

A History for the Future: *Radical Markets* and the Work of History

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This essay will consider how Radical Markets both impels new avenues for historical research and how historical research might advance the insights of this book. Firstly, I show how the book's emphasis on the combination of corporate monopoly power, often supported by the state, in distorting markets might lead us to rethink certain commonplaces in economic history. Secondly, I consider how the history by which women's work came to be recognized as labor might enrich our view of the book's suggestion for treating data as labor. Finally, I end with some concrete proposals for how Radical Markets might nourish a new knowledge cluster across disciplinary boundaries within the academy.

In the wake of the financial crisis of 2008, a new crop of historians undertook research that, in retrospect, marked a historiographical turning point in the field. This new history of capitalism, as it came to be known, reconstituted the field not as a microcosm of the ideological battleground of the Cold War, but rather as a field of enquiry that reflected the anxieties of our generation: an urgent desire to understand what Wall Street has wrought in the world. As an article in the *New York Times* from 2013 put it, “The dominant question in American politics today, scholars say, is the relationship between democracy and the capitalist economy.”¹

Capitalism, in historical research, is a surprisingly under-specified term.² The older tradition of scholarship, rooted in Marxist historiography, understood it as a specific, historical form of labor exploitation marked by surplus accumulation based on labor extraction, market-driven labor (as opposed to feudal or

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¹ Jennifer Schuessler, *In History Departments, It's Up with Capitalism* (NY Times, Apr 6, 2013), archived at <http://perma.cc/SYR7-RA7F>.

² Note that Posner and Weyl use the word in its ideological sense rather than as a descriptive term of a historical economic system: “We will use the term *capitalism* to refer to this idealized historical version of markets, in which governments focus on protecting private property and enforcing contracts.” Eric A. Posner and E. Glen Weyl, *Radical Markets: Uprooting Capitalism for a Just Society* xvi (Princeton 2018). As we will see below, this distinction is crucial.

ritualized systems of labor, or chattel slavery), and private property defended by a liberal state.³ In this tradition, the origins of capitalism can be found in the enclosure of the commons in European societies, beginning with Elizabethan England. Alongside this agrarian model, there existed a parallel tradition of scholarship focused on the role of commercialization in the origins of modern capitalism, in which the early modern Dutch, rather than the English, were the vanguards.⁴

By contrast, other strands of scholarship, particularly after the cultural turn of the 1980s, instead deploy the term “capitalism” as a description of a particular form of modernity, in which Enlightenment discourses of freedom, individualism and liberalism often paper over the alienation, disenchantment and even violence of capitalist societies toward workers and consumers.⁵

The adherents of the former school often dismissed the latter for its discursive emphasis, at the expense of a technical understanding of the material conditions of capitalism, while the latter, rightly, repudiated the Eurocentric bias of their rivals, which

³ This strand, beginning with Karl Polanyi’s classic, *The Great Transformation* (Farrar and Rinehart 1944), reached its culmination with the debates surrounding Robert Brenner’s work in the 1970s. For a convenient compilation of the works in question, see generally Trevor Aston and C.H.E. Philip, eds, *The Brenner Debate: Agrarian Class Structure and Economic Development in Pre-Industrial Europe* (Cambridge 1985). The *locus classicus* of the idea of slavery marking a sharp division between capitalist and non-capitalist production can be found in Eugene Genovese’s seminal work, particularly *Roll, Jordan, Roll: The World the Slaves Made* (Pantheon 1974).

⁴ Marx himself declared the Dutch Republic the model capitalist nation of the seventeenth century. For early examples of this strand of scholarship, see generally Violet Barbour, *Capitalism in Amsterdam in the Seventeenth Century* (Johns Hopkins 1950) and Herman van der Wee’s monumental three-volume *The Growth of the Antwerp Market and the European Economy* (Nijhoff 1963). For a recent synopsis and articulation of this thesis, see generally Jan de Vries and Ad van der Woude, *The First Modern Economy* (Cambridge 1997).

