



LIBERTY MATTERS

WILLIAM LEGGETT: FREE TRADE, HARD MONEY, AND ABOLITIONISM

The American political journalist [William Leggett](#) (1801-1839) had a short but productive period of activity between 1834-39 when he became famous, even notorious, for his opposition to slavery, tariffs, a state privileged National Bank, and government intervention in the economy to benefit special interests (like bankers, industrialists, and slave owners). Leggett's position of consistent opposition to the state interfering in the economic affairs of individuals is one that does not sit well with the new school of economic historians of "capitalism" who argue that slavery and capitalism were joined at the hip and were "symbiotic". In this discussion Phil Magness, senior research fellow at the [American Institute for Economic Research](#), argues that it is Leggett who is the consistent one and the advocates of the "New History of Capitalism" are the ones who are confused and do not seem to know about this "broader liberal political tradition" of which Leggett was a member. He is joined in the discussion by Anthony Comegna, from the Institute for Humane Studies, Brian Schoen, associate professor of history at Ohio University, and Lawrence H. White, professor of economics at George Mason University.

WILLIAM LEGGETT: FREE TRADE, HARD MONEY, AND ABOLITIONISM

by Phillip W. Magness

The productive period of William Leggett's (1801-1839) career in political journalism lasted less than a decade before recurring illness – the lingering effects of a bout of yellow fever during his brief stint in the navy - claimed his life at the age of 38. He spent the majority of this time in a political minority, even as his Democratic Party controlled the presidency. His primary editorial causes – economic nonintervention, free trade, democratic egalitarianism, and particularly antislavery – each met political setback, betrayal, and defeat, including at the hands of his former friends and allies. Of the issues Leggett championed, only his quest to sever the business of credit and banking from the state achieved some semblance of success in his lifetime. Andrew Jackson's prolonged war on the Bank of the United States succeeded in blocking the renewal of its charter in 1836.

Yet Leggett's commentary acquired something of a timeless character in the decades that followed his death – both as a romanticized underdog who unflinchingly spoke as-yet-to-be-realized political "truths" and as a prescient commentator who grasped the interrelationship between the leading economic and ethical questions of antebellum America.

“CURIOUSLY, LEGGETT DID NOT SET OUT TO BECOME A POLITICAL WRITER EVEN THOUGH HIS REPUTATION TODAY DERIVES FROM THE SAME.”

Curiously, Leggett did not set out to become a political writer even though his reputation today derives from the same. His early output consisted almost entirely of poetry and literary criticism, and his foray into editorializing came about almost entirely by the necessities of a newspaper career. Although a few stray examples predate the moment, Leggett's friend and posthumous editor Theodore Sedgwick traced his turn toward national politics to 1833 when his employer, the New

York *Evening Post*, assumed the role of organ for the Jackson administration. When the paper's owner, William Cullen Bryant, departed for a tour of Europe the next year, the duties of daily management and editorial content fell to Leggett. It was in this role, Sedgwick notes, that Leggett developed his distinctive political voice – one "firmly, nay, devotedly attached to the democratic party" and yet simultaneously among its harshest critics. He was "a partisan, without yielding the independence of his own judgement," as Sedgwick eulogized.^[1]

In taking up our current exploration of Leggett's journalism, it becomes immediately apparent that he pressed his favored causes against the political tide of his time, drawing extreme enmity in the process. Abolitionism, a certain but also somewhat accidental addition to his editorial repertoire, became the sharpest point of controversy during his lifetime.



Leggett entered the fray in July of 1834 to editorialize against a mob of white protesters who violently attacked an antislavery meeting organized at New York City's Chatham Street Chapel by brothers Arthur and Lewis Tappan. In a sly and guarded commentary, Leggett answered the denunciation of abolitionist "fanaticism" by pointing to the fanatical behavior of the mob itself. He did not embrace the Tappans' abolitionist line, referring instead to the "rational and practicable" aims of the American Colonization Society's plan for gradual emancipation coupled with resettlement abroad. Yet underlying his appeal to peace was a general call for discussion rooted in "[temperate argument and authentic](#)

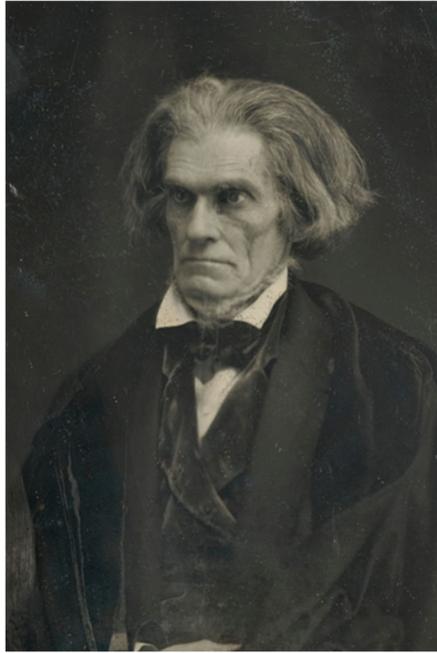
[facts](#)" rather than those that are "calculated to inflame" the mind.^[2]

This foray into the abolition fight positioned Leggett as a defender of the antislavery movement's right to bring its cause before the public, thereby placing it in his mind on a footing of political equality with discussions about the institution's future. His call came at a time of rising anti-abolitionist sentiment and accompanying censorious pressures, particularly from slaveholding politicians who appealed to the specter of violent slave revolts and ascribed their deadly "danger" to the very act of entertaining abolitionist notions in public. Leggett thus couched his defense of the abolitionists not in their message – "[justly chargeable with fanaticism](#)" of its own – but in the even more fanatical zeal to suppress them by the censorship of the mails, by gagging public debate, and ultimately by mob violence. "Is it not apparent on the face of the matter," he queried in an 1835 editorial, "that invective, denunciations, burnings in effigy, mob violence, and the like proceedings, do not constitute the proper mode of changing the opinions or conduct of such men?"^[3]

As Leggett reminded his readers, these offenses constituted an assault on the antislavery movement's equality of participation in public affairs. In the course of a few months of identifying this affront to free discourse, Leggett's own interest in the slavery subject began to manifest in a more intense antislavery stance of his own. "Slavery no evil!" he incredulously queried in a September 1835 response to the emergence of the "positive good" theory of the institution, later championed by [John C. Calhoun](#).

[Has it come to this](#), that the foulest stigma on our national escutcheon, which no true-hearted freeman would ever contemplate without sorrow in his heart and a blush upon his cheek, has got to be viewed by the people of the south as no stain on the American character? Have their ears become so accustomed to the clank of the poor bondman's fetters that it no longer grates upon them as a discordant sound? Have his groans ceased to speak the language of misery? Has his

servile condition lost any of its degradation? Can the husband be torn from his wife, and the child from its parent, and sold like cattle at the shambles, and yet free, intelligent men, whose own rights are founded on the declaration of the unalienable freedom and equality of all mankind, stand up in the face of heaven and their fellow men, and assert without a blush that there is no evil in servitude?[4]



John C. Calhoun

The "positive good" theory was tantamount to a disavowal of the ability to tell an ethical right from wrong. The slaveholder's abdication of this distinction provoked Leggett to an ever more aggressive abolitionist stance. In three short years he moved from the cautious colonizationism of his opening foray into the slavery debate to an embrace of the abolitionist label. "That name," he explained in an early 1837 editorial for his own short-lived paper, the *Plaindealer*, "[we freely admit belongs to ourselves](#); nor is there anything in its sound which grates upon our ear, nor in the duties it implies which our mind does not willingly embrace."[\[5\]](#)

Leggett's growing abolitionism took its toll on his political clout. Like the Tappans before him, he found himself the subject of verbal invective and political

penalty. As early as 1835 he entered a position of political exile and excommunication from his own political party. The Jackson administration cut off the *Evening Post*, and Leggett specifically, from its previous position as the administration's New York City organ. He was censured locally by the Tammany Hall machine for defending the political freedom of abolitionists within the party.[\[6\]](#) And in so doing, he became the editorial voice of a broader egalitarian faction within the Democratic Party's political operations – the Locofoco movement, so named after an insurgent group of antimonopoly, antibank, antitariff, and antislavery delegates used matches of that brand to circumvent the Tammany-initiated shuttering their political nominating convention by turning off the gas lights.

