking beyond national and regional units in isolation. By the end of the eighteenth century, Pomeranz wrote, both England and the Yangzi Delta had exhausted their supplies of labour and land and were headed toward a proto-industrial 'cul de sac'. Europe was unique in finding recourse in, first, greater deployment of coal as a source of energy, but also, more significantly, the land and labour resources of the New World.[24] There, enslaved Africans produced farm exports such as sugar and cotton, in addition to raw materials such as timber, while also absorbing industrial imports, chiefly cotton goods, from north-west Europe. Sugar and cotton were far more efficient sources of calories and clothing than local British alternatives: sugar was four times as efficient as potatoes and cotton about nine times as wool. Adding together the amount of land needed to produce sugar, cotton and timber exports, Pomeranz concluded that Britain would have needed an additional 25 to 30 million extra acres to equal the Americas, what he called 'ghost acres' – sobering to consider when the entirety of Britain's arable landed only added up to 17 million![25]

The New World aspect of Pomeranz's argument has been the most concrete foothold enabling scholars to link new histories of US capitalism with 'divergence' scholarship. Citing Pomeranz, works by Edward Baptist, Johnson and Beckert, in particular, have argued that southern cotton was fundamental to England's industrialization and

9781350290082_txt_rev.indd 150 19-03-2024 12:22:46

divergence from the rest of the world, entailing a new era of world–historical capitalist development. Notably, two versions of the 'New World' argument can be located in Pomeranz. Though he ultimately concludes with an ecological explanation, he earlier weighs the famous '(Eric) Williams thesis', originating from the Trinidadian statesman's 1944 *Capitalism and Slavery* and its claim that Caribbean slavery financially enabled British industrialization. Profits from the Atlantic triangle trade, he documented, including slave-trading, privacy, mining and cash-crop production, found their way into the principal of Liverpool banks, Welsh ironworks, London insurance houses, and countless mines and cotton mills.[26] Pomeranz agreed with the overall net gains of the slave trade but concluded they ultimately were not decisive in England's divergence from China, certainly less consequential than the New World's ghost acres.[27] Pomeranz thus drew a heuristic distinction between the financial value of New World industries versus the natural, ecological value of its land and labour.

But in borrowing from Pomeranz, NHC scholars have liberally mixed the two types of explanations together, a source of criticism from economic historians. In his work, Beckert underscores the significance of cotton as 'the world's most important manufacturing industry' by emphasizing how England's textile industry could not have taken off without the 'ghost acres' of the Americas.[28] Similarly, Edward Baptist focuses on the role of the cotton industry to break out of the mid-eighteenth-century Malthusian traps bedevilling Eurasian, American and African economies. New industrial inventions in England, he stresses, 'would have been short-circuited if embryo industries had run out of cotton fiber', and the development of Mississippi Valley cotton 'enabled the United States to seize control of the world export market for cotton' and allowed Britain to 'escap[e] the old Malthusian trap with the help of the New World's ghost acres'.[29] Still, for these authors, the New World's greatest boon was the economic and financial gains of slavery, a variation on the Williams thesis that substitutes eighteenth-century sugar with nineteenth-century cotton.

Such emphasis comes out in Beckert's main anecdote illustrating the origins of English industrialization, namely, the story of Samuel Greg, a Manchester entrepreneur whose starting capital originated from family fortunes in West Indies sugar and the trade in enslaved Africans. 'Industrial capitalism', Beckert argues, 'was the offspring of war capitalism', his description of previous centuries of enslavement, land expropriation and imperial expansion.[30] Baptist goes further, attempting to tally the total value of cotton-based profits and cotton-related businesses in the US economy, including transportation costs, durable goods sold to plantations, and financial and insurance products. Extending the logic of the Williams thesis, he claims that a million-plus enslaved workers in the US South accounted for about one-half of the US's total economic value, which meant the 'northern economy's industrial sector was built on the backs of enslaved people'.[31]

Economic historians have objected strongly to many of these claims. On the specific question of slavery's role in industrialization, Alan Olmstead and Paul Rhode see the chronological importance of US cotton, taking off in the 1790s, as too late to explain British development. They further push back on Baptist's methods in estimating the overall significance of cotton and slavery to the US economy, pointing out instances

9781350290082_txt_rev.indd 151 19-03-2024 12:22:46

of double counting that would ultimately give total figures exceeding 100 per cent of the nation's GDP.[32] Such controversies seem to undercut the more extravagant attempts to bring the Williams thesis to the US context by attributing overall US economic growth to slavery. Still, what is historiographically noteworthy is the conscious choice by historians of US capitalism to employ the 'divergence' scholarship's transatlantic scale of analysis.