⁵ Here, the long tradition of historiography nourished by Max Weber and later the Frankfurt School, which rejected the Marxist dismissal of culture and ideology as irrelevant to the development of the material conditions of the modern world, is germane. An excellent recent example of this model of inquiry is Jeffrey Sklansky, *The Soul’s Economy: Market Society and Selfhood in American Thought, 1820–1920* (UNC Press 2002). Sklansky traces a shift in American notions of selfhood and society from an eighteenth century understanding of freedom and equality based on ownership of the means of self-employment. Yet, as slavery increased landholding and industrial monopolies arose, large landowners and industrialists claimed the right to rule as a privilege of their growing monopoly over productive resources. In the wake of this widening class divide, nineteenth century social theorists like Ralph Waldo Emerson, Margaret Fuller, Henry George and William James, came to offer an alternative vision of freedom based on psychic self-expression rather than economic self-interest, and redefined democracy in terms of cultural kinship.

ignored the histories of imperialism and colonialism that were implicated in capitalist development.⁶ Most controversially, this oversight rendered the importance of slavery in the development of capitalist economies invisible.⁷

The new historiography of capitalism is beginning to bridge this divide, by taking as its starting-point not the rise of private property in Europe but the American slave economy.⁸ A second strand also began to investigate the genesis of the modern financial system, shifting the focus from labor and production to processes of commodification in understanding the history of capitalism.⁹ This emerging corpus addresses precisely the question raised in the *New York Times*: taken together, it provides a genealogy for the racially-riven capitalist democracy of America today.

⁶ Famously, in a departure from Marx's more benign view of colonialism, Lenin saw in capitalism the highest state of imperialism, a view that would shape the historiographical debates engendered by Immanuel Wallerstein's landmark four-volume *The Modern World System* series. See generally, for example, *The Modern World-System I: Capitalist Agriculture and the Origins of the European World-Economy in the Sixteenth Century* (Academic 1974) and *The Modern World-System II: Mercantilism and the Consolidation of the European World Economy, 1600–1759* (Academic 1980). While historians like Fernand Braudel and Carl Hanson have embraced this view, critics including Jan de Vries have been skeptical, in part of the empirical overstatement of the importance of trade to the European economy in the early modern period.

⁷ In the US, the historian W. E. B. Dubois was the first to cast black slaves as workers, demonstrating the continuity between American slavery and capitalism in *Black Reconstruction in America: An Essay toward a History of the Part Which Black Folk Played in the Attempt to Reconstruct Democracy in America, 1860–1880* (Harcourt Brace 1935). C. L. R. James's *A History of Negro Revolt* (Fact Ltd 1938) repeated the idea that slavery was at the heart of American capitalism. His student, Eric Williams, would flesh out this suggestion in his landmark work, *Capitalism and Slavery* (UNC 1944), which was debated but dismissed. In part due to the segregation of the academy, these landmark works would not engender a research agenda until the very recent advent of the new history of capitalism. In a different radical tradition, the American anarchist Emma Goldman saw no distinction between the slave and the waged worker under capitalism in terms of the material and political conditions of unfreedom and exploitation both experienced.

⁸ Significant works in this new historiography, which places slavery at the heart of the origins of American capitalism, include Sven Beckert's *Empire of Cotton: A Global History* (Knopf 2014); Walter Johnson, *River of Dark Dreams: Slavery and Empire in the Cotton Kingdom* (Harvard 2013); Edward Baptist, *The Half Has Never Been Told: Slavery and the Making of American Capitalism* (Oxford 2015); and Diana Ramey Berry, *The Price for Their Pound of Flesh: The Value of the Enslaved, from Womb to Grave, in the Building of a Nation* (Beacon 2017).

⁹ Significant works in this strand include Louis Hyman, *Debtor Nation: The History of America in Red Ink* (Princeton 2011); Julia C. Ott, *When Wall Street Met Main Street* (Harvard 2011); and Jonathan Levy, *Freaks of Fortune: The Emerging World of Capitalism and Risk in America* (Harvard 2012). Arguably, the strand of the new history of capitalism focused on slavery is a special case of this turn towards the study of commodification.