The newfound position of intellectual leadership for a nascent political insurgency took a clear toll on Leggett's personal wellbeing but left him emboldened and undeterred. His advertising revenue stream from the Democratic Party cut off and his health failing, Leggett dictated a series of fiery and unyielding polemics to a scribe from his sickbed – a confinement that persisted for much of the year in 1835. As John Greenleaf Whittier later assessed the moment:

To be an abolitionist then was to abandon all hope of political preferment or party favor; to be marked and branded as a social outlaw, under good society's interdict of food and fire; to hold property, liberty, and life itself at the mercy of lawless mobs. All this William Leggett clearly saw [F]rom the hunted and proscribed abolitionists and oppressed and spirit-broken colored men, the Pariahs of American democracy, he could alone expect sympathy.[\[7\]](#)

Leggett's association with the antislavery cause would again derail his own political aspirations in 1838 during an unsuccessful bid for the Democratic nomination for Congress and gain him a national reputation as an antislavery agitator. Posthumously, Leggett's abolitionism became a liability for President Martin Van Buren owing to Leggett's earlier selection for a diplomatic appointment

as minister to Guatemala. (Leggett succumbed to his illness shortly before he was to sail to the post.)

On the day after Leggett's death, but before its news had reached the western states, a Nashville newspaper thundered its rage at the president's choice: "But look further! Look at a more recent instance of the promotion of an abolitionist -- and that too by Mr. Van Buren himself!" The editorial reprinted a similar assessment in the *New Orleans Picayune*, deeming Leggett "a violent abolition partisan" whose "inimical opinions on domestic slavery are so notorious, and whose ideas on that question are unchanged and unchangeable."^[8] The following year many of the same southern voices would enlist the reputation of this "rank abolitionist" as "Van Buren's special friend" to deny the president in his reelection bid.^[9]

Yet Leggett's memory also had its champions. The same principles that prompted slaveowners to deploy Leggett's name as a political attack on Van Buren also secured his legacy among his friends. From his death until the Civil War he was commonly depicted as a fearless and principled expositor of truths in a troubled time. As William Cullen Bryant, his journalistic patron at the *Evening Post* and in many ways his most important intellectual continuation, noted in verse,

"The words of fire that from his pen
Were flung upon the fervent page
Still move still shake the hearts of men
Amid a cold and coward age"^[10]

Markets, Privilege, and Slavery

In focusing upon the evolution of Leggett's antislavery beliefs and their importance to his contemporary reception, it is not my intention to constrain the ensuing discussion to this infamously intractable problem of antebellum America. Leggett was a complex thinker whose interests included a sophisticated assault upon the mercantile economic program of Henry Clay, the Bank of the United States, and the proliferation of graft and favoritism to the friends of political figures. He united these beliefs in a common critique against the government's role in the allocation of special privileges

and monopolies, its perpetuation of political power through bribes from the public treasury, and its exercise of force to sustain unjust products of political favor. To Leggett the state was an agent of enrichment for the politically empowered and depredation against the impoverished – a tyranny of:

CONCENTRATED MONEY POWER; a usurper in the disguise of a benefactor; an agent exercising privileges which his principal never possessed; an imposter who, while he affects to wear chains, is placed above those who are free; a chartered libertine, that pretends to be manacled only that he may the more safely pick our pockets, and lord it over our rights.^[11]

The significance of this formula is its articulation of a common thread between what might otherwise appear as disparate and eclectic spaces of policy – the protective tariff, the bank, state charters and monopolies, land grants, internal-improvement subsidies, and the slave system were all legal instruments of allocating privilege to the politically connected and extracting wealth and rights from the masses. Such practices chafed with the basic democratic sentiments of Leggett, constituting a violation of a natural equality in the public sphere of political participation. They converted the state from a representative body to an agent for the dispersal of favor and the reallocation of wealth.

By positing this common thread, Leggett established a consistent intellectual link between his articulation of free-market and antislavery principles. That link placed him in opposition to many of his own contemporaries, and indeed the rancor he encountered in his lifetime likely reflected his uncommon ability to detect and call attention to the inconsistencies of his critics. Slavery and trade represented one such inconsistency. The political landscape of the 1830s, and particularly the fallout of the Nullification Crisis, had curiously positioned John C. Calhoun as the country's most prominent opponent of the protective tariff at a time when he was also its foremost defender of the slave system.

While modern historians have pointed to this juxtaposition as evidence that the former serviced the

latter (an import tariff, after all, imposes its domestic burdens upon exporters as per the Lerner symmetry theorem, and the plantation south was an export economy), Leggett recognized a base example of political opportunism hiding behind appeals to principle. Calhoun's antitariff stance of 1828 only serviced his quest for the political power of allocating favor, and the Compromise Tariff of 1833, which disentangled the confrontation, only "[delighted \[him\] with so capital an excuse for postponing his plan of nullification](#) to a more favourable opportunity" that simultaneously permitted arch-protectionist Henry Clay to claim personal sacrifice of his protectionist "friends on the alter of Union." Their mutual de-escalation, Leggett maintained, amounted to "absurd pretensions" in which Calhoun executed a "cunning" if convenient retreat to a problem of his own creation, and Clay "only assented to what he could not prevent."[\[12\]](#)



William Leggett

Leggett's free-trade rigidity and general laissez-faire disposition on economic matters further belie an increasingly common assertion of modern scholarship. A currently fashionable strain of the historical literature holds that chattel slavery is a direct derivative or even a defining feature of "capitalism," by which the claimant usually means free-market or noninterventionist economic policies of the very same type that Leggett championed. A burgeoning literature on the "New History of Capitalism" advances this claim at its core, even going so far as to rebrand mercantilist policies as

"war capitalism," as per Harvard historian Sven Beckert, or "racial slave capitalism," as per his colleague Walter Johnson.[\[13\]](#)

The overarching aim of this ongoing historical rebranding is to shed a [notion common in the economic literature since Adam Smith](#): that slavery and markets existed in oppositional tension due to the unfree labor system it fostered, due to the associated economic retardation that plantation agriculture imposed upon industrial development, and perhaps most importantly due to the severe political distortions that came from the legal enactment and sustenance of the slave system. This last point is perhaps the least developed in modern historiographical discussions about slavery but was also the central theme of several biting abolitionist commentaries in the American Civil War era. In addition to its corrupting ethical nature and related economic distortions, slavery incubated a powerful political class that was invested in its perpetuation and that directed the full energy and treasury of the government toward its enforcement. The predatory existence of this political "slave power," as [J.E. Cairnes](#) dubbed it in 1863, explained why solving the problem of slavery would require overcoming decades of entrenched political interests and why political abolitionism met with such ferocious resistance, backlash, censorship, and even violence.[\[14\]](#)

We may count Leggett as one of the earliest and most perceptive opponents of the political "slave power" and indeed a figure who experienced its censorious backlash directly. "[If you call the poor degraded negro a fellow being](#)," he noted in 1837, "they shout amalgamationist at the top of their lungs, and invoke the mob to pelt you with stones, or to seize you and pour seething tar over your limbs."[\[15\]](#) In Leggett's rendering, the slaveholder push to silence criticism and discussion of its practices cut to the very core of deliberative democracy. "[It is by discussion alone](#) that those who are opposed to slavery seek to effect a reconstruction of southern society," he announced in another editorial from the *Plaindealer*.[\[16\]](#) Censorship of the mails, prosecutions for seditious material, and incitement of mob violence

against abolitionists imposed a devastating toll on democratic governance itself by effectively excising it from the arena of political deliberation – all in the name of permitting Calhoun's "positive good" theory to go unchallenged and thus untested.