Transcending the Wage Labour Ideal-type

The second line of argument linking 'divergence' and NHC scholarship is a shared rejection of the centrality of free wage labour as the linchpin of capitalist development. In fact, the proletarian ideal-type has been under scrutiny for decades at least, since Immanuel Wallerstein and Jairus Banaji's pioneering interventions in the 1970s and with new forays in 'global labour history' since the 1990s.[33] Though wage labour-centred interpretations are often associated with the Marxist tradition, they were quite universal in the nineteenth century, appearing in the works of Weberians and Ricardians alike, coincident with the rapid spread of industrialization.[34] Still, among social historians, the name most frequently associated with the claim is Marxist historian Robert Brenner, whose 1970s essays on the topic have inspired heated debate since.[35]

In a representative essay from 1977, Brenner followed Marx's phrase 'doubly-free labor' to argue that truly capitalist labour meant workers were 'freed' both from their masters and lords and also from owning any property themselves. This meant capitalism's history, modelled on Marx's origin story of 'primitive accumulation' in England, excluded two broad categories of people around the world: first, slaves, serfs and indentured workers, and, second, peasants or households that could provide for their own subsistence through agriculture and domestic work. For Brenner, the market pressures of 'capitalism' could only continually revolutionize techniques when producers depend entirely upon the market for survival. Although villagers in Asia or slave plantations in the Caribbean clearly made export-oriented goods, the world market did not have the leverage to push them toward new industrial technologies or productivity gains, dooming them to underdevelopment.

Within English-language Chinese historiography, such arguments were expressed in the classic works of Mark Elvin and Philip Huang, the latter of whom was Brenner's colleague and ambassador for his model in the field. Both authors, Pomeranz argued, relied upon a one-sided comparison between a revolutionary industrial England versus an unchanging Chinese society, which, absent proletarianization, was stuck in a trap of declining returns from labour inputs, described in the literature as a high-level equilibrium trap (Elvin) or involutionary spiral (Huang). For Pomeranz, Elvin's argument relied upon vast wage differences between England and China that have since been disproven, and his model for how high English wages spurred innovation was riddled with logical inconsistencies. Further, Brenner and Huang's absolute division between proletarian versus property-owning labour has been undermined by new

9781350290082_txt_rev.indd 152 19-03-2024 12:22:46

research on the 'industrious revolutions' spanning early modern Eurasia, led by Jan de Vries and Kaoru Sugihara. Rather than commercial retreat, households across China, Japan and Europe increasingly allocated family labour in order to sell and buy on the marketplace, spurring the sort of pre-industrial productivity gains from specialization described in Adam Smith.[36] As Pomeranz and Parthasarathi write in this volume, this new approach de-emphasizes a static fixation on wage-labour relations in favour of a dynamic analysis of flows of inputs and outputs.[37]

Likewise, the new histories of slavery confront the exclusion of unfree labour from capitalism's history. Johnson frequently links Brenner's argument with a longer tradition in US history separating slavery from capitalism, especially the works of Eugene Genovese and Elizabeth Fox-Genovese.[38] Johnson, too, criticizes static categorizations of class, which are undermined by dynamic portrayals of the 'eighteenth- and nineteenth-century Atlantic' and its 'flows of people, money, and goods, its nested temporalities set by interlocking (though clearly distinct) labour regimes, cyclical rhythms of cultivation and foreign exchange, and shared standards of calculability and measurement'.[39]

Johnson's point is that the enslaved African worker, though mismatched with the proletarian ideal-type, nevertheless laboured to produce commodities that earned profits for the global capitalist class. However, this is a concession already accounted for in Brenner's model. The latter called such commodity production merely 'commercial', organized around extensive economic growth (or absolute surplus-value), which fell short of capitalism's defining trait, intensive growth (relative surplus-value), characterized by rising efficiency. The question of slavery's productivity has been addressed most directly in the works of Baptist and Caitlin Rosenthal. In his reconstruction on the slave-labour system, Baptist outlines a collection of techniques for monitoring and forcing up the productivity of enslaved workers he called the 'pushing system'. Overseers used a system of escalating daily quotas for its workers, backed it with physical 'torture', and extracted productivity increases that were epoch-defining. He cites Olmstead and Rhode's research that argued that from 1800 to 1860, the productivity of enslaved cotton pluckers rose by 400 per cent, underscoring the link between planter violence and capitalism. Again, however, the two economists have strongly objected to Baptist's analysis of their figures. They question whether the 'pushing system' could really be discovered in archival materials but also, more significantly, the causal link between physical torture – which they do not deny – and the gains in productivity, which they conclude could be isolated and traced to the spread of new cotton varieties.[40]