Certainly, the new history of capitalism shows continuities with earlier historiographies.¹⁰ Yet, what is most striking about this new body of work is its return to older traditions of political economy to understand capitalism as fundamentally politically constituted. In doing so, these historians transgress the boundaries of states and markets, of politics and economics, and of the private and public spheres—and in doing so, undermine many of the discourses of capitalism which mask precisely the ways in which it distorts markets and democracy.

The obvious resonance with the underlying premises of *Radical Markets* suggests the ways in which the historical discipline is fertile ground for disseminating and propagating the ideas seeded in this landmark work.¹¹ Historians have long recognized the chasm between liberal ideologies of free markets and individual autonomy, and the political and material conditions of capitalism in service of which these discourses are deployed. The new history of capitalism is another iteration of this tradition in the field to recognize the unfreedoms at the heart of the “free market.” Yet, the conflation of the notion of free markets with capitalism is one of the most pernicious, and self-perpetuating mechanisms of capitalism. In America particularly, it has rendered critiques of capitalism as being tantamount to critiques of freedom itself.¹²

¹⁰ For a forceful critique of the slave-centered strand of this historiography, rooted in part in the ways this literature ignored earlier debates on the cotton-slave economy and some empirical deficiencies, see generally Alan L. Olmstead and Paul W. Rhode, *Cotton, Slavery, and the New History of Capitalism*, 67 *Explorations in Econ Hist* 1 (2018). Though the authors’ contention that slavery was ultimately inimical to long-term growth is correct from a bird’s-eye perspective that fails to distinguish distribution of growth across various social groups, the authors de-emphasize the long-term profitability of the racial regime engendered by slavery to white property owners, whose farm sizes increased, at the expense of both enslaved blacks and poor whites. For a nuanced exploration of the co-evolution of racial regimes and private property in the South, see Nathan Connolly’s brilliant exploration of the Miami property market, *A World More Concrete: Real Estate and the Making of Jim Crow Florida* (Chicago 2014). As Connolly shows, black and white landlords embraced segregation as a means to monopolize private property leading to a system in which the rental rate of investment on black tenants soared to 27 percent compared to 6 percent for white tenants.

¹¹ See especially Posner and Weyl, *Radical Markets*, 16–25, 34–49, 173–75 (cited in note 2).

¹² In this light, the observations of an economist like Branko Horvat, a citizen of the former Yugoslavia and a self-avowed socialist, can be easily dismissed as ideologically motivated. Yet, *Radical Markets* reflects his own acute observation: “It is now well known that capitalist development leads to the concentration of capital, employment and power. It is somewhat less known that it leads to the almost complete destruction of economic freedom.” Branko Horvat, *The Political Economy of Socialism* (M.E. Sharpe 1982).

Yet, over the course of the twentieth century, capitalist democracies and communist dictatorships have produced strikingly similar discourses and discontents. In a landmark essay comparing the development of Karaganda, Kazakhstan, and Billings, Montana, the historian Kate Brown observed that, despite the obvious dissimilarities between “the penal Kazakh steppe and the free market American frontier,” the ways in which these cities came into being involved similar processes of labor and expansion, with its attendant brutalities and suffering, but also similar discourses of improvement, freedom, and opportunity.¹³

In this light, the salient historical question to investigate is why, on either side of what became the Iron Curtain, did historical conditions prevent the development of genuinely free markets? Put this way, what requires investigation is the historical development of monopolistic control of productive resources, whether by states or by private corporations.

Furthermore, as the earlier discussion of the new history of capitalism might suggest, shifting the geographical center of gravity of this historiography from the commons and commercial centers of Europe to the cotton fields and cities of America has its own intellectual and political limits. Not only does it fail to recognize the similarities between the ways in which capitalist societies and communist ones curtail freedom, capitalism itself continues to remain conceptually under-determined.¹⁴ *Radical Markets* offers a clear solution to this problem in its sharp recognition of the *mechanisms* underlying the ways in which capitalism functions: the combination of corporate monopoly power, supported by the state, distorts capitalist markets to produce inequality. At the heart of this trenchant critique is the recognition that private property is the beginning of corporate monopoly— with fundamentally undemocratic consequences.