Note in particular that Leggett's arguments against the slave power share a common form with his furious denunciations of the bank, the tariff, the granting of state monopoly, and other forms of privilege by political process. It is no coincidence that he framed a blistering critique of Martin Van Buren's "[indecent haste to avow his predeterminations on the subject of slavery](#)" in his inaugural address by analogizing it to earlier constitutional disputes on economic matters. In preemptively threatening to veto "any measure of abolition which Congress may think proper to adopt," Van Buren "undertakes to steer by the uncertain light of the spirit" such that "we are tossed about on a sea of vague conjecture, and left to the mercy of the winds and waves." Leggett quickly reminded his readers that Alexander Hamilton "was guided by the spirit in proposing the first federal bank" and that "the high tariff system claims for its paternity the *spirit* of the Constitution" over the letter.^[17] Such practices opened the doorway to the conduct of privilege and abuse wherever applied.

Leggett's linking of abolitionist thought and economic nonintervention would not have been a surprise to his contemporaries. Such was the shared position of [Richard Cobden](#) and [John Bright](#) – British champions of free trade and abolition. Leggett also left us clues to his own shared intellectual lineage with these men and their English forebears, [directing his readers](#) to peruse the memoirs and biographies of "[[Thomas](#)] [Clarkson](#), or ... his coadjutors, [William] Roscoe, [William] Wilberforce, and [Charles James] Fox" – to learn of the "vituperative clamour" exerted to defeat their "glorious project" of ending the slave trade.^[18] He clearly absorbed the liberal-minded philosophical currents from the other side of the Atlantic, adapting and analogizing them to his own political position in the United States.



John Bright

Curiously, Leggett's explicit melding of free-market economics and abolitionism finds no place in the historiographical framework envisioned by the "New History of Capitalism." When one assumes a priori that markets and slavery are symbiotic, the effect is an obscuring of the historical tensions between economic freedom and the slave system, or the parallels between interventionist economic policies and the direction of political power toward the sustenance of slavery. The intellectual confusion that follows from such reasoning has a pronounced effect upon our understanding of abolitionism. To quote one such rendering from an acclaimed recent work, "If slavery is capitalism, as the currently fashionable historical interpretation has it, the movement to abolish it is, at the very least, its obverse."^[19]

A William Leggett becomes an impossibility in this world, not by historical evidence but because his philosophical system should not exist in the face of an axiomatically asserted market-and-slavery partnership. His significance as a thinker in the present day may accordingly derive from his illustration of just how far the academy's common understanding of the politics of his time has strayed from the evidentiary examples offered by those who lived through the same. Leggett's body of work thus

remains a powerful testament to the adversarial political positions occupied by the slave power and economic non-intervention.

Discussion

By focusing upon these dimensions of William Leggett's life and writings, I aim to provide a starting point for a productive discussion about his philosophical system, its influence in his lifetime, and its meaning to our understanding of the same period. Many more subjects remain for exploration than this brief introductory foray permits.

We might similarly investigate Leggett's extended commentary on the Jacksonian Bank War and his related attempts to force a "divorce" between politics and finance. Leggett's association of legislative privilege with monopoly offers its own precursors to modern public-choice theory and the study of factional politics. His own political legacy might also be investigated – particularly how the Locofoco break in 1830s New York Democratic politics sowed the seeds of the political realignment that congealed in the Republican Party on the eve of the Civil War. Or we might investigate how this new party, which counted Leggett's patron William Cullen Bryant among its core members, eventually succeeded in advancing its antislavery aims while effectively abandoning economic nonintervention in order to welcome an alternative Whig-derived faction into the Republican tent.

I'll close these introductory observations with a final thought though. Leggett's political commentaries arose from a rigorous underlying principle, specifically:

[Governments have no right to interfere with the pursuits of individuals](#), as guaranteed by those general laws, by offering encouragements and granting privileges to any particular class of industry, or any select bodies of men, inasmuch as all classes of industry and all men are equally important to the general welfare, and equally entitled to protection.^[20]

We find in this passage an early statement of a recurring philosophical principle in the discussion of the state – an articulated generality norm, the purpose of which is to

insulate the individual from the ravages and depredations of political power directed to self-serving ends. It undergirds most of Leggett's forays into the diverse array of subjects he addressed, as well as his general philosophy. Yet we also find this theme articulated elsewhere and in successor iterations to a broader liberal political tradition.^[21] Might we accordingly find a deeper strain of philosophical principle in this recurring rule, or a means-tested approach to navigating and constraining the ills of political privilege?

Endnotes

[1.] Theodore Sedgwick, "William Leggett," in Rufus W. Griswold, ed. *The Biographical Annual* (New York: Linen and Finnell, 1841).

[2.] William Leggett. *Democratick Editorials*. Lawrence H. White, ed. (Indianapolis, IN: Liberty Fund, 2012), p. 192

[3.] White, p. 198.

[4.] White, p. 209.

[5.] White, p. 213.

[6.] White, p. xiv.

[7.] John Greenleaf Whittier, "William Leggett," in *Old Portraits* (Boston: Ticknor, Reed, and Fields, 1849).

[8.] "Van Buren Abolitionists," *The Tennessean*, May 30, 1839.

[9.] "To the People of the South," *Greensboro Patriot* (NC), July 28, 1840.

[10.] William Cullen Bryant. *The Poetical Works of William Cullen Bryant* (New York: D. Appleton, 1903), p. 193.

[11.] White, p. 249.

[12.] White, p. 235.

[13.] Sven Beckert, *Empire of Cotton: A Global History* (New York: Vintage, 2015); Walter Johnson, *River of Dark Dreams* (Cambridge, MA: Harvard University Press, 2013).

[14.] John Elliott Cairnes, *The Slave Power: Its Character, Career, and Probable Designs: Being an Attempt to Explain the*

Real Issues Involved in the American Contest (New York: Carleton, 1863).

[15.] White, p. 214.

[16.] White, p. 228.

[17.] White, pp. 221-23.

[18.] White, p. 214.

[19.] Manisha Sinha, *The Slave's Cause* (New Haven, CT: Yale University Press, 2016), p. 3.

[20.] White, p. 3.

[21.] See, e.g., James M. Buchanan and Roger D. Congleton, *Politics by Principle, Not Interest: Towards Nondiscriminatory Democracy* (Cambridge: Cambridge University Press, 2006); Friedrich August Hayek, *The Constitution of Liberty* (Abingdon, UK : Routledge, 2014).

WILLIAM LEGGETT, FREE BANKING, AND EGALITARIANISM

by Lawrence H. White

Let me begin with a personal reminiscence. Many decades ago I had to write a term paper for a college course in U.S. intellectual history. I had met the very widely read Walter Grinder, and he recommended that I look into William Leggett, the most radically laissez-faire thinker of the Jacksonian era.[22] Leggett's name was not on the assignment's list of pre approved subjects, but the professor readily agreed that he was suitable. Leggett's writings turned out to be heady material. Although I had access to the collection edited by Theodore Sedgwick, Jr., I spent hours seeking further material in the newspaper annex of the New York Public Library, where I enthusiastically read and photocopied the musty newsprint of Leggett's original publications, *The New York Evening Post* and *The Plaindealer*.

