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THE ECONOMIC MIND IN AMERICAN CIVILIZATION: A REVIEW¹

A. B. WOLFE

ACCORDING to the jacket, this work is “a history of the American contribution of economic thinking—a fundamental study in our culture.” It is important to note that it deals with the economic mind of the American people—all sorts of people. It is not *Dogmengeschichte* in the sense in which the ordinary history of economic doctrine is. To what extent its subject matter is economic “thinking” is a matter of definition. The present two volumes bring the study down to 1865. A further study of the period following is promised for publication shortly.

The author starts with an excellent brief survey of “the English Heritage.” Essentially it was aristocratic in its devotion to “order,” that is, the *status quo*; commercial in its interests; and mercantilist in its ideology and policy. Then, for ten chapters and 240 pages, he takes us through the tobacco economy of Virginia, “the New England Way” (the economy of Puritan theocracy), and the Revolution, with a brief glance at commercial New York, a long account of the role of paper money in the Colonies, and chapters on “William Penn: Feudal Lord and Man of Commerce” and the two disciples of Penn, “Benjamin Franklin: Gentleman of Commerce” and “John Woolman: Quaker Humanitarian.” A chapter on the “Political Economy of the Eighteenth Century” gives the views of a score or so of Colonials, most of whom this reviewer, at least, never heard of. Obscure or not, however, most of them seem to have been decided economic royalists.

The rest of Volume I takes us through the post-Revolution problems of adjustment, a

decade of Federalist power, the “victorious Republicans,” the war for “free trade and seamen’s rights,” the era of “good feeling,” the social philosophies of the Founding Fathers, and, finally, “the international commercial mind.” In presenting his material, Professor Dorfman has made as good a pragmatic compromise between a topical and a chronological arrangement as could be expected. Nevertheless, it will be a wary reader who does not occasionally lose his way. There are many abrupt turnings and broken trails.

Dorfman is correct, of course, in his belief that “economic thought shares the characteristics of the contemporary forces [interests?] at play” (Preface, p. ix). In the two hundred and sixty years covered by these two volumes, the specific forms and occasions of interest-conflicts naturally changed from time to time, but not their basic character. From Colonial times on, the “economic mind” was powered by material acquisitive motives, complicated by sectional and class interests which dominated, then even as now, the political stage. Down to the time of Jackson at least, despite a little infiltration of Adam Smith and Ricardo among the few academic intellectuals, what economic thinking there was in this country was the crassest kind of mercantilism. Within its limits there was much naïve controversy over agriculture versus “commerce,” which impresses us as quaint and antique until we remember that the issue between the *Agrar-* and the *Industriestaad* ideas was a lively one in Germany down to the end of the nineteenth century.

Other perennial interests and issues were paper money and banking, land speculation and policy (with persistently recurrent proposals to make land the backing for liberal issues of inconvertible currency), taxation and the public debt, the tariff, slavery, and, in the later years, internal improvements.

¹ Joseph Dorfman, *The Economic Mind in American Civilization, 1606-1865*, Vols. I and II. New York: Viking Press, Inc., 1946. Vol. I: pp. xii + 499 + xxxi; Vol. II: pp. vii + 503 - 987 + lv. \$7.50, boxed. The two volumes are continuously paged. There are eighty-six pages of bibliographical notes.

The author has not sought the economic mind of America exclusively—hardly at all, in fact—in the professional economists; understandably so, for we tend to forget how few of them there were. Rather, he has found that mind not exactly in the common man but in the opinions and sentiments of a great array of individuals, some prominent, many obscure, who in one way or another got into print. Unavoidably, this takes the author into political literature, and keeps him there, from the *Federalist* and the state papers of Hamilton and Jefferson to books and letters, newspapers, propaganda pamphlets, and blatant political speeches. The result is quite as much a history of political views and issues as it is of economic thought. It appears not as an integrated account of the evolution of American economic thinking but as a strand on which the author strings his abstracts of the ideas of the various men—and a woman or two—whose published pronouncements, by virtue of a decade of labor, he has disinterred from dust-incrusted stacks and files. This reviewer, for one, being neither a historian nor addicted to submitting voluntarily to cruel and unusual punishment, wishes Dorfman had left a lot of them resting there in innocuous oblivion. Having set his course, Dorfman has to be extremely catholic in his inclusiveness. A campaign document is as good a source as a treatise on economics or a disquisition on moral philosophy (which has had more to do with economic slants and prejudices than we ordinarily realize). It is as if one writing on present-day economic thought based his analysis as much on the speeches of Mr. John W. Bricker, Mr. Henry Wallace, editorials of the *Chicago Tribune* and *P.M.*, and the propaganda literature of the C.I.O., the A.F. of L., the United States Chamber of Commerce, the National Manufacturers' Association, and the various farm blocs, as on Hansen and Hayek, the economic journals, and the *Proceedings* of the American Economic Association. Something may be said for such a procedure, but only on the understanding that we are surveying economic rationalization

rather than economic ratiocination. In fact, it is from this angle that the book should be evaluated. It is a study of the economic "mind," not specifically of economic "thought." "Mind" covers a lot of processes other than thinking. It includes fixations, prejudices, intolerances, feelings, sentiments—in fact, the whole range of affective states which condition what we loosely and inaccurately call "opinion." Dorfman's contribution can therefore be regarded as a historical study of the climate of opinion or of the sociology of "knowledge." Only so is it possible to understand or to justify the range and inclusiveness of his source material.