¹³ Kate Brown, *Gridded Lives: Why Kazakhstan and Montana Are Nearly the Same Place*, 106 *Am Hist Rev* 17, 20–21 (2001).

¹⁴ This is in part because the new history of capitalism continues to be split between an agrarian-centered approach, and a financial focus. Furthermore, even as certain scholars have argued for expanding definitions of capitalism to capture the insidious ways it has affected every aspect of modern life, others have called for greater technical specification. For examples of the former, see Seth Rockman, *What Makes the History of Capitalism Newsworthy?*, 34 *J Early Republic* 439, 466 (2014); Jeffrey Sklansky, *The Elusive Sovereign: New Intellectual and Social Histories of Capitalism*, 9 *Modern Intellectual Hist* 233, 233–34 (2012). For an example of the latter strand, which nonetheless marks a significant shift from the earlier Marxist tradition, which focused on a materialist definition of capital tied to production, see Jonathan Levy, *Capital as Process and the History of Capitalism*, 91 *Bus Hist Rev* 483, 485–88 (2017).

As a historian of the early modern world, this process is both familiar and fresh— early modern state formation in Europe involved the increasing consolidation of the state over various, previously decentralized social functions, from taxation to warfare, to a form of cultural hegemony in territorial units that would come to define the nation-state. Yet, even as elites relinquished certain forms of seigneurial or private power to a centralizing state, private property became a means to both protect a form of elite autonomy and a marker of such autonomy. As the great historian of early modern France, James Collins, puts it:

The transformation from multiple identity central political units to more simply defined ones, that is, the evolution to the nation-state, required a solution that would protect this private property; the solutions, in England, France, and Holland, reflected the primacy of the consent of the governed in the construction of political legitimacy, and the critical balance between rights of private property and state authority. In the long run, this solution led to the creation of nation-states in which property holders guaranteed themselves control over the legislative process, which allowed them to create the definition of property and then to protect such property from the state, yet simultaneously to use the state to protect their property from the propertyless.¹⁵

As this suggests, this relationship between the private and state consolidation of power lies at the foundation of both capitalism and democracy, as it currently stands.

Collins's formulation suggests that this process has been conflictual, as private property-holders attempted to subordinate the state to their interests. From the point of view of a historian of early modern imperial expansion, however, this appears to be a symbiotic relationship which allowed a means of distributing and managing risk, that in turn allowed European states to expand across the Atlantic and Indian Oceans, even as European traders entered new markets in these regions. Indeed, the Indian Ocean, prior to the intrusion of the Portuguese, modeled a very different relationship between state sovereignty and markets: when Vasco da Gama rounded the Cape of Good Hope, he stumbled into a

¹⁵ James Collins, *State Building in Early Modern Europe: The Case of France*, 31 *Modern Asian Stud* 603, 603 (1997).

world webbed by various ecumenical, diasporic, and market networks predicated on the premise of absolutely free access to the ocean. The open, peaceful, cosmopolitan structure of Indian Ocean port cities, where the rules of sovereignty that pertained in the interior were relaxed, was crucial to this free market.¹⁶ The Portuguese immediately sought to change these conditions, demanding the exclusion of Muslims from the ocean, and then violently imposing a system of licenses. As Engseng Ho puts it:

From the European perspective, what was strange about this rich world of the Indian Ocean and its international economy was that no one state controlled it, or even had the idea of doing so . . . What made this period distinctive was the new importance of state violence to markets, of power to property, flag to trade, and their inseparability . . . The marriage of cannon to trading ship was the crucial, iconic innovation. Whether markets were free or not, power over the ocean itself needed to be monopolized.¹⁷

By the seventeenth century, for all the European powers, the fundamental mechanism for this process of European expansion was the monopolistic trading-company, supported by the state. Yet, even as the freedom of the Indian Ocean market was radically curtailed, an apologetics centered on its freedom that supported this expansionist process emerged.¹⁸ Yet again, a discourse of freedom masked a process of monopolistic consolidation.