“COULD SCOTTISH FREE BANKING REALLY HAVE BEEN AS GOOD AS HE THOUGHT? ECONOMISTS I ASKED HAD NO IDEA.”

In graduate school I took the opportunity to exploit a surprising bit of information I had gotten from Leggett: Scotland had a free- banking system , one that he thought successful and a model for the United States to emulate. Could Scottish free banking really have been as good as he thought? Economists I asked had no idea. It was a forgotten episode. I wrote a graduate- course term paper, then expanded it into a dissertation, *Free Banking in Britain*, basically to find out whether the remarkable claims Leggett made were true. I found that they almost entirely were true. A few years later, while a post doctoral fellow at New York University, I proposed to Liberty Fund to put together and edit a collection of Leggett's best writings, which was published in 1984 and which Phil Magness in his lead essay has kindly cited.[23]

Leggett and Free Banking

Leggett was a key intellectual mover behind the so-called "Free Banking" laws adopted in various states during the 1830s and subsequent decades. "So-called" because they did not institute anything close to laissez faire in banking, although they did open up and regularize the process of incorporating banks. For Leggett the injustice of restricting entry into the banknote-issuing business followed from the principle that any individual "[has a natural right to give his promise to pay](#) a certain sum on a piece of paper, and, subscribing it with his name, to pass if for what those with whom he deals may be willing to receive it."

Leggett's ideal, to which Phil's lead essay alludes, was the complete separation of government from money and banking. He opposed both government sponsorship of banks and, unlike some hard-money Jacksonians, any legislative ban on privately issued banknotes in favor of coin only because "[an exclusive metallick currency](#) could only be instituted and maintained by the force of arbitrary

government edicts, totally contrary to the first principles of natural justice."



Competition among banks would ensure that the public received whatever security against fraud it demanded: "[Let existing banks be subject to unrestricted competition](#), and then the banking associations, whether corporate or voluntary, that give the public the largest securities, and conduct their affairs with the wisest economy, will meet with the greatest success." All that governments needed to do was to "[repeal those enactments which forbid the free use of capital and credit](#)." In his endorsement of full laissez faire in the provision of bank money, Leggett went beyond Adam Smith, who had endorsed a ban on small notes and a ban on contractual clauses that gave banks the option to delay redemption on banknotes (in which case commensurate interest would be paid).

When restriction of the right of note issue was defended by analogy to the federal government's constitutional power of coinage, Leggett was led by the logic of free trade to stand the argument on its head: "we have our doubts . . . whether it would not be better to leave coinage as well as banking, entirely to the laws of trade."

Leggett's Kind of Egalitarianism

The lead essay uses the term "egalitarianism" to describe part of Leggett's philosophy. We have to be careful with terminology here. Leggett insisted on an equality of rights and legal status, not a leveling of income or wealth. Although, as Richard Hofstadter^[24] noted, Leggett was "often accused of agrarianism—that standard nineteenth-century epithet for one who believed in a redistribution of property" by status-quo-defending critics, the charge was completely false. Leggett declared that for the workingmen whose cause he championed, "[their only safeguard against oppression](#) is a system of legislation which leaves to all the free exercise of their talents and industry, within the limits of the GENERAL LAW, and which, on no pretence [sic] of public good, bestows on any particular class of industry, or any particular body of men, rights or privileges not equally enjoyed by the great aggregate of the body politic." The law should never assume the power of redistributing incomes from one subset of the population to another, lest politics become a game of spoils-taking, and elections become "[deadly contests of the whole mass of the people](#) whose pecuniary affairs are implicated in the event."

Leggett regarded any policy that took from one class to give to another as a violation of the nondiscrimination principle of justice. He grounded the nondiscrimination principle on the social contract : we would never knowingly delegate the power to discriminate to a government formed by an original constitutional agreement because doing so would place us at its mercy. The power to discriminate was not among what Leggett called, in one of his earliest statements of political philosophy, the "[True Functions of Government](#)". This statement of his liberal contractarian perspective bears quoting at some length:

[The fundamental principle of all governments is the protection of person and property](#) from domestic and foreign enemies; in other words, to defend the weak against the strong. . . . The functions of Government, when confined to their proper sphere of action, are therefore restricted to the making of general laws, uniform

and universal in their operation, for these purposes, and for no other. . . . Whenever a Government assumes the power of discriminating between the different classes of the community, it becomes, in effect, the arbiter of their prosperity, and exercises a power not contemplated by any intelligent people in delegating their sovereignty to their rulers. . . . No nation, knowingly and voluntarily, with its eyes open, ever delegated to its Government this enormous power, which places at its disposal the property, the industry, and the fruits of the industry, of the whole people.^[25]

Consistent with Leggett's outlook, the political faction that followed him, popularly known as the Locofocos, called themselves the Equal Rights Party. From equal rights derived the case for a general incorporation statute to replace special one-case acts of incorporation from the state legislature. General incorporation acts spread through the country beginning in 1836, while New York state pioneered application of the idea to the banking industry in the form of an 1838 "free banking" statute, which allowed, though not *laissez faire*, entry into banking to all comers who met the minimum-capital and other requirements.

For Leggett banking reform was a question of equal rights and open competition on a level playing field, not of access to cheap credit. Thus Hofstadter^[26] was confused when he lamented that "[o]ne may search in vain for some principle of consistency in the argument of a man who held that the banking system was already extended well beyond the business needs of the nation but who also urged that opening the banking business to all and sundry would be a prime remedy for economic ills." Open entry would bring greater competitive discipline to banking in America, as it did in Scotland, curbing both over extension on the one hand and monopolistic pricing on the other.

Endnotes

^[22.] Richard Hofstadter, "William Leggett, Spokesman of Jacksonian Democracy," *Political Science Quarterly* 58 (December 1943): 581-94, observed (p. 582): "At a time

when Jacksonian Democracy was sundered into radical and conservative factions, he was one of the most prominent and forceful spokesmen of the radical wing."

^[23.] William Leggett, *Democratick Editorials: Essays in Jacksonian Political Economy*, ed. Lawrence H. White (Indianapolis, IN: Liberty Fund, 1984). Online: <<https://oll.libertyfund.org/titles/682>>.

^[24.] Hofstadter, p. 584.

^[25.] I have quoted this passage elsewhere as a critique of Rawls's and other claims that deliberators in an original position would want to empower government to redistribute wealth or income: Lawrence H. White, "What Economics Can and Cannot Say about Egalitarian Redistribution," *Social Philosophy and Policy* 34 (Summer 2017): 56-78. These claims are false, Leggett was saying, if the deliberators take public-choice logic on board (assuming human rather than angelic government) when they deliberate about the powers to bestow on government.

^[26.] Hofstadter, p. 592.

A BURNING ROMANCE WITH IDEAS, A LEGACY MORE TRAGIC THAN TRIUMPHANT

by Anthony Comegna

I will begin by noting that in his lead essay, Phil Magness has given us a perfectly accurate and succinct rendition of William Leggett's guiding philosophy of equal rights, especially in noting the "timeless character" which marked virtually everything he wrote. Yet I have one perhaps crucial quibble: "Locofoco" was not a *brand* of matches; it was an American bastardization and portmanteau of the Italian words for "fire in motion." *Locofoco* referred to the newly invented friction-lighted tips with which we are all now so familiar. Put the match into motion, strike the tip, and the fire burns hot. Friends, enemies, observers of all kinds agreed: William Leggett was among the fieriest of individuals in a

generational conflagration. The heat from his pen—perpetually in motion—lit a republican, egalitarian *bonfire*.^[27]

I will take up Phil's charge to track down Leggett's "political legacy," the marks he left on two generations of radicals. Leggett was without qualification a libertarian hero whose life was bright but short; his story was a burning romance with ideas, but I'm afraid the longer tale of his legacy was more tragic than triumphant.