Such objections to the pushing system are substantive, but Olmstead and Rhode's own data can also be interpreted to confirm the broader point that cotton planters were capitalists who consciously strove to raise productivity over the lifetime of the antebellum economy, as James Oakes observes.[41] Rosenthal's *Accounting for Slavery* offers a compromise. For her, the rise in output resulted from a combination of both extractive violence and new cotton breeds, with the latter, crucially, dependent on the former to realize the gains of biological improvement. The combination of different strategies points towards an underlying calculative rationality shared across the planter class, which kept detailed records on daily cotton picking, shifting projections and

9781350290082_txt_rev.indd 153 19-03-2024 12:22:46

targets, and experiments in crop rotations and labour allocation. Regardless of the specific mechanism, Rosenthal demonstrates an overarching 'relentless drive' to raise productivity, thereby refuting traditional claims of slavery's pre-capitalist character, whether the Weberian rationality and 'bourgeois spirit of accumulation' the Genoveses claimed were missing in the South or the lack of response to competitive pressures in Brenner's account of slave societies.[42] Such arguments parallel the 'divergence' literature's own claim that rural and domestic labour across early modern Eurasia, despite the absence of industrialization and full proletarianization, exhibited their own patterns of 'industrious' productivity gains.

Critical Assessments from Global Economic History

Together, 'divergence' and NHC scholarship present a picture of recognizably modern economic change that de-emphasizes urban industrialization in favour of the geographically expansive movement of goods, money and people. Notably, 'divergence' scholars tend to use the term 'capitalism' only sparingly, with its Eurocentric baggage. To the extent they refer to the concept, they heuristically rely upon the vision offered by Braudel, a world of luxury commerce and large, overseas trading firms.[43] Similarly, NHC scholars have championed the historical significance of pre-industrial labour relations tied to distant networks of merchant and finance capital, categories reformulated by Beckert as 'war capitalism'.[44] One of the hallmarks of NHC scholarship has been the 'privileging of motion'.[45]

Labour concerns have certainly not disappeared, but NHC works have, in line with rethinking the place of slavery, shifted emphasis away from the traditional, binary categories of free and unfree, 'enslavement' and 'proletarianization', toward the umbrella term of labour 'commodification'.[46] Seth Rockman's *Scraping By* stands out as the most sophisticated empirical engagement with the complex questions raised by a capacious notion of commodification. Surveying industries all across early Baltimore – from shipbuilding to child rearing to street scraping – he observed that employers at the time 'constantly adjusted their workforces, shifting between and combining laborers who were enslaved, indentured, and unfree; black and white; male and female; young and old, native born and immigrant'.[47] Such practical 'interchangeability' across Baltimore's workers, pitted against one another on an early capitalist labour market, suggests the need for a more theoretically robust, unified conception of labour under capitalism beyond the binaries of freedom, race and sex.

However, others such as Sklansky express concern that the 'commodification' concept may also signal a waning interest in class relations and production, instead reducing human labour to human capital, that is, to just another asset in the realms of commerce and finance.[48] Alongside debates over slavery's productivity, NHC scholars have paid equal attention to the financialization of enslaved workers, with human property rendered into fungible 'fictitious capital' and exchanged among the Barings and Rothschilds of the ostensibly free North Atlantic.[49] Indeed, slavery and finance stand out as the two major

9781350290082_txt_rev.indd 154 19-03-2024 12:22:46

analytical foci of new histories of capitalism. What they share in common are forms of profit that contravene triumphalist stories of industrial innovation from the twentieth-century golden age of US capitalism.

