Drew Young

Whose Revolution?: Inequality in the Colonial Americas and the Framers Intent for a More Just Society

The Founding of the United States was, above all, an exercise in contradiction. The ideals espoused in the Constitution faced challenges to their implementation from the moment the ink was dry, both philosophically and practically. The founding era is often portrayed as driven by the elite, with their own interests in mind. However, this excludes critical components of the narrative. The American Revolution was a populist revolt that engaged every socioeconomic class in resistance to ministerial inefficiency and economic overreach by the ruling powers in England. The statecraft following this violence was a direct reaction to perceived slights of the institutional system, and the institutions that were created in its wake were themselves inseparable from the class struggle that preceded them. In an era of persisting and expanding inequality, it is a critical moment to revisit these American ideas. Foremost among them is that the Framers, contrary to popular narratives, used the unique opportunity of the founding to establish the roots of an egalitarian society that prized equity and championed just distribution of resources.

The last fifteen years have seen a resurgence of acceptable political discourse surrounding democratic socialism, and its interpretation as a method of achieving a more just society. Candidates have been elected on explicit Democratic Socialist platforms[[1]](#footnote-1), and the 2020 democratic primary has thus far been a race to the left on issues like healthcare and reparations for Americans of African descent. The presently polarized political climate has created a less than prudent discussion on these issues, and has latched on to Cold War era tropes surrounding socialist policies. Is Socialism, or the broadly based equal access to profits and capital on which the philosophy is built, truly antithetical to American economic traditions? Quite the opposite is true.

America’s founders placed heavy emphasis on the inequality of the feudal and oligarchic systems that had created the vast wealth, and vast poverty, of the British empire. They actively created policy that sought to make the newly liberated Colonies a haven that would be free from such economic oppression. Even prior to the revolution, the colonies were made up of far more egalitarian societies than is generally expected. Of course, a discussion on equal access cannot be had without a recognition of the atrocities of slavery that plagued the colonies, which not only fell short of an egalitarian goal, but actively created wealth disparities by means of genocide that persist to the present day.[[2]](#footnote-2) However, even including this glaring disparity in equality, Peter H. Lindert and Jeffrey G. Williamson’s analysis of inequality in the colonies finds that the top one percent of households controlled just 7.1 percent of total wealth.[[3]](#footnote-3) This is a stark contrast to the present day, with Edward Wolff’s recent analysis indicating that the top one percent now controls a baffling 37 percent.[[4]](#footnote-4)

The question then, is whether the framers recognized the relative economic equality of the United States, and what efforts they made to preserve or enhance this situation, creating a tradition of economic justice in the early days of the republic. One need look no further than the first President of the Union following his resignation of command of the Continental Army. George Washington, in a letter to Richard Henderson in June of 1788, wrote on the possibilities for wealth creation and accumulation in the new Nation. He wrote that the wealth generated from land ownership “…will not be less advantageous to the happiness of the lowest class of people because of the equal distribution of property the great plenty of unoccupied lands, and the facility of procuring the means of subsistence.”[[5]](#footnote-5)Here, we see Washington recognize that equal allocation of assets is not only critical to equal opportunity, but is a uniquely advantageous position for the new American union.

Washington was hardly alone in this view. In his observations on Jefferson’s Revisions to the Virginia constitution, James Madison wrote extensively on the issue of land ownership as a prerequisite to political access, arguing that “If all power be suffered to slide into hands not interested in the rights of property[...]either they will unite against the other description and become the dupes & instruments of ambition, or their poverty & independence will render them the mercenary instruments of wealth. In either case liberty will be subverted; in the first by a despotism growing out of anarchy, in the second, by an oligarchy founded on corruption.”[[6]](#footnote-6)

Madison’s analysis includes a revelatory statement, that absent access to asset wealth, the poor will be rendered “mercenary instruments of wealth”. This designation would find itself in good company both among contemporary critiques of capital inequality, as well as 20th century reformists. Madison’s argument provides a clear picture of the importance of equal access, not only as a means of advancing economic progress, but as a critical requirement for liberty.

These previous examples focus on land, being that it was the most critical form of capital in the largely agrarian nation, but the implications went much further. The principles the framers shared in their writings and philosophies often manifested themselves In legislation. On February 16th, 1792, Washington signed *An act concerning certain Fisheries of the United States, and for the regulation and government of the Fishermen employed therein* into law.[[7]](#footnote-7) The law was primarily aimed to give aid to a struggling fishing industry, but included an addition that required ship-owners to incorporate profit-sharing into their business models in order to qualify for the tax cuts being offered. This rudimentary stock-ownership policy earned rare bipartisan support among federalists and Democratic-Republicans alike. It offers a clear picture of the founders’ ideals of equal distribution brought to fruition in the laws they crafted.