As a young, restless poet (suicidal from navy life) Leggett presaged the course of his future movement:

HOPE

When youthful hearts are light and true,
And all is fair around us,
The future breaks upon our view
In every bright and pleasing hue—
For Hope's sweet spell hath bound us,
And all seems fair around us.

But ah! too soon we're doom'd to find
The scenes that look'd so charming,
Beset with thorns, with snares intertwined,
That Hope is false, and Fortune blind,
And dangers most alarming,
Where all had seem'd so charming.

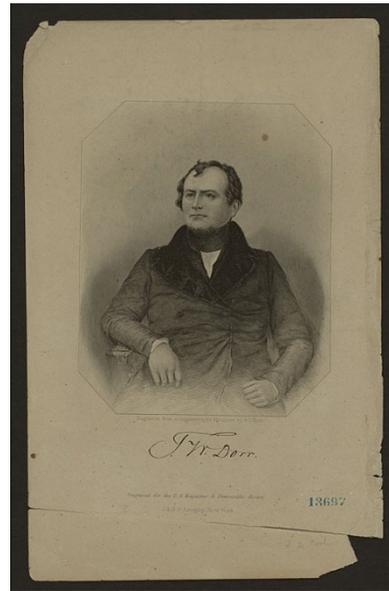
Yet Hope hath still her pleasing power,
Although she's a deceiver!
And e'en while storms above us lower,
She paints so bright the future hour,
We cannot but believe her—
Although she's a deceiver!

Thus we stray on in quest of joy,
The dupes of Hope forever!
Earth hath no good without alloy,
And sweetest pleasures soonest cloy,
We soonest from them sever—
The dupes of Hope forever!

--Leisure Hours at Sea, 1825

The 1835 mails controversy earned him an "excommunication" from the Democratic Party *and* began the Locofoco movement. The Locos'

most bitter enemies were not Clay Whigs—the worst of all were the "Bank," or "Monopoly," Democrats who ran Tammany Hall. The conservatives hated Leggett for *all* of his radicalism, free banking, and abolition alike. The *Washington Globe* assailed him for a "spirit of Agrarianism" and "Utopian temper," which had him forever "running into extremes." Leggett "knew no medium" on the tariff and banks, but there was one thing that could not stand: "He has at last, *and we are glad of it*, taken a stand *which must forever separate him from the Democratic Party*. His journal now openly and systematically encourages the Abolitionists."^[28]

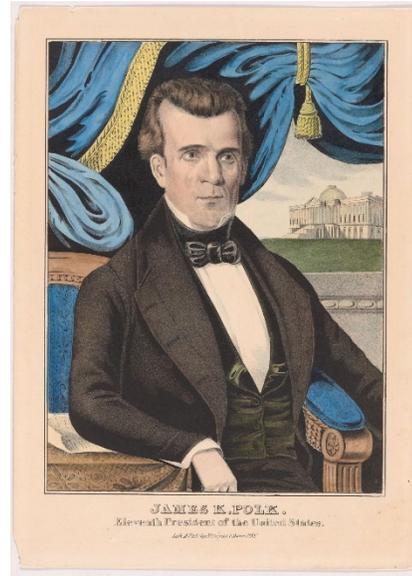


Thomas W. Dorr

Leggett's ideas caught fire and spread nationwide to varying degrees, inspiring frenzied activity. In Abram D. Smith, Leggett provoked the restless spirit of revolution. Smith and like-minded "Patriots" met across the northern borderlands in secret, communicated by cypher, drilled for rebellion against the British Empire, and planned for the future of a free Canadian republic. Smith was even elected "President of the Republic of Canada," though the rebellions were dismal failures. In Thomas W. Dorr, Leggett's writing invoked the dormant beast of domestic insurrection. Dorr and his followers attempted to reinvent the grand American tradition of spontaneous, popular constitutional conventions to give the state of Rhode Island a new government. Dorr and his "People's

Charter" received support from the majority of the state's male population, but the so-called "Landholder's regime" refused to give way. In the end, though the Dorr War was a powerful moment when locofocoism threatened revolution, the old order resoundingly won out. In part the Dorrites defeated themselves with internal strife over race and slavery. Dorr was an abolitionist and public about that, but many Dorrites believed their success hinged on a national political coalition including slaveholders. Convinced that Dorrism required racism, a large majority of the People's Convention restricted voting to white men; convinced that Dorrism was "a tremendous abolition plot," the Tyler administration and southern politicians refused their support. The revolution died choking on politics.[\[29\]](#)

With each major event-in-radicalism throughout the 1840s and '50s, the old Locofoco coalition splintered and factionalized in the same manner, whittling the movement away to nothingness. Locofocos peeled off into camps of ideological purists and pragmatic realists. The ideologues venerated the spirit and memory of William Leggett and applied their ideas thickly across the intellectual landscape—they were the young and rowdy revolutionaries invading Canada; they were the antislavery Dorrites and clam-baking separatists who refused to cooperate with the victorious Charter government; they saw President James K. Polk for the slaveholding, plutocratic imperialist that he truly was and bitterly refused to support his war on Mexico; they deftly balanced support for the 'lawless' New York Anti-Rent War and the New York Constitution of 1846, which abolished the vestiges of landholder feudalism in that state and democratized the process of incorporation; they pioneered the coalition of Democrats and more whiggish Liberty Party supporters that solidified into the Free Soil Party in 1848; Leggettian purists like Canada's former President Abram D. Smith found their way into every corner of politics, including Smith's own seat on the Wisconsin Supreme Court (where he nullified the Fugitive Slave Act); they helped found the Republican Party and finally implemented the greatest of Leggett's reforms—the abolition of property rights in human beings.



James K. Polk

Pragmatist Locofocos sought more "thin," *quantifiable* policy gains or to enrich themselves with election or patronage appointments. Office-climbers like Polk or James Buchanan paid lip service to locofocoism when politically expedient and made the right overtures to the right public leaders without being obliged to follow through on the whole philosophy. There were figures like the early Locofocos Fitzwilliam Byrdsall and Levi Slamm, both of whom allied with John C. Calhoun to achieve free trade at the expense of Leggett's antislavery; there were the Fernando Woods of the world, who secretly worked for Martin Van Buren by infiltrating a New York Calhoun committee (earning Wood nothing really but Van Buren's contempt); there were the "Manifest Destinarians" who flooded pop culture with their ideas (including Dorrite clam-bake speeches) and whose votes helped place Polk in the White House; there were "dough-faces" like Franklin Pierce, who supported Dorrism and economic locofocoism but did all he could to court southern votes; and there were life-long Leggettians like Samuel Tilden, who opposed the Civil War, fought his own twin war for reform and against corruption, and almost won the presidency on a platform of conciliation to the defeated South at the expense of African Americans' universal, equal rights.

Leggett's own supposed adherents consistently betrayed his broad antimonopoly political ethic. In this way, Leggett posthumously lost the "triangular contest" of American politics, which he recognized so clearly in his own lifetime—there were the broadly interventionist Whigs, the "Monopoly Democrats," and the Locofoco radicals. Yes, his philosophical and political children could claim significant victories, but each of them came at inestimable costs to the overall intellectual framework. Abolition, corporate reform, banking reform—all were important to those whose lives they touched, but the methods of democratic politicking chosen to achieve them buried the Locofoco movement and killed their system as such.