Placing the development of monopolies and their relationship to the state at the heart of our historical inquiry into the history of capitalism opens up new possibilities for comparative historical

¹⁶ For an analysis of this historical context, Michael Pearson's seminal work is germane, from his classic *Merchants and Rulers in Gujarat: The Response to the Portuguese in the Sixteenth Century* (California 1976) to his most recent work, *Port Cities and Intruders: The Swahili Coast, India, and Portugal in the Early Modern Era* (Johns Hopkins 2019).

¹⁷ Engseng Ho, *Empire through Diasporic Eyes: A View from the Other Boat*, 46 *Comp Stud in Socy and Hist* 210, 217–18 (2004).

¹⁸ Hugo Grotius's *Mare Liberum* (1609), which formulated the principle that the sea was international territory and free to use for seafaring trade, was intended to support Dutch expansion. It is no accident that he worked closely with the directors of the Dutch East India Company (*Vereenigde Oostindische Compagnie*), particularly during the years he wrote and published the work. Martine Julia van Ittersum, *The Long Goodbye: Hugo Grotius' Justification of the Dutch Expansion Overseas, 1615–1645*, 36 *Hist European Ideas*, 386, 386–89 (2010).

research which avoids many of the pitfalls of earlier historiography. Yet, if *Radical Markets* promises to enrich, revitalize and reorient existing strands of historiography, what can history offer *Radical Markets*?

One of the most important radical potentialities of the historical discipline is its ability to unsettle what appears to us to be the natural order of the world. If *Radical Markets* has shown the fundamental disjuncture between capitalism and genuinely free markets, historical narratives that demonstrate precisely how this conflation came to be can help to destabilize the equation of capitalism with freedom—and thus open the path towards a future beyond capitalism.

Secondly, history can also help us imagine ways to create *Radical Markets*. One of the most intriguing and innovative suggestions in the work is its proposal to treat data as labor. The suggestion appeared to me to be the starting point of a movement that makes visible a certain type of productive work that has hitherto gone unrecognized as labor, with appalling consequences. Yet, history shows us that such forms of invisible work can indeed come to be recognized as labor—with salutary effects beyond the just compensation of such labor.¹⁹ The history of how women’s work in the US came to be recognized as labor is especially interesting in this regard.²⁰

In the late nineteenth and early twentieth centuries, domestic work was not recognized as labor by the law, by unions, and even by most workers.²¹ In part, this reflected the definition of the household as beyond the sphere of waged labor in law.²² Even as the New Deal extended national regulation of labor rights and social insurance to workers, through the National Labor Relations Act, the Fair Labor Standards Act, and the Social Security

¹⁹ Indeed, Posner and Weyl make precisely this comparison when they write: “Data work, like ‘women’s work’ and the cultural contributions of African Americans at one time, has been taken for granted.” Posner and Weyl, *Radical Markets* at 209 (cited in note 2). Of course, the problem is compounded when we consider that “data work” at one time *was* women’s work. See Marie Hicks’s provocative examination of the loss of competitiveness of the British computing industry due to its discrimination against its most qualified workers—women. Marie Hicks, *Programmed Inequality: How Britain Discarded Women Technologists and Lost its Edge in Computing* (MIT 2017).

²⁰ I wish to thank my colleagues Marcia Chatelain and Joseph McCartin for their bibliographic suggestions for this section. Joseph’s generosity in particular went well beyond my expectations and I am most grateful for his expertise.

²¹ Susan Strasser, *Never Done: A History of American Housework* (Pantheon 1982).

²² Eileen Boris, *Home to Work: Motherhood and the Politics of Industrial Home Work in the United States* (Cambridge 1994).