These concepts were not confined to the specific circumstances of the nation. Using the foresight to predict the expansion of the American population, Madison was able to recognize in the early 1800s that the concept of land as the primary form of capital would not be a sustainable model, and wrote in 1829 that in order to cope with this oncoming reality “…institutions and laws of the country must be adapted”. [[8]](#footnote-8) Thus, the framers not only recognized the importance of access to capital, and that its share be of some equitable standard in economic society, but that the means by which this was calculated would need to be amended as well.

It Is then reasonable and right to conclude that the framers recognized the opportunity the new American experiment presented to create a more just and equal society, and the efforts that the framers took toward this end set the stage for more progressive actions like Franklin Roosevelt’s New Deal, and the more recent push toward socialized medicine and healthcare.

Looking beyond the founding, the years following held troubling realities. Lindert and Williamson’s analysis of inequality expands on their initial findings through the next century. They find that from 1774 to 1860, income inequality rose dramatically, especially in the south.[[9]](#footnote-9) The previously held per capita wealth of the United States had far exceeded that of other relative superpowers, including that of England, but these gains were erased and replaced by an expanding rift of unequal distributions of wealth.[[10]](#footnote-10)

The reasons and theories for why inequality expanded are varied and numerous. Much can be blamed on the Civil War, and the rise of agricultural monopolies in the south. As industry took hold, unregulated markets of the Gilded Age ran rampant, driving wages down and inequality up.[[11]](#footnote-11) At the height of this economic degradation, President Roosevelt and political allies of his New Deal sought to correct the country as it veered off course. With some help from the Marshall Plan, and a lack of global competition following the war, they saw some success.

In the present, then, we are faced with a new threat to our founding ideals. As inequality expands at a breakneck speed, the impacts of it do as well. Laws are failing to keep up with the needs of antitrust operations, wages have stagnated, and the cost of living rises by the year.[[12]](#footnote-12) Expanding inequality hampers long term national growth, impedes educational attainment, and prevents long term upward mobility.[[13]](#footnote-13) There are real threats to democracy present as well, as income inequality tends to exacerbate party polarization, at a time when polarization is observably rising.[[14]](#footnote-14)

Is this new growth of Democratic Socialism truly a revolt against the ideals of America, as its opponents often claim it to be? Or is it simply the newest development in the long-standing tradition of American equity? There are far too many observations that claim to know the intent of the Framers, and how they may determine the utility of modern political crises. These observations fall short of true analysis, since what they ask is impossible to answer. What we do know, and what we can apply, are the writings and laws of the framers on the issues of their time. Land distribution, equitable wealth access, and profit sharing were all integral parts of the early days of the republic. They formed the basis for an egalitarian system that sought to reject the norms of British feudal society. Today, we face a new set of norms that reinforce intergenerational wealth for those that hold it, and resists acquisition of it by those that do not. The Framers were not socialists, but the policies and theories they authored may have more in common with modern Democratic Socialism than they could have realized.

On a night in September, a gathering of revolutionaries listened intently as the speaker recited: “If we should fail here in America, then six thousand years of history will have failed; for history has come to its limit on the shores of the Pacific; it has come back to its starting point. If we fail, the heart of the world will break again, and another cycle of history, with its weary procession of bleeding centuries, will have to begin. But we cannot fail, we dare not fail. Liberty, fraternity, and equality are not tantalisms to hopeless human suffering; they are ideals to be realized by human worth and effort. We must prove our worth and power to match these ideals.”[[15]](#footnote-15) These words, for all their relevance to that time, were not spoken in the 18th century on the subject of American rebellion. They were said by George Herron, as a part of his now famous speech and pamphlet “Why I am a Socialist”. He wrote these words in the declaration of his socialist leanings, at the turn of the Gilded Age. His revolution, like that of the Founders, holds its value in Liberty and Equality. The nation has strayed from its promises, and should take heed of the offerings from its founders to craft a state that is equitable in distribution, fair in profit, and common in its goals. We shall not fail here, and history has more to offer in similarities than it does in rebuttals. A land of opportunity, for all who come to its shores, was the Framers’ intent. It is the job of modern politics to fulfill this promise and correct the path of a wayward country, so that it may work for the many, and not just the few.

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9. Peter H. Lindert & Jeffrey G. Williamson, 2012. "American Incomes 1774-1860," NBER Working Papers 18396, National Bureau of Economic Research, Inc. [↑](#footnote-ref-9)
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