I have elsewhere speculated that the 'divergence' scholarship's interventions emerged from the eclipse of nationally organized, Fordist–Keynesian economies in the post-war period by a new international division of labour featuring more informal, smaller-scale arrangements in Asia.[50] Among NHC scholars, the neoliberal era has also spurred a re-evaluation of US capitalism as far less 'noble' and 'clean' than the imagery touted by its ideologues.[51] In an essay for the *New York Times*'s '1619 Project', Matthew Desmond foregrounds the simultaneous physical violence and abstract financialization of slavery as symbols of American 'low-road capitalism'. If slave-based production embodied the dirty, obscene essence of labour's exploitation by capital, then finance represented its sanitation, cut up and parcelled out across a global, impersonal system of counting figures. The politics of NHC scholarship imply, then, that a direct connection can be drawn between slavery and contemporary predatory lending, crisis-prone financial fads, and the prison–industrial complex.[52]

NHC works have been praised for their timely relevance and moral conscience, but global historians have often found their accounts of the nineteenth-century economy too unsystematic. Among the most controversial positions is some version of the statement that slavery was 'central' to – or 'decisive', 'constitutive of', 'integral', 'essential', 'powered', 'shaped', 'crucial', 'the epitome of', or 'necessary' and 'indispensable' for – the development of US capitalism.[53] There is also the similar claim that capitalism 'depended on' or was forged 'on the backs of' the slave-driven cotton economy, as well as formulations suggesting the inseparability of capitalism from slavery, such as Johnson's 'slavery racial capitalism'.[54] The exact contours of what these claims mean remain unclear. There is no denying that slave-based cotton production generated tremendous volumes of wealth that contributed to overall national growth and also that the system was brutally extractive, revealing the outer limits of capitalist exploitation. But the relative magnitude of such claims appears different when placed within a broader comparative context – a charge, notably, that 'divergence' scholars also once made against the national histories of England, China and India.

What economic historians have disputed is the suggestion that slavery was a net positive for the US, and world, economies, given the coexistence of free-labour alternatives by the nineteenth century. Historians Trevor Burnard and Giorgio Riello and economist Gavin Wright have each argued that, certainly, slavery *did have* an indispensable function in capitalism's early history, when a global market for commercialized agriculture had not yet fully developed. The relevant period, however, was not the antebellum south but the pre-1800s West Indian sugar industries of the Williams thesis.[55] After 1815, Wright argues, the preservation of southern slavery was antithetical to development for three reasons: it created artificial labour inelasticity; it stymied investment into infrastructure; and it undermined specialized commercial interdependence.[56] 'The best evidence that slavery was not essential for cotton supply', Wright notes, 'is what happened after slavery's demise'. Within a few years of emancipation, industrial textile manufacture recovered

9781350290082_txt_rev.indd 155 19-03-2024 12:22:46

by sourcing raw cotton from Asia, the Middle East, and Latin America, undermining arguments for slavery's economic indispensability, both by contemporaneous defenders of slavery and from recent historiography. Rather than softening the immorality of slavery, Wright argues, this cold economic assessment only magnifies the tragedy of the system as cruel, unnecessary and senseless.[57]

Such comparative economic claims could be brushed off as what Johnson calls 'ahistorical ideal types', a kind of reasoning that obsesses over 'what *should* have happened' or how 'capitalism *might* have developed' at the expense of a materialist history of 'actually existing' slavery.[58] Really, though – and I believe this is crucial – two very different questions are being posed, each intellectually valid. For most NHC scholars, their point of departure and object of analysis is the study of American slavery itself – how it has been represented in the past; how do we understand it today; and whether it could be classified as modern and capitalist? New works have successfully overturned an older consensus that slavery was exempt from market dynamics, arguments replete with contemporary implications. But the limitation of such questions is that they can often wind up framing capitalism in binary terms – is it or not? – flattening different trajectories of uneven yet interconnected accumulation. Ultimately, the question of how to interpret slavery is different from asking how to understand capitalism itself: what are its fundamental dynamics, how can it be historically disaggregated, and where can we locate the place of slavery along its terrain, side by side with free labour and industry?[59] Many NHC scholars appear indifferent to such epochal questions. The 'what is capitalism' debate, after all, is one that many of its authors proudly evade.

