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978-0-521-19628-4 - Education and the Creation of Capital in the Early American Republic

Nancy Beadie

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PART I

EDUCATION AND SOCIAL CAPITAL FORMATION

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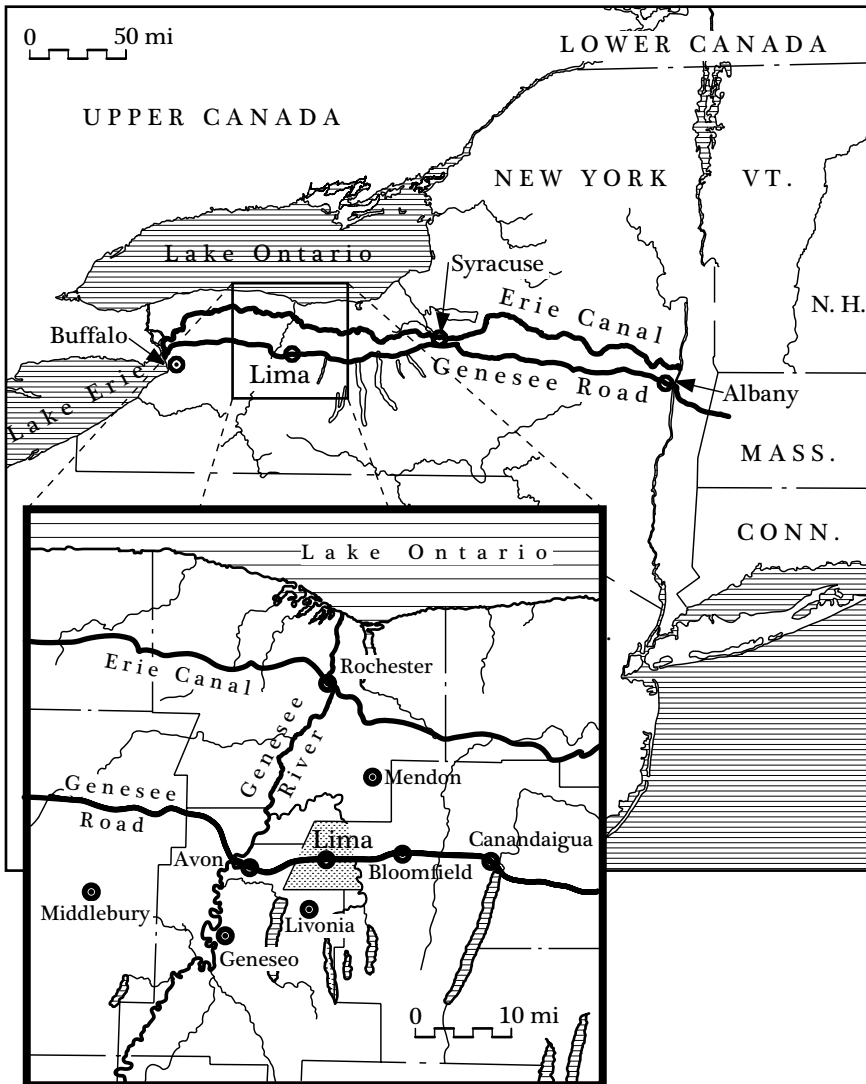
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FIGURE 1. Town of Lima, New York, in Relation to Major Cities and Transportation Routes, circa 1840. The economy and society of the northern United States underwent a significant shift around 1840, marked by increased rates of capital accumulation and mobility, a shift of capital resources from agricultural to nonagricultural production, and the growth of interior cities like Rochester and Syracuse. This “capitalist transition” was preceded by, and predicated on, a process of commercial expansion and market integration before 1840 that some scholars refer to as “the market revolution,” facilitated by the development of interior transportation routes like the Genesee Road and the Erie Canal. Coincident with this earlier development, schooling also expanded and became a centerpiece of community and social life.

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I

Introduction – The Place of Schooling in a Transforming Political Economy

I have left home and friend and for the present must learn to depend upon myself.