As their flame sputtered out and the smoke cleared, though, the package of ideas *did* remain behind, powerful as ever, just awaiting a new generation of activists to relight the match. Benjamin Tucker took up the torch. He no longer had *locofoco* to use in his own "war on monopoly," so Tucker imported a new word from Europe: *libertarian*. [30]

Endnotes

[27.] All of the general information I will cite about Leggett and the Locofoco movement can be found more fully documented in my dissertation: Anthony Comegna, "'The Dupes of Hope Forever': The Loco-Foco or Equal Rights Movement, 1820s-1870s" (The University of Pittsburgh, Ph.D. dissertation), 2016, and Fitzwilliam Byrdsall, *The History of the Loco-Foco or Equal Rights Party: Its Movements, Conventions, and Proceedings with Short Characteristic Sketches of Its Prominent Men* (New York: Burt Franklin, 1967, originally published in 1842). For more information about the origins of the term *locofoco* as related to matches, see James Rees, "Locofoco" in *Book of Origins*, *Saturday Evening Post*, November 10, 1877, and "Locofocoism," *The Locofoco*, Pittsburgh, August 22, 1844.

[28.] Walter Hugins, *Jacksonian Democracy and the Working Class: A Study of the New York Workingmen's Movement, 1829-1837* (Stanford, CA: Stanford University Press, 1960), pp. 28-33; Byrdsall, *History of the Loco-Foco Party*, pp. 18-19.

[29.] On Abram D. Smith in the Canadian rebellions and as the Wisconsin state Supreme Court judge who nullified the Fugitive Slave Act (more below), see Ruth Dunley, *The Lost President: A. D. Smith and the Hidden History of Radical Democracy in Civil War America*, Atlanta (Athens, GA: The University of Georgia Press, 2019). For the Dorr War, its Locofoco origins and its mixed consequences, see Erik Chaput, *The People's Martyr: Thomas Wilson Dorr and His 1842 Rhode Island Rebellion* (Lawrence, KS: University of Kansas Press, 2013) and Comegna, "'The Dupes of Hope Forever.'"

[30.] For example, see Benjamin R. Tucker, "Land and Rent" in *Instead of a Book, by a Man Too Busy to Write One* (New York: B.R. Tucker, 1897), p. 320. <<https://archive.org/details/cu31924030333052/page/n339>>.

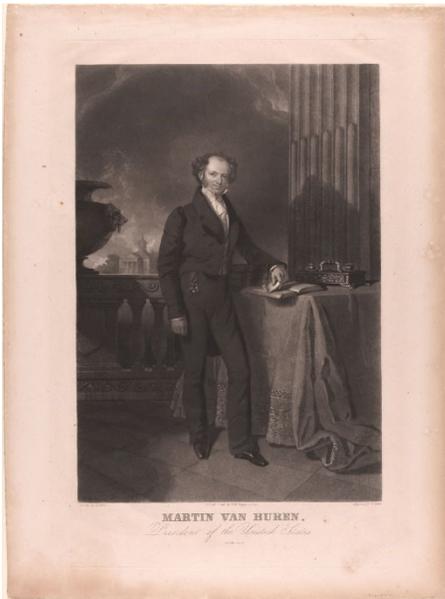
SEARCHING FOR LIBERTY IN THE AGE OF

by Brian Schoen

I would like to thank Liberty Matters for the opportunity to discuss William Leggett, and Dr. Magness for an excellent summary of Leggett's life, his anti slavery stance, and his critique of state intervention in the economy. Magness does credit to Leggett's positions and offers some useful suggestions for problematizing an emerging literature that, under the title of a "new history of capitalism," has sometimes tended to conflate capitalism and slavery. As someone whose early work lies at the fringes of that debate, I am eager to see how that part of the conversation plays out and will add my two cents in a moment.

To begin, however, I would like to amplify Magness's point about Leggett's uniqueness in his own day and by extension the challenge for those seeking to understand *capitalism* or find intellectual coherence within Jacksonian-era political economic thought. Leggett's commitment to radical laissez-faire principles led him to believe that government activity should be strictly limited to defending property and public safety. He opposed the

common practice of state-declared days of Thanksgiving.^[31] Officials stymieing of white abolitionists' free speech led him towards an antislavery position, but he evidenced real sympathy for the "poor bondsman." These ideas resonated with British abolitionists and free-traders like Cairnes, the Mills, Cobden, and Bright. They also foreshadowed later Republican criticisms of a Slave Power. As Magness notes, however, in 1830s America these stances led to shunning by the Jacksonian establishment. Leggett might, then, be understood and appreciated as something of a political outlier.



Martin Van Buren

Majorities in both parties believed in some legitimate role for government economic intervention. Even Jacksonian party founder Martin Van Buren helped usher through high tariff rates in the late 1820s, if for partisan rather than principled ends. Federal funding for internal improvements actually grew during Jackson's presidency. Whigs and Democrats alike made compromises that continued the ultimate abuse of government power—local, state, and federal laws sanctioning and even expanding slaveholders' professed "right" to own other persons as property. That Leggett bucked that trend is admirable; that he was alienated in his own day for doing so is revelatory. Alas, racism and self-interest made it hard

to find mainstream heroes consistently voicing the liberal cause.

Leggett wasn't always seen as an outlier. He—and the ideas he represented—seemed more typical as told by 20th-century consensus and progressive-era histories written by authors less concerned with slavery. Leggett's vehement opposition to bank privilege and his support for the laboring class fit rather neatly into progressive narratives, which highlighted class conflict. Leggett's call for "[a combination of the laboring classes in vindication of their political principles](#),"^[32] or in defense of their menaced rights,^[32] positioned him nicely for a leading role in Arthur Schlesinger Jr.'s 1945 *The Age of Jackson*. For scholars more struck by the era's consensus, like Louis Hartz, Leggett illustrated a "common liberalism" that stressed individualism and property rights. Hartz also identified Leggett as an archetypal American who attacked "parasitic 'aristocrats' and exploitative 'capitalists.'"^[33] For Hartz, as for Schlesinger, Leggett appears as a democratic critic, rather than a promoter, of "capitalism," a characterization that might usefully raise the question of what it means to be pro- or anti capitalist in the 1830s, the 1940s, or today.

To that point, let me accept Magness's invitation to explore Leggett's financial policies and war on government banks, the positioning of which offers a wider lens on competing understandings of commercial society. It is also the area where Locofocos like Leggett most moved the needle. Leggett's desire for a strict "separation of bank and state" paralleled his support for hard-money policies, which he believed (hinting at Hayek) would minimize the speculative boom- and- bust cycles experienced in 1819. For Leggett, removing bank-issued paper and preserving "real money" (aka specie) would aid the laboring man, giving him a fighting chance against the "monopolists," the worst of which were the "[lordings of the Paper Dynasty](#)."^[34] Locofocos failed to win many elections, but their fiscal and banking platform gained traction within the Jacksonian party. It fueled suspicion against banks generally, the National Bank particularly, and it gained a widespread following amongst both farmers and the urban working-class,

especially after panics in 1837 and 1839 had deepened Jacksonian suspicions of banks. Leggett wouldn't live to see it, but the Independent Treasury created in 1840 embodied the type of separation of bank and state that he had called for.

“WHAT IS STRIKING IS THE EXTENT
TO WHICH MOST SUBSEQUENT
SUPPORTERS OF EXPANSIVE
COMMERCE, LET'S CALL THEM
"CAPITALISTS," VIEWED THESE
POSITIONS AS ANTI DEVELOPMENT.”