Similar observations can be made about the category 'racial capitalism', originating with Cedric Robinson's *Black Marxism* (1983) and taking on new life in Johnson's work and other recent scholarship. Steven Hahn has objected that if slavery and capitalism are inseparable, then it must be admitted that unfree labour forms could be found across countless other early societies as well – European, African, Asian – few of which could be mistaken for being developmental in any modern sense. What, then, are we left with that could account for the historically specific dynamics of our own economic system, for what makes capitalism *capitalism*?[60] This is the question that preoccupied generations of economic historiography – whatever one thinks about the specific hypotheses – whether organized around energy usage, free labour, free markets or the global scale of trade. Naturally it also drove the 'divergence' debates. None of this is to suggest slavery was unimportant historically. But to frame it as exhaustive of, or co-extensive with, capitalism makes it more difficult to distinguish the latter from its antecedents and alternatives – to see capitalism's 'strangeness', as Sewell has put it.[61]

Put another way, we can readily agree that *slavery was capitalist* but also push the inquiry further and specify how it can be related back to capitalism as a totality, a question that unavoidably takes on geographic dimensions. For, although NHC scholars have admirably widened the scale of analysis beyond national borders, critics have highlighted indications of a residual methodological nationalism. For Burnard and Riello, to portray southern slavery as 'indispensable' to, and 'inseparable' from, cotton's industrial development is to myopically ignore cotton's global scale at the time. Such

9781350290082_txt_rev.indd 156 19-03-2024 12:22:46

claims betray how the earliest NHC works were 'heavily America-centric', they write, 'more intended to make the practice of US history international than one that is truly global'.[62]

New Directions for Globalizing the History of Capitalism

In the years since the first wave of NHC scholarship, scholars studying diverse world regions have sought to redeploy the category in their respective fields. Conferences, seminars and new research centres dedicated to a more *globalized* history of capitalism have been hosted in New York University, the European University Institute, the University of Chicago, Fordham University, Oxford University, and SOAS, University of London. In print, two of the most useful resources have been *Capitalism: A Journal of History and Economics*, launched in 2019, and an annotated bibliography by Rockman and Brown University graduate students from spring 2021, providing an invaluable, deftly curated snapshot of the field.[63]

First, within the US field, several NHC scholars have set their sights on larger-scale synoptic works, such as Beckert and Levy's new histories of global and US capitalism, respectively.[64] Newer first-author books have pushed the nineteenth-century story of growth to postwar apex and decline, examining post-industrial histories of urban inequality, including Gabriel Winant's study of Pittsburgh's steel and healthcare workers, Paige Glotzer's story of Baltimore segregation, and Destin Jenkins's analysis of San Francisco's municipal bond market.[65] The latter two place their work squarely within the tradition of 'racial capitalism', while Zachary Sell has pushed the same category into global directions, linking the nineteenth-century Anglo-US slave trade with imperial expansion, colonial violence and Asian indentured labour.[66]

Another notable cluster consists of new works seeking to historicize the late twentieth-century global economic order, summed up for many as 'neoliberalism'. Standouts include Quinn Slobodian's research on European ordoliberalism; Vanessa Ogle and Patrick Neveling on the creation of exceptional spaces for tax-free banking and manufacture; and Amy Offner's study of US experts promoting austerity and privatization in development-era Colombia.[67] These works share the common theme of Euro-Americans 'experimenting' with extreme, free-market ideas in the colonial periphery before re-importing them in the 1970s. They also seek to push the start date of neoliberalism to long before the 1970s, with the wartime transition from empire to nation as a major milestone.[68]

The study of capitalism has also been taken up by younger scholars in area studies. Among South Asia historians, Tariq Ali has tried to do for Bengal jute what Beckert did for cotton; Matthew Shutzer has linked the story of Indian energy to global regimes of finance; and Meghna Chaudhuri is writing a history of how the Indian peasant became an object of global financial investment.[69] Works in East Asia include Timothy Yang's business history of Japanese pharmaceuticals and also my own work on the tea trades of China and India.[70] And two works by Fahad Bishara and Johan Mathew shed light on

9781350290082_txt_rev.indd 157 19-03-2024 12:22:46

the economic life of the Indian Ocean, focused on the relationship between law, legality, and the marketplace.[71]