Livingston and Onondaga County woman's diary
[diary of Clarissa Pengra], 1838–1842, November 2, 1840¹

In the fall of 1840, twenty-four-year-old Clarissa Pengra journeyed from a small town in western New York to the growing city of Syracuse to take up a new teaching position. She began by heading north by carriage on a plank road to Rochester, where she would catch a canal boat east. Arriving in Rochester in the evening, after what she described as “an unpleasant ride,” she decided to spend the night at a boarding establishment rather than at the home of a family friend, “in order to be convenient for the boat in the morning.” While in the city, she finished her “shopping,” a term she had never used in the context of her rural hometown. Already, Clarissa had traveled a social and psychological distance. In the hours, weeks, and months that followed, her sense of dislocation would continue. At 6 A.M. on the morning after she arrived in Rochester, she boarded the canal boat for a trip that would take twenty-four hours, ending in Syracuse the following day “before daylight.” On the boat, Clarissa encountered whist players, whiskey drinkers, and a follower of the Calvinist evangelist Charles Finney, each in his own way somewhat at odds with her own principles and ideas. With respect to the trip as a whole, she expressed a sense of adventure, tempered by a hint of anxiety. “I have left home and friend,” she wrote in her journal, “and for the present must learn to depend upon myself.”²

The dual note of possibility and foreboding Clarissa expressed on the eve of her journey makes sense from a historical perspective. On the one hand,

¹ Livingston and Onondaga County woman's diary [diary of Clarissa Pengra], 1838–1842, November 2, 1840, Microfilm, Collection #6230, CUDRMC. Holder of original material, Chris Densmore, University of Buffalo Archives. I have identified the woman as Clarissa Pengra.

² Ibid.

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Clarissa's move was part of an expansion of opportunity for young women in a growing labor market for teachers. It also represented something of a career move for her. As a student at a thriving academy in the small town of Lima, New York, Clarissa had acquired cultural knowledge and some practical experience as an assistant teacher of young children. She had then parlayed that knowledge and experience into employment as an independent teacher in a rural pay school. Now she was going to a growing city with a more competitive school market, larger potential school enrollments, and correspondingly greater potential remuneration. Socially, Clarissa's journey represented a move toward something like individual independence, as she left the structure of a patriarchal household and entered a world that allowed her a degree of autonomy. In all these ways, Clarissa's move was one of opportunity. On the other hand, as a wage earner and something of a migratory worker, Clarissa joined an increasing number of people – from day laborers, to clerks, to factory operatives and itinerant preachers – who effectively and repeatedly had to sell themselves in order to live, and who regularly experienced the unsettling reality of unemployment or underemployment. The closing of a school, a decline in enrollment, the disappearance of trustee or parental support, and increased competition from other schools were all common experiences in the lives of teachers.³ In such an eventuality, Clarissa might well prefer the support of a patriarchal family or the help of a friend to depending on herself. Clarissa had reason, in other words, to feel trepidation as well as excitement on the eve of her journey.

Clarissa's personal journey was emblematic of a broader shift in economy and society around 1840. At the same time that Clarissa moved from a rural farming community to the growing trade center of Syracuse, the economy of the northern United States underwent a significant shift from agricultural to nonagricultural production. That shift was associated with other changes, such as increases in rates of capital accumulation and fundamental alterations in the social organization of labor. These changes are sometimes referred to as the "capitalist transition." The capitalist transition was preceded by, and predicated on, a process of commercial expansion and market integration before 1840 that some scholars refer to as "the market revolution." Together the market revolution and the capitalist transition led to a condition of accelerated economic growth that economists associate with modern industrial society.⁴

³ For discussions of the market realities of teachers' lives in the early national and antebellum periods, see Kim Tolley and Nancy Beadie, "Socio-Economic Incentives to Teach in New York and North Carolina: Toward a More Complex Model of Teacher Labor Markets, 1800–1850," *History of Education Quarterly*, 46:1 (Spring 2006): 36–72; Tolley, "How Mrs. Sambourne Earned a 'Comfortable Living for Herself and Her Children': Music Teachers in the North Carolina Education Market, 1800–1840," *Social Science History* 32:1 (April 2008), 75–106; Tolley and Margaret Nash, "Leaving Home to Teach: The Diary of Susan Nye Hutchison, 1815–1841," in Beadie and Tolley, eds. *Chartered Schools: Two Hundred Years of Independent Academies in the United States, 1727–1925* (New York: Routledge Press, 2002): 161–185; and Teri L. Castelow, "'Creating an Educational Interest': Sophia Sawyer, Teacher of the Cherokee," *ibid.*, 186–210.