Obviously, Dorfman means to let the sources speak for themselves. He keeps himself in the background, though one has the feeling that he is somewhere about all the time. He cites no secondary sources. Commons' *Documentary History of American Labor*, for example, which might be supposed to throw some light on certain aspects of the American economic mind, is not mentioned.

If Dorfman's purpose is to let the economic (political?) mind reveal itself, we must conclude that he has accomplished his purpose, provided that an author has no responsibility to ease the task of his readers and provided that we are sure that he has selected and represented his sources without bias. There is no apparent reason to think that he has not done so. One cannot help imagining, however, that he is not without a subtle satisfaction in the discovery that the politicians of 1760 or 1840 were not different—not much worse or much better—than those of today. But Dorfman is not the first to make this discovery, whether it is true or not. Consequently, if even the Founding Fathers are revealed by their writings—and especially by the biographical sketches Dorfman provides of many of them—as not entirely absorbed in the public welfare, to the total neglect of their personal material interests, it comes as no great shock. The market has been discounted beforehand.

We do not mean to imply that Dorfman

neglects such "academic" economics as there was. Two chapters deal with the "higher learning," from 1789 to 1829 and from 1829 to 1861. In the earlier period the meager facilities for higher education were not only clearly dominated by the clergy but also subject to the constant interference of political factions. (Some of the cloth were not averse to taking a turn in politics, on occasion.) In the latter period the clergy no longer had control, but politics was still much in evidence. Despite this—or because of it—education now had the high moral task of combating radicalism. Moral philosophies with a purpose—the preservation of private property and the status quo—appeared, as well as a considerable number of texts on political economy, none of which raised any question about the finality of capitalism and private enterprise. The textbook writers belonged, however, to diverse "schools"—the northern *laissez faire* (McVickar, Young), the southern *laissez faire* (Cooper, George Tucker, Cardozo), the "American system" (Raymond, List, Jennison, Phillips, Alexander Everett). At that time, incidentally, there appeared the *True Principles of Political Economy, in the Form of a Romance*, by one David Stirrat, who argued for public works and a national income tax and was not afraid of a big national debt. A New Dealer, in 1824! Dorfman's discussion of these writers suffers from the dullness which seems inescapably indigenous to all histories of economic doctrine. They are pretty dreary stuff, wherever you find them.²

In Volume II, sixty pages devoted to "The Labor Literature" touch on the political incident of the Locofocos but deal mainly with the radical movements characteristic of the time. Here we meet with Albert Brisbane; Joseph Warren, the philosophical anarchist; the German Communist, Weitling; and the English Chartist, John Bray, together with others less well remem-

bered or completely forgotten—Orestes A. Brownson, Edward Kellogg, John Fitzer and his vision of the machine age, and Gilbert Vale, "disciple of Paine." As everyone knows, there was in the 1830's and 1840's an epidemic of extremely radical sentiment and schemes, derived in part from religious enthusiasms, in part from the influence of European utopian socialists, and in part from indigenous movements, like the Women's Rights Convention in Seneca Falls in 1848, which were bent on pushing the democratic ideal through to its logical conclusions. Dorfman makes only incidental reference to Brook Farm and to Owen and New Harmony; and he neglects the Transcendentalists entirely, although Emerson and especially Thoreau might be thought to have had some slight influence on the American "economic mind." One wonders also why there is no mention of the Oneida Community and John Alexander Humphrey Noyes, as well as of the lesser communistic experiments. Such experiments were, to be sure, powerless to turn the main current of American economy, but they were a part of the picture. There is no mention of Brigham Young and the Mormons, although they could not have been without some significance. If they had no permanent influence on the climate of economic opinion in America, east of the Rockies at least, they were certainly as important as men like Etzler and Starrit.

Earlier reviewers have acclaimed this work as a great piece of scholarship. It is, if one thinks of scholarship as the process of raking sources with a fine-tooth comb. Professor Dorfman has been engaged in research for these volumes since 1934; they obviously represent an amount of labor which would have stopped a less stouthearted student in his tracks. But to the present reviewer the product of this monumental labor is nearer the nature of a source book than of a work of finished scholarship. On the surface, there is little of Dorfman, the thinker and critic, and a great deal of Dorfman, the deliver. Outside the Preface, which is brief but excellent, he gives his reader little help. There

² A fuller discussion of academic economics in America is provided by Michael O'Connor's *Origins of Academic Economics in the United States* (New York: Columbia University Press, 1944).

are no summaries. The author knows the forest, but the reader is likely to see not much but a lot of trees. Only a reader of unusual resourcefulness and uncommon persistence will be able to carry away from these 987 pages much more than confused and amorphous impressions. The work will probably be of great value to professional American historians, but we much doubt whether it will attain anything like the place in our general sociohistorical literature held by the works of Parrington and Beard—even, as the publisher suggests, as an “antidote” to them.

Dorfman is a recognized scholar, but he cannot be regarded, at least in this work, as an artist. There is no selectivity, nor are there high lights. The perspective is flat. In page after page and chapter after chapter we are told in paraphrase or direct quotation what this one and that one said in print. And the number of persons whose “thought” we are informed about is appallingly large. Naturally, a large proportion of them were relative nonentities. While the book is doubtless good history, it is poor historiography. It is hardly literature.

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