Two world regions that have been strongly receptive to the study of capitalism are Africa and the Middle East. Works by Aaron Jakes on Egypt, Kristen Alff on the Levant, and Alden Young on Sudan have confronted the question of capitalism and economic restructuring in their local forms.[72] This elective affinity may be linked to the centrality of imperialism and energy in the region's history, especially manifest in an ongoing debate over the creation of the category 'national economy' in the mid-twentieth century, inspired by the work of Middle East scholar Timothy Mitchell.[73] Notably, the 'economy' debate among Middle East scholars gained momentum in the 2000s, coincident with the NHC turn in US history, originating out of an earlier moment when the region's wars and occupations drew international attention, and likewise amplified by the post-2008 outrage over so-called economic expertise. In their attempts to historicize 'the economy', these scholars share with NHC a commitment to denaturalize the categories of economics and to bring the tools of cultural and intellectual history to political economy. As Jakes has warned, however, an overly idealist approach to 'the economy' can ignore how those ideas corresponded to a deeper social history of capitalism in action – 'a whole constellation of social practices' – that made the category legible to actors in the first place.[74]

The 'economy' debate points to larger questions surrounding the evolution of the NHC field. Its proponents originally championed its novelty, weaving a story from economic to cultural back to economic history. But Nan Enstad has called this a distorted 'jeremiad', reinforcing the false distinction between culture and economics.[75] If, as Enstad avers, cultural historians were in fact concerned with capitalism all along, then so too do many new NHC scholars largely rely upon the tools of cultural and political history, found in intellectual genealogies revolving around slavery, finance, neoliberalism and economic growth. There are many salutary benefits to this approach, especially placing greater critical scrutiny on archives and materials from the elite classes. But the risk is that scholars will wind up stuck at the same 'abstract and general level' of ideas as their objects of inquiry, Adam Tooze has warned. This would obscure the 'actual workings of the system', that is, the elementary 'processes of accumulation, production, and distribution' that could illuminate the real-world consequences of such ideas concretely.[76] In my view, what is most valuable in the nascent field are those works that marry intellectual and theoretical conceptualization of capitalism with the kind of material–economic analysis found, for instance, in the 'divergence' debates and the richest contributions from the first NHC works.

Writing a methodologically versatile, theoretically precise and sincerely global history of capitalism is, of course, something of an impossible dream. 'One would need to be a god to write a truly adequate history of capitalism', Sewell observes.[77] But recent directions in scholarship are encouraging. They provide a foundation of new materials, reinvigorated debates, and, above all, an enthusiasm for the study of economic life palpably absent when I entered graduate school nearly two decades ago. It is possible that the NHC designation will hereafter spin off in multiple directions, losing coherence as a

9781350290082_txt_rev.indd 158 19-03-2024 12:22:46

field. Such a fate would stem from a generational desire to push the limits of the earliest NHC scholarship, largely US-centred; but it would also attest to the latters' success in generating a site of fertile debate and interaction with, and between, those of us studying the 'rest' of the world.

Notes

1. See Kenneth Pomeranz and Prasannan Parthasarathi's chapter in this volume.
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3. K. Pomeranz (2000), *The Great Divergence: China, Europe, and the Making of the Modern World Economy*. Princeton, NJ: Princeton University Press.
4. See, for instance, W. Johnson (2013), *River of Dark Dreams: Slavery and Empire in the Cotton Kingdom*. Cambridge, MA: Belknap Press of Harvard University Press, 481 n20.
5. S. Rockman (2014), 'What makes the history of capitalism newsworthy?', *Journal of the Early Republic*, 34 (3), 439–40; S. Beckert and C. Desan (2018), 'Introduction', in S. Beckert and C. Desan (eds), *American Capitalism: New Histories*, New York: Columbia University Press, 1–2.
6. (2014) 'Interchange: The history of capitalism', *Journal of American History*, 101 (2), 504.
7. Sewell, 'Strange career'.
8. S. Rockman, O. Ahmad, M. Chen et al. (2021), 'History of capitalism bibliography', Brown University Library: https://doi.org/10.26300/z7sp-2v963; Beckert and Desan, 'Introduction', 2–4; 'Interchange', 506.
9. J. Schuessler (2013), 'In history departments, it's up with capitalism', *The New York Times*, 6 April 2013.
10. 'Interchange', 535.
11. S. Mihm (2007), *A Nation of Counterfeiters: Capitalists, Con men, and the Making of the United States*. Cambridge, MA: Harvard University Press; J. Levy (2012), *Freaks of Fortune: The Emerging World of Capitalism and Risk in America*. Cambridge, MA: Harvard University Press; B. Moreton (2009), *To Serve God and Wal-Mart: The Making of Christian Free Enterprise*. Cambridge, MA: Harvard University Press; L. Hyman (2011), *Debtor Nation: The History of America in Red Ink*. Princeton, NJ: Princeton University Press; J. C. Ott (2011), *When Wall Street Met Main Street: The Quest for an Investors' Democracy*. Cambridge, MA: Harvard University Press; S. Rockman (2009), *Scraping By: Wage Labor, Slavery, and Survival in Early Baltimore*. Baltimore, MD: Johns Hopkins University Press; E. E. Baptist (2014), *The Half Has Never Been Told: Slavery and the Making of American Capitalism*. New York: Basic Books; S. Beckert (2014), *Empire of Cotton: A Global History*. New York: Alfred A. Knopf; Johnson, *River of Dark Dreams*; C. Rosenthal (2018), *Accounting for Slavery: Masters and Management.* Cambridge, MA: Harvard University Press.
12. S. Beckert (2011), 'History of American capitalism', in E. Foner and L. McGirr (eds), *American Capitalism Now*. Philadelphia, PA: Temple University Press, 314–35; Rockman, 'What makes'; J. Sklansky (2012), 'The elusive sovereign: New intellectual and social histories of capitalism', *Modern Intellectual History*, 9 (1), 233; (2014) 'Interchange: The history of