⁴ Vast scholarly literatures lie behind this brief description of nineteenth-century economic change. These literatures will be referenced further in the notes that follow and discussed

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Historians who study and interpret this process of transformation often echo the ambiguity that Clarissa expressed as she embarked on her journey. In his major synthetic work on the market revolution, historian Charles Sellers portrayed the period from 1815 to 1846 as marked by conflict between two different social orders and ways of looking at the world. One pattern was rooted in rural society, communitarian social values, and a politics of democratic localism. The other pattern was shaped by commercial competition, individualism, and a politics of cosmopolitan nationalism. Sellers' project was to identify and describe these two competing orders in all their social, political, and cultural dimensions, and then to chronicle and explain how the cosmopolitan, commercial culture came to prevail over that of democratic localism.⁵ In Sellers' account, this historical shift is tinged with a sense of loss.

Since the publication of Sellers's 1991 book, scholars from a wide range of historical subfields have used his formulation to frame the significance of their work on religion, society, culture, and politics in the early American republic. Critics of Sellers's account have taken issue with some of his specific claims and often with his interpretive emphasis – for example, with what some scholars regard as an unwarranted sense of nostalgia for a “democratic localism” that was essentially patriarchal.⁶ Other scholars have argued that Sellers's categorical distinctions are too neatly drawn and that his account of historical change is too strongly dominated by impersonal forces.⁷ Highlighting some of the ambiguities and contingencies of market transformation, they have used Sellers's work as a starting point for investigating the dynamics of social communalism and market integration within particular regional, racial, and ethnic communities – from Native Americans in the Southeast, to French-Canadians in rural Vermont, and African Americans in the urban North.⁸ In

fully elsewhere in the book. For the brief summary provided here I rely primarily on Christopher Clark, *The Roots of Rural Capitalism: Western Massachusetts, 1780–1860* (Ithaca, NY: Cornell University Press, 1990) and Howard Bodenhorn, *A History of Banking in Antebellum America: Financial Markets and Economic Development in an Era of Nation-Building* (Cambridge: Cambridge University Press, 2000).

⁵ Charles Sellers, *The Market Revolution: Jacksonian America, 1815–1846* (Oxford: Oxford University Press, 1991).

⁶ The concept of “market revolution” generally, and the specific argument of Sellers's book, were the subject of a 1994 conference at the University College of London and of a resulting edited book comprised of papers written from multiple perspectives by leading scholars of U.S. history for the period. Among the participants who criticized Sellers's account as essentially nostalgic were Richard Ellis and Daniel Walker Howe. See Ellis, “The Market Revolution and the Transformation of American Politics, 1801–1837,” in Melvyn Stokes and Stephen Conway, eds. *The Market Revolution in America: Social, Political and Religious Expressions, 1800–1880* (Charlottesville: University Press of Virginia, 1996): 149–176; and Howe, “The Market Revolution and the Shaping of Identity in Whig-Jacksonian America,” *ibid.*, 259–281.

⁷ Among those who criticized Sellers's account as too neatly drawn and dominated by impersonal forces – though from very different perspectives – were Christopher Clark and Richard Cawardine. See Clark, “The Consequences of the Market Revolution in the American North,” and Cawardine, “‘Antinomians’ and ‘Arminians’: Methodists and the Market Revolution,” in Stokes and Conway, eds. *The Market Revolution in America*, 23–42 and 282–310, respectively.

⁸ See, for example, essays collected by Scott C. Martin, ed. *Cultural Change and the Market Revolution in America, 1789–1860* (Lanham, MD: Rowman and Littlefield, 2006), including

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so doing they have highlighted the agency of individuals and social groups in shaping their relationships to the market and the meaning of market participation within their communities. They have shown, for example, how certain market commodities and ideas could be used simultaneously to pursue competitive economic and political advantage, and to revitalize symbolic systems and social ties within communities. In these accounts, the market revolution is often illuminated by possibility as well as marked by loss.