Act, domestic workers, like agricultural workers, continued to remain invisible as labor to the state. Prevailing racial and gender ideologies, which devalued black and female labor and sought to reward and support male breadwinners, were thus codified into legal regimes.²³

The process by which such work came to be recognized as labor was driven largely through the organization of workers themselves. Tera Hunter's extraordinary work, for example, traces the ways in which African-American washerwomen and day workers in the late nineteenth century organized themselves, leading to a dramatic series of strikes and protests in various southern cities in the period to resist the ways in which both employers and city officials controlled and exploited their labor.²⁴ Informal ties centered in black neighborhoods that connected the private world of household workers and the public world of political activism were crucial to this process.

These movements to make invisible work be socially and legally recognized as forms of labor continued throughout the twentieth century. In the 1940s, for example, as post-war families sought solutions for child care in new suburban housing developments, babysitters came to gain enormous cultural importance. Less recognized was their economic importance as workers, yet a "militant minority" sought to organize themselves. These early forays into babysitter union activity in the 1940s would eventually find flower in the 1990s, as babysitters wore their activism quite literally on their sleeves: babysitters proudly wore t-shirts proclaiming their membership in "Sitters, Inc." and outlining their going rates. Despite occasional support from feminists,

²³ Alice Kessler-Harris, for example, shows how Social Security advocates sought to build support for this new program by promoting it as an honorable way for working men to support themselves and their family after retirement. Women were conspicuously absent from the debate. Yet, the rhetoric of a "fair" entitlement attracted women after WWII, who eventually overturned provisions which pegged benefits at a lower rate for married women workers. A program originally designed to provide equity and support to male workers was forced to change in the face of a workforce increasingly filled with female breadwinners. Alice Kessler-Harris, *In Pursuit of Equity: Women, Men and the Pursuit of Economic Citizenship in 20th Century America* (Oxford 2001).

²⁴ Tera Hunter, *To Joy My Freedom: Southern Black Women's Lives and Labors after the Civil War* (Harvard 1998). As Hunter herself notes, Stacey Abrams's remarkable gubernatorial campaign appeared to be another chapter in this history of activism, in which African-American women, and domestic workers in particular, played a central role. See Tera Hunter, *Fighting for Stacey Abrams and Empowerment in Georgia*, (NY Times, Nov 5, 2018), archived at <http://perma.cc/5PVX-HVME>.

babysitters' requests for licensing regulations or workmen's compensation remained largely invisible—in part because of their inability to connect the private sphere in which they worked and public activism.²⁵

More successful were the domestic workers who organized in the wake of the New Deal to have their work recognized as labor. Dismissed by mainstream labor as “unorganizable,” African-American household workers created new strategies for social change, including powerful modes of storytelling, and forged alliances with both women's rights and black freedom movements in the 1960s and 1970s. In part because of their activism, Congress would come to amend the Fair Labor Standards Act in 1974 to extend minimum wage protections to domestic workers.²⁶

What made these African-American women so successful in making their work visible as labor, while others failed? The key lies in their ability to forge alliances and in their ability to transgress the boundary between private and public— itself one of the outcomes of the concomitant process of early modern state and monopoly formation outlined above. Social media also blurs this boundary, such that a corporate platform like Facebook is treated by many as a new public sphere— yet, by presenting itself as a quasi-public entity, it masks the fundamental process by which its value is generated. Treating data as labor would fundamentally destabilize the monopolies companies like Facebook enjoy— and as we have seen, such monopolies are likely to deploy their considerable resources and their influence on the state to protect themselves. In such a scenario, to have the generation of data be recognized as labor would require a broad-based movement that demands dignity and fair treatment of workers in the digital economy—and history shows us how such movements can be successfully organized.

It was historians of the nation that helped build a world of nations. A history for the future is thus vital to the work *Radical Markets* has the potential to do in the world— not only in helping to historicize and thus denaturalize the current capitalist order of unjust monopolies and rising inequality, but in organizing for a new one.

²⁵ Mirian Forman-Brunell, *Babysitter: An American History* (NYU 2009).

²⁶ Babysitters and home health workers continued to be excluded. See Premilla Nadasen, *Household Workers Unite: The Untold Story of African American Women Who Built a Movement* (Beacon 2015).