What is striking is the extent to which most subsequent supporters of expansive commerce, let's call them "capitalists," viewed these positions as anti development. Loco Focos' hard- money arguments (whatever their merits) have routinely been discounted as naive or worse yet, retrograde. Leggett's Whig enemies tended to see them as such. As admirer Daniel Walker Howe suggests, bank boosters (Whig and Democrat) saw government investment (in the form of capital) and paper money as necessary to expand economic opportunities, especially at a time of high trade deficits and amidst fears of specie shortages typical in the early republic. Federal and state banks were, as Whigs stressed, key for economic modernization and for creating jobs for those without land holdings. And as Howe tells the story, the Whig belief in partnerships between the state and private sector largely prevailed, though perhaps not as effectively as they might have, he suggests, had Whigs held the reins longer. For Howe, Leggett appears only briefly, his alienation as evidence of the Jacksonians' deep commitment to racial slavery.^[35]

One of Howe's many critics, historian Sean Wilentz, takes a far more sympathetic view of Leggett and his allies, including William Gouge (whose 1829 anti bank tract proved influential). For Wilentz, Loco focos offered "an alternative road to the future," one that "was commercial and expansive but also more democratic, less prone to sharp reversals of individual and collective fortune, and

intended to protect the acquisitive interests and prosperity of the industrious many against the political abuses of the privileged few."^[36] These rival accounts might lead us to consider what political economic vision did prevail if not Leggett's nor, completely at least, the Whigs'. To what might we attribute the fairly impressive growth per capita that the United States witnessed in the decades before the Civil War, and did it expand or curtail individual freedom and for whom?

These questions seem especially salient with the return of the same subjects (financial systems, protectionism, and discourse about slavery's legacy) during our own populist moment. Comparisons are confounded by some inaccurate, partisan deployments of the past. Populist Republicans (especially Steve Bannon) have curiously—and erroneously—trumpeted Jackson as a promoter of the American System: a would-be supporter of high protectionism, strong borders, and anti-immigration policies. In truth, antebellum tariffs were mechanisms for special privilege but not purely partisan ones, as an insightful new book by Daniel Peart points out.^[37] Typically, Jacksonians widened international trade through treaty and supported revenue-only tariffs. They were also pro-(white)- immigration, and borders and port entries were about as free as they could be, except for persons of color. It all makes one wonder if maybe Henry Clay's portrait ought to replace Jackson's in the Oval Office. Conversely, Democrats, though with decreasing enthusiasm, given the flattening of both men into caricatures of "Indian-hating, slaveowners," continue to hold Jefferson-Jackson dinners, seizing onto those men's reputations for democracy even as the modern party turns towards increasingly government-centered solutions that those men would have abhorred.

The question of intellectual heirs brings to mind Magness's intriguing proposition that the Loco focos' break with "Bank" Democrats fueled the party realignment and rise of the Republicans. I would be curious to hear more about what Magness has in mind. My first thought is: probably not. The Loco focos' hard-money and anti bank position got traction within Jacksonian Democrats in a way that fueled the rise of the

Whig Party, which in the 1840s was Lincoln's party. Lincoln, it must be noted, celebrated Henry Clay as his political hero primarily because he believed the American System would benefit small-town Illinois. The GOP is rightly seen as a fusion between anti-slavery free-soil Democrats and Whigs, but as Magness rightly points out, most scholars see the Whig influence as prevailing in shaping Republican political economy. (The 1860 Republican platform called for higher tariffs and federal construction of internal improvements.) The war itself brought about a robust partnership between the government and private sector, including national banking reform that Leggett might have had some serious problems with. Republican utilization of government intervention continued in the decades after the war, with northern Democrats urging the need for retreat. That laissez-faire initiative was partly out of legitimate economic concerns about corruption and high taxes, and some "Liberal Republicans" shared them. Indeed, it would be especially interesting to project Leggett's views into the late 19th century, often perceived as the high point of laissez-faire economics. Of course, the Democrats' post-war call for government nonintervention also came, rather unapologetically, from a desire to see white Democrats return to power in the South. There, something short of real freedom continued to define the lives of former slaves, whose access to democratic practice and private property remained cruelly narrow despite slavery's legal end.



This brings me, rather circuitously I admit, back to the point that Magness initially guided us towards: the extent to which the early 19th-century story of capitalism is the

story of American slavery. It seems appropriate to highlight what the new scholarship on American slavery has added to our understanding of the period. Neither Hartz nor Schlesinger saw slavery as a central factor in the American political story, and most subsequent Marxist and neo-classical approaches to the field tended to see it as an outdated or even unprofitable system. Whatever its economic inefficiencies, in 1860 four million enslaved African-Americans were valued at an estimated \$3.1 billion to \$3.6 billion, second only to the value of farm land nationally.^[38] Capital in slaves easily exceeded the wealth Americans invested in manufacturing, railroads, bank capital, and home productions COMBINED! These are astonishing figures, and this before we even explore the fact that slave-grown commodities, most notably cotton, made up over half of all U.S. exports. Nor was slavery's economic wealth or profits limited to the South, as northern businesses, especially those in Leggett's hometown of New York, financed, shipped, and even insured slaves and the ill-gained fruits of their labor. We don't have a clear sense of the precise amount of U.S. wealth accumulation or economic growth directly or indirectly traceable to slavery, and I don't think it responsible (as some commentators have asserted) to assume that most of it was. (If the Civil War was a type of economic verdict, then it turns out free-labor capitalism was far more stable, powerful, and profitable than slave capitalism.) Still, the point of new scholarship is to demonstrate that much American wealth was attributable to slavery, and for those of us who think that liberty matters, this fact makes knowing and sharing Leggett's ideas all the more important.

If Leggett's radical laissez-faire positions had prevailed more widely and Americans had seen slaveholding as inarguably the most egregious form of special privileges that governments had ever granted and protected, perhaps gradual-emancipation laws might have spread deeper into the South. They didn't, of course, because southern slaveholders like Jefferson and Jackson co-opted the language of liberalism too, telling northerners that the federal government had a constitutional duty to protect their physical well-being and private property

rights. The economic and political power that slave capitalism welded unquestionably aided that effort. Yet I would join Magness in rejecting the proposition that abolition, and certainly Republican anti slavery, should be seen as anti capitalist in inspiration. That may have been true for failed entrepreneurs like John Brown. But when anti slavery Republicans gained political traction, they did so not by targeting capitalism or commercialism generally, but rather by specifically providing free- labor and free-soil grounds. They stressed that slavery's existence required positive laws that violated the natural order, which was freedom. That argument, which I do think Leggett would have wholeheartedly endorsed, proved crucial to halting the Slave Power's geographic spread. And yet what remains unclear to me is how Leggett would have felt about the actions eventually needed to destroy it. A government that strictly protects all people's liberty and property (including their labor) from inception might never need robust power to undo the mistakes of the past. And yet, the Civil War seemed to suggest that bigger government was necessary to destroy the Slave Power that it had helped create and sustain. If so, that elevates Leggett's central point: the initial granting of special privileges can generate lasting and highly undemocratic ends. But it also raises some vexing questions about how to undo the legacy of decades, or in slavery's case centuries, of legalized unfreedom and inequality.

Endnotes

[31.] Editor: "Thanksgiving Day," *Plaindealer*, December 3, 1836 <https://oll.libertyfund.org/titles/682#lf0012_head_10_4>. See "William Leggett argues that Thanksgiving Day is no business of the government (1836)" in *Quotations on Liberty and Power* <<https://oll.libertyfund.org/quotes/514>>.

[32.] "Rich and Poor," *Evening Post*, November 4, 1834, in William Leggett, *Democratick Editorials: Essays in Jacksonian Political Economy*, foreword by Lawrence H. White (Indianapolis, IN: Liberty Fund, 1984). <https://oll.libertyfund.org/titles/682#Leggett_0012_5_95>.

[33.] Arthur Schlesinger Jr., *The Age of Jackson* (1945; Boston: Little, Brown and Co, 1988); Louis Hartz, *The Liberal Tradition in America* (1952; Orlando: Harcourt Books, 1991), pp. 108, 99.