This book aims to recapture a similar sense of complexity and contingency in the relationship between education and economic change in the early republic. Nearly a century and a half after Clarissa journeyed to Syracuse, I began a reverse journey in time and space to recover the world from which Clarissa came. At the time, I had not yet discovered Clarissa or her diary, but I had been looking closely at many of the social, economic, and political circumstances – and even at some of the individual people – that shaped her way of thinking, her social and career possibilities, and her eventual disappointments and misfortunes. To be specific, I had been tracing sources of support for what was one of the largest educational institutions in New York State during the first half of the nineteenth century: the Methodist-affiliated academy known as Genesee Wesleyan Seminary that Clarissa attended in Lima, New York, and where she worked for a brief time as an assistant teacher in the mid-1830s. The records of this institution, including a complete set of financial records, had, like Clarissa, ended up in Syracuse.⁹ In discovering and analyzing those records and putting them in historical context, I had, without quite knowing it, embarked on an effort to understand the place of schooling in a transforming political economy.

In the beginning I focused on the role of church and state in education. In particular, I concentrated on understanding the vast and elaborate structure of the academy's denominational sponsor, the Methodist Episcopal Church, and on the distinctive system of Regents academies chartered and subsidized by New York State. The further I went in my research, however, and the

James Taylor Carson, "Native Americans, the Market Revolution, and Cultural Change: The Choctaw Cattle Economy, 1690–1830," *ibid.*, 71–88; Kevin Thornton, "A Cultural Frontier: Ethnicity and the Marketplace in Charlotte, Vermont, 1845–1860," *ibid.*, 47–69; and Patrick Rael, "The Market Revolution and Market Values in Antebellum Black Protest Thought," *ibid.*, 13–46.

⁹ GWSC. In 1850 the seminary spawned the organization of an affiliated college, Genesee College, and in 1871 the Central New York Conference of the Methodist Episcopal Church essentially removed the college to become the nucleus of Syracuse University. Local residents actively protested the move and won a civil court case on the matter, but the ruling was effectively circumvented as most faculty and students formally withdrew from the institution to resume at the new university founded with a considerable outlay of funds from Syracuse. The Methodists apparently took most of the seminary's records as well as the college's with them. Thus the seminary's records have become part of the Syracuse University archives. For an account of this progress of events, see Nancy Beadie, "From Academy to University in New York State: The Genesee Institutions and the Importance of Capital to the Success of an Idea, 1848–1871," *History of Higher Education Annual* 14 (1994), 13–38.

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further back in time I went, the more I also found myself delving into local history to recreate the social and economic networks that mobilized the institution's initial sources of capital – the further, in other words, to borrow a phrase from a particular body of scholarship, I found myself delving into the “roots of rural capitalism.”¹⁰

Increasingly, historians agree that the roots of antebellum capitalist transformation were largely rural, that the dynamic that propelled antebellum economic growth came from the countryside, that the increasing capacity of farmers and rural merchants to realize the value of surplus goods and labor on domestic commodities markets fostered the creation of new sources of capital, and that the investment of increasing amounts of this rural capital in nonagricultural enterprises fueled the “takeoff” of the U.S. economy – a point variously located sometime after 1840, when growth in per capita output and income accelerated and became a “normal condition” of society.¹¹

In his intensive study of the roots of capitalism in rural western Massachusetts, the social historian Christopher Clark identified two phases in this transformation. The first he called a period of “involution,” characterized by the intensification of rural production and trade practices from the 1780s to the 1820s. During this phase, rural households increased their productive capacity and their capacity to realize the value of surplus labor and goods while retaining control of production itself and of the terms of trade. The second phase Clark referred to as a period of concentration, from the 1830s to the 1860s. During this period, certain households accumulated capital and increased their influence over the distribution of labor and the trade of goods while other households lost control of production and the terms of trade. Clark devoted considerable attention to describing the processes that led to the shift from one phase to the next. In particular, he explored how merchants and entrepreneurs increased their influence in local economies through the development of outwork manufacturing.¹²

By focusing on a single place and following closely local patterns of household organization, production, and exchange, Clark brought a degree of specificity and precision to both the chronology and the theory of capitalist transition in the North. The results of his analysis also dovetailed with the findings of economic historians who described and analyzed change at more macro-economic levels, including the work of some historians with whom Clark differed over issues of interpretation. Winifred Rothenberg,

¹⁰ This phrase is borrowed from the title of Christopher Clark's 1990 book, *The Roots of Rural Capitalism*. The titles of other books belonging to the same body of literature convey a similar idea. For example, Stephen Hahn and Jonathan Prude, eds. *The Countryside in the Age of Capitalist Transformation* (Chapel Hill: University of North Carolina Press, 1985) and Alan Kulikoff, *The Agrarian Origins of American Capitalism* (Charlottesville: University Press of Virginia, 1992).