9781350290082_txt_rev.indd 159 19-03-2024 12:22:46

capitalism', *Journal of American History*, 101 (2), 504–48; J. Sklansky (2014), 'Labor, money, and the financial turn in the history of capitalism', *Labor*, 11 (1), 23–46; S. Beckert and S. Rockman (2016), 'Introduction', *Slavery's Capitalism: A New History of American Economic Development*. Philadelphia, PA: University of Pennsylvania Press, 1–27; Beckert and Desan, 'Introduction'.

13. Beckert, *Empire of Cotton*, ch. 6; Mihm, *Counterfeiters*, 361–2.
14. Sewell, 'Strange career', 149.
15. Quoted in J. Schuessler (2013), 'In History Departments, It's Up with Capitalism', *The New York Times*, 16 April.
16. Sklansky, 'Elusive sovereign', 239–46.
17. Rockman, 'What makes', 442–3; Beckert and Desan, 'Introduction', 4–5.
18. 'Interchange', 516–29.
19. J. Levy (2017), 'Capital as process and the history of capitalism', *Business History Review*, 91 (3), 483–510; C. Rosenthal (2020), 'Capitalism when labor was capital: Slavery, power, and price in antebellum America', *Capitalism: A Journal of History and Economics*, 1 (2), 296–337; J. J. Clegg (2015), 'Capitalism and slavery', *Critical Historical Studies*, 2 (2), 281–304.
20. Rockman, 'What makes'.
21. For instance, Beckert and Desan, 'Introduction', 31 n51; Johnson, *River*, 481 n20.
22. Pomeranz, *The Great Divergence*, ch. 1.
23. P. Parthasarathi (2011), *Why Europe Grew Rich and Asia Did Not: Global Economic Divergence, 1600–1850*. Cambridge: Cambridge University Press, ch. 3.
24. Pomeranz, *Great Divergence*, chs 5 and 6.
25. Pomeranz, *Great Divergence*, 274–6.
26. Eric Williams (1966 [1944]), *Capitalism & Slavery*. New York: Capricorn Books, ch. 5.
27. Pomeranz, *Great Divergence*, 186–8.
28. Beckert, *Empire of Cotton*, xii–xv.
29. Baptist, *The Half*, 82–3, and 126–8, 315. See also Beckert and Rockman, 'Introduction', 8–9.
30. Beckert, *Empire of Cotton*, 61.
31. Baptist, *The Half*, 320–1.
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36. Pomeranz, *Great Divergence*, 49–53, 91–106.