¹¹ An excellent survey of the literature on antebellum economic development is provided in Bodenhorn, *A History of Banking*, 1–27.

¹² Clark, *The Roots of Rural Capitalism*.

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for example, found a convergence in agricultural commodities prices across localities in the northeast from 1780 to 1820. She concluded from this that the process of market integration was largely complete by the end of that period.¹³ Although Rothenberg and Clark differed in their interpretations of this development, with Clark highlighting the persistence of alternatives to the market, their basic findings and chronologies are not necessarily incompatible. As Alan Kulikoff pointed out in his 1989 review of the literature on the capitalist transition, it is entirely possible that noncommercial patterns of production and exchange intensified at the same time as commodities markets became more integrated.¹⁴ Both could be evidence of the increased productive capacity of rural households.

Meanwhile, some historians have tried to combine micro-economic and macro-economic perspectives on early economic development. In his study of antebellum banking, Howard Bodenhorn combined the study of specific lending practices by banks in different places with a broadly comparative analysis of capital mobility and interest rates across localities. He also synthesized the literature on economic change and development from multiple perspectives. His results suggest a chronology of capitalist economic development that adds to the findings of Clark and Rothenberg. In Bodenhorn's synthesis, banking contributed to a significant increase in capital mobility and accumulation in the period from 1820 to 1840, a process that in turn facilitated a shift of capital from agricultural to nonagricultural production and thus eventually to the acceleration of economic growth.¹⁵

To summarize, the literature provides an account of the transition to capitalism in the North that distinguishes among three main phases before the Civil War. Although the phases certainly overlapped, they can be roughly periodized as follows: 1) 1780–1820, a period of intensified agricultural production and increased trade of surplus labor and goods both within local exchange networks and on increasingly integrated commodities markets; 2) 1820–1840, a period of increased capital accumulation and mobility and of increased power of local capitalists, merchants, and entrepreneurs; and 3) 1840–1860, a period of increased concentration of capital resources in nonagricultural production.

Where is the place of schooling in this history? In the 1970s and 1980s, a number of scholars debated the relationship between education and economic and social changes in the nineteenth century. Initially, however, they focused their studies almost entirely on urban and industrial settings and issues. In his influential 1968 study, *The Irony of School Reform*, Michael Katz surveyed a wide range of educational institutions, ideas, and policies in Massachusetts

¹³ Winifred Barr Rothenberg, *From Market Places to a Market Economy: The Transformation of Rural Massachusetts, 1750–1850* (Chicago: University of Chicago Press, 1992).

¹⁴ Alan Kulikoff, "The Transition to Capitalism in Rural America," *William and Mary Quarterly*, 3rd Ser. 46 (1989):120–144.

¹⁵ Bodenhorn, *A History of Banking*.

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that were not limited to urban settings. From the start, however, he made “industrialization and urbanization” organizing concepts of his analysis, and he explored ways to connect the campaign for state intervention in schooling to the new class relations presented by large-scale manufacturing and the growth of cities.¹⁶ Similarly, in their 1975 study of education and social change in the Canadian Province of Ontario, Katz and his associates focused most of their analysis on the leading cities and industrial centers of Toronto and Hamilton.¹⁷ Meanwhile, in 1973, Carl Kaestle provided a complex study of urban schooling in New York City from 1750 to 1850.¹⁸

In the context of 1970s policy concerns with urban education and issues of educational equity, the Katz and Kaestle studies generated secondary analyses by scholars in other social science fields who were interested in the extent to which schools were agencies of social mobility or social control. The most influential of these analyses was *Schooling in Capitalist America*, published by the economists Samuel Bowles and Herbert Gintis in 1976. Leaning heavily on Katz but referring broadly to the work of Kaestle and others, Bowles and Gintis reinforced the conclusion that “the expansion of mass education and the evolution of its structural forms” were “sparked by demographic changes associated with the industrialization and urbanization of economic and social activity.”¹⁹