9781350290082_txt_rev.indd 160 19-03-2024 12:22:46

37. Pomeranz and Parthasarathi in their chapter in this book make a point analogous to Banaji's argument about distinguishing forms of exploitation from a conception of modes of production that operate at a deeper level of analysis. Banaji, 'Modes of production', 50–61.
38. Johnson, *River*, 252–4; Johnson, 'Veil', 303.
39. Johnson, 'Veil', 304–5.
40. Olmstead and Rhode, 'Cotton, slavery', 8–12.
41. J. Oakes (2016), 'Capitalism and slavery and the Civil War', *International Labor and Working-Class History*, 89, 205–6.
42. Rosenthal, *Accounting*, 103; E. D. Genovese (1989), *The Political Economy of Slavery: Studies in the Economy and Society of the Slave South*. Middletown, NY: Wesleyan University Press, 16–17.
43. Pomeranz, *Great Divergence*, 166; R. B. Wong (1997), *China Transformed: Historical Change and the Limits of European Experience*. Ithaca, NY: Cornell University Press, 50–1.
44. Beckert, *Empire of Cotton*, xv–xvi; see Johnson, *River*, 11. Beckert's revival of the concept mirrors other recent works that have found merchant capitalism a newly relevant category for analysis; N. Lichtenstein (2012), 'The return of merchant capitalism', *International Labor and Working-Class History*, 81, 8–27; J. Banaji (2020), *A Brief History of Commercial Capitalism*. Chicago, IL: Haymarket Books.
45. 'Interchange', 522.
46. Johnson, 'Veil', 299–300; Sklansky, 'Sovereign', 234; Rockman, 'What makes', 450–2; Beckert and Rockman, 'Introduction', 9; Rosenthal, *Accounting*, 209 n4.
47. Rockman, *Scraping By*, 8. See also Rockman, 'What makes', 449–52.
48. Sklansky, 'Sovereign', 237–8; Sklansky, 'Labor, money', 34.
49. Johnson, *River*, ch. 9.
50. A. B. Liu (2019), 'Production, circulation, and accumulation: The historiographies of capitalism in China and South Asia', *Journal of Asian Studies*, 78 (4), 779–80. See also G. Arrighi (2007), *Adam Smith in Beijing: Lineages of the Twenty-First Century*. New York: Verso, ch. 1.
51. Beckert, *Empire of Cotton*, xviii.
52. M. Desmond (2019), 'American capitalism is brutal. You can trace that to the plantation', *The New York Times*, 14 August 2019.
53. For 'central' see Hyman, 'Interchange', 515; Rockman, 'What makes', 445; Beckert and Rockman, 'Introduction', 10; for 'decisive', see Beckert and Rockman, 'Introduction', 3; for 'constitutive', Beckert and Rockman, 'Introduction', 10; for 'integral', Rockman, 'What Makes', 444; for 'essential', Beckert, *Empire of* Cotton, 91; for 'crucial', Baptist, *The Half*, xxi; for 'necessary', Baptist, *The Half*, 414.
54. For 'depended', see Johnson, *River*, 7; Beckert, *Empire of Cotton*, 119; Baptist, *The Half*, 311–22; for 'slavery racial capitalism', Johnson, *River*, 10–14.
55. G. Wright (2020), 'Slavery and Anglo-American capitalism revisited', *Economic History Review*, 73 (2), 358–66; T. Burnard and G. Riello (2020), 'Slavery and the new history of capitalism', *Journal of Global History*, 15 (2), 234–8.
56. Wright, 'Revisited', 367–72.
57. Wright, 'Revisited', 372; Burnard and Riello, 'Slavery', 238–40. See also Olmstead and Rhode, 'Cotton, slavery', 3–7. Here, I am referencing Wright's sentiments from an earlier draft: 'The Industrial Revolution and slave-grown cotton were undeniably linked, but this connection

9781350290082_txt_rev.indd 161 19-03-2024 12:22:46

was no means historically inevitable or necessary. As will be argued here, that is the true tragedy of American slavery'.

58. Johnson, *River*, 254, 10.
59. See Oakes, 'Civil War', 216–18. The exception here is Beckert's careful distinction between 'war' and 'industrial capitalism'. Nevertheless, Oakes and Wright both contend that Beckert's distinctions were in contradiction to his broader generalizations.
60. S. Hahn (2021), 'The arch of injustice', *Public Books*, 16 February 2021, https://www.publicbooks.org/the-arch-of-injustice
61. W. H. Sewell Jr (2008), 'The temporalities of capitalism', *Socio-Economic Review*, 6 (3), 533.
62. Burnard and Riello, 'Slavery', 226, 234, 239–40.
63. Rockman et al., 'Bibliography'.
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9781350290082_txt_rev.indd 162 19-03-2024 12:22:46

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74. Jakes, *Egypt's Occupation*, 17–18.
75. N. Enstad (2019), 'The "sonorous summons" of the new history of capitalism, or, what are we talking about when we talk about economy?', *Modern American History*, 2 (1), 83–95.
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77. Sewell, 'Temporalities of capitalism', 535.

9781350290082_txt_rev.indd 163 19-03-2024 12:22:46