Not until the 1980s was this preoccupation with urban and industrial contexts corrected. In their 1980 study of education and social change in Massachusetts, Carl Kaestle and Maris Vinovskis documented substantial rural/urban differences in school attendance patterns. Enrollment rates were substantially higher in rural areas than in large commercial towns. In fact, enrollment rates were inversely related to town size, with the smallest towns enrolling the highest proportion of their children in school and the largest towns enrolling the lowest proportion of all children in school. These urban/rural differences already existed by the 1820s in both New York and Massachusetts, and they developed as a result of a considerable increase in rural school enrollments over the previous thirty to forty years. The differences were substantial. In 1826, the lowest and highest enrollment rates differed by as much as 37 percentage points when all forms of schooling were considered (including venture schools and academies) and by as much as 55 percentage points when only town-supported common schools were considered.²⁰ Similarly, in 1985 Maris Vinovskis established that in 1860 high

¹⁶ Michael B. Katz, *The Irony of School Reform: Educational Innovation in Mid-Nineteenth Century Massachusetts* (Cambridge, MA: Harvard University Press, 1968).

¹⁷ Michael B. Katz and Paul H. Mattingly, eds. *Education and Social Change: Themes from Ontario's Past* (New York: New York University Press, 1975).

¹⁸ Carl F. Kaestle, *The Evolution of an Urban School System: New York City, 1750–1850* (Cambridge, MA: Harvard University Press, 1973).

¹⁹ Samuel Bowles and Herbert Gintis, *Schooling in Capitalist America: Educational Reform and the Contradictions of Economic Life* (New York: Basic Books, 1976).

²⁰ Carl F. Kaestle and Maris A. Vinovskis, *Education and Social Change in Massachusetts* (Cambridge: Cambridge University Press, 1980).

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school attendance varied with town size, with much higher proportions of relevant age cohorts attending in small towns than in larger towns and cities.²¹ These findings gave substance and specificity to the substantially higher rural than urban attendance patterns that the economists Lee Soltow and Edward Stevens were finding in their systematic study of literacy and school attendance in national census data.²² Clearly, the expansion of common schooling was rooted in the countryside.

With these well-documented discoveries regarding the chronology and social geography of school expansion, prevailing ideas about the nature of the relationship between education and economic change were fundamentally challenged. Those ideas included both the more positivist ideas of some economists regarding the significance of schooling in the formation of human capital and the critical ideas of other economists about the significance of schooling as a means of imposing certain kinds of work discipline and ideologies on wage workers. These arguments simply did not make sense for rural areas in the early national period, where school expansion had actually occurred. Kaestle and Vinovskis, in particular, mounted a substantial critique of the focus on urbanization and industrialization that had dominated the previous decade of scholarship.²³ Far from being explained by urbanization, the expansion of schooling seemed to be a primarily rural phenomenon. Rather than being driven by industrialization, this growth occurred largely before 1820, and thus before any significant shift toward factory production and wage-labor.

It was possible that schooling had different relationships to economic development at different times, Kaestle and Vinovskis pointed out. Schooling may have become more significant for inculcating work discipline after 1840 than it had been previously, for example. Similarly, after 1880, the already well-established system of both primary and secondary schooling may have been more important as a means of human capital formation and selection than schools had been earlier in the century. Neither of these ideas about the relationship between schooling and economic change seemed to apply to

²¹ Maris A. Vinovskis, *The Origins of Public High Schools: A Reexamination of the Beverly High School Controversy* (Madison: University of Wisconsin, 1985).

²² Portions of this analysis and of the supporting data were first reported in Lee Soltow and Edward Stevens, "Economic Aspects of School Participation in Mid-Nineteenth Century United States," *Journal of Interdisciplinary History* 8 (Autumn, 1977): 221–243. The analysis was then incorporated into a larger work: idem, *The Rise of Literacy and the Common School in the United States: A Socioeconomic Analysis to 1870* (Chicago: University of Chicago, 1981). The norm of higher attendance in small towns and rural areas than in cities of the North continued, by the way, well into the twentieth century. Economists Claudia Goldin and Lawrence Katz discovered similar rural/urban variations in high school attendance data through 1940. See Claudia Goldin and Lawrence Katz, "Human Capital and Social Capital: The Rise of Secondary Schooling in America, 1910–1940," *The Journal of Interdisciplinary History* 29:4 (Spring 1999): 683–723.

²³ Kaestle and Vinovskis, *Education and Social Change*.