[34.] "Rich and Poor. "

[35.] Daniel Walker Howe, *What Hath God Wrought: The Transformation of America, 1815-1848* (New York, Oxford: Oxford University Press, 2007).

[36.] Sean Wilentz, *The Rise of American Democracy: Jefferson to Lincoln* (New York, London: W.W. Norton & Company, 2005), p 441.

[37.] Daniel Peart, *Lobbyists and the Making of US Tariff Policy, 1816-1861* (Baltimore: The Johns Hopkins University Press, 2018).

[38.] Jenny Bourne, "Slavery in the United States," *EH.Net Encyclopedia*, edited by Robert Whaples. March 26, 2008. <<http://eh.net/encyclopedia/slavery-in-the-united-states/>>. Also James L. Huston, *Calculating the Value of Union: Slavery, Property Rights, and the Economic Origins of the Civil War* (Chapel Hill, NC: University of North Carolina Press, 2003), p. 28.

ASSESSING LEGGETT'S POLITICAL PROGENY AND THEIR ENEMIES

by Phillip Magness

I want to thank my fellow participants in this discussion for offering insightful commentary on the multifaceted editorial writings of William Leggett, and specifically for taking up my challenge to investigate the political legacy of his brief but fiery career in journalism. I will first attempt to synthesize some themes that have emerged and then offer additional thoughts on how each reveal important dimensions of his understated role in American political history.

All three essays touched upon the political successes of Leggett's efforts to achieve what Larry White refers to as Leggett's "ideal" of the "complete separation of

government from money and banking." While he never achieved a permanent divorce of the two, the success of the Jacksonian bank war and its less-examined offshoot, the independent-treasury movement of the 1840s, reflected a significant shift in economic policy that persisted until the Civil War era. Indeed, it was this area where Leggett "most moved the needle," as Brian Schoen put it.

“...LEGGETT'S VICTORY REFLECTED A
BROADER SENTIMENT OF HIS DAY...”

In a sense, Leggett's victory reflected a broader sentiment of his day, as economic writers on both sides of the Atlantic sought to understand the causes of large-scale economic fluctuation, or what we might refer to as business cycles today. While the tools they used differed, early 19th-century thought frequently turned in a diagnostic direction that associated the existence and degree of political corruption in a society with economically destabilizing tendencies. Apart from his biting attacks on the Bank of the United States, Leggett knew one such example from the "free banking" period in Scotland, as Larry points out. Directing his readers to this subject, he noted the juxtaposition of economic instability in England with the comparatively insulated and self-regulating Scottish experience:

Yet Scotland is the only paper money country which escapes commercial revulsion. Bankruptcy has swept through England on more than one memorable occasion, with the desolating fury of a tornado, prostrating the loftiest fabricks, and shattering the firmest institutions. But the storm hurtled over Scotland without injury, for she was ensconced behind the impregnable barriers of free trade. The foresight of individual enterprise had descried, in good season, the gathering of the tempest, and was prepared for its rudest assault.^[39]

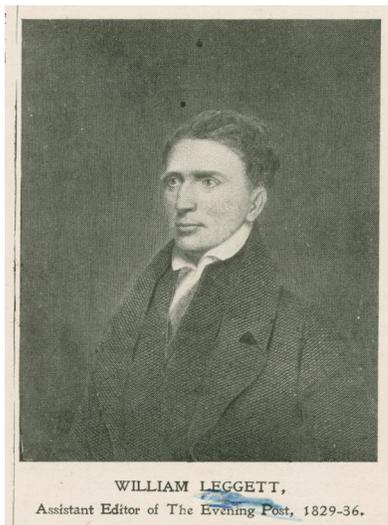
Though he did not specify the exact occasion, Leggett likely had recent memory in mind. Barely a decade earlier the novelist Sir Walter Scott mounted a vigorous and

successful defense of the Scottish banking system against political intrusions from London, stressing its comparative stability as its greatest asset on strongly parallel grounds in the wake of a banking crisis in 1825 and 1826. After documenting the infrequency of Scottish bank failures relative to England, Scott explained the similar political origins of a pending attempt to place private bank issuances in Scotland under a common restriction:

I am aware it may be urged, that the restrictions imposed on those English provincial Banks are necessary to secure the supremacy of the Bank of England; on the same principle on which dogs kept near the purlieu of a royal forest, were anciently lamed by the cutting off of one of the claws, to prevent their interfering with the royal sport. This is a very good regulation for England, for what I know; but why should the Scottish institutions, which do not, and cannot, interfere with the influence of the Bank of England, be put on a level with those of which such jealousy is, justly or unjustly, entertained?^[40]

The Scottish system endured the regulatory threats of 1826. Yet in both countries the tangible victories of the present proved fleeting. Britain, through Peel's Act of 1844, consolidated bank-note-issuing authority under the Bank of England. Peel's Act and the Scottish Banking Act in 1845 effectively barred new Scottish bank entry into the market for private issuances a year later, although existing banks retained the ability. Thus within only six years of Leggett's death, the example he championed to the world succumbed to political capture and regulation.

In the United States, Leggett's cause gave way to the creeping intrusions of politics – first through the mounting pressures of bimetallism in the late 19th century, which eventually wrecked the economic consensus of the Democratic Party between 1896 and 1912, and finally with the vigorous reassertion of the central banking that we know today under the Federal Reserve. Leggett's most tangible victory in his own time is, curiously, also the area of his political philosophy from which we have drifted the furthest today.



William Leggett

Continuing the theme I raised in the opening essay, Brian Schoen turns his attention to the question of slavery and particularly its economic dimensions. As Brian notes, the slave system comprised an immense share of wealth in the United States, hence the ongoing historiographical debates over its relation to capitalism.

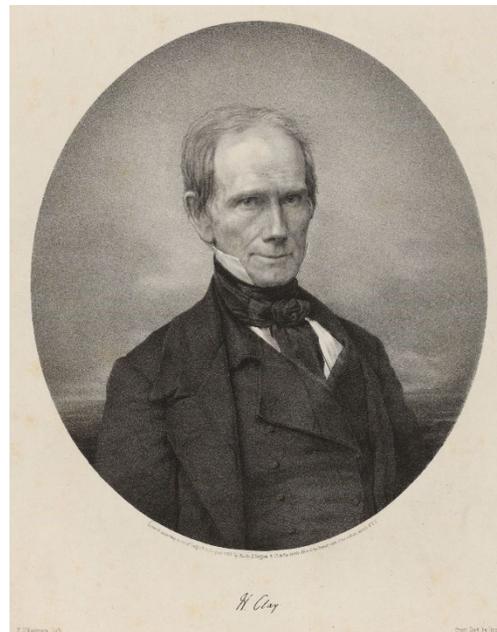
Leggett's entrance into this debate as a laissez-faire economic voice as well as an abolitionist placed the two institutions – slavery and capitalism – on an adversarial footing, at least in his mind. Brian raises the question of whether such a framing makes Leggett an outlier to historical observation, noting the economic realities of slave-based production extending far beyond the fields of the plantation and into shipping, finance, trade, and industrial production. Yet as he also notes, there's much to credit in the centrality of the Republican free-labor message as an economic answer to slave production – a message that is both consistent with and partially derivative of Leggett's editorializing two decades earlier.

Allow me to throw another complication into the mix, proslavery anticapitalism.

The association of the southern export economy with capitalistic concepts such as free trade may itself constitute an economic outlier of sorts, in that it emerged as a rhetoric of convenience amidst the nullification debates of the late 1820s. Both the nullifiers' embrace of free trade and the oppositional northern Whig doctrine

of antislavery protectionism can be traced in part to the tensions that slavery presented with a conscious policy of national industrial development. The American System's stated objective of inducing import substitution by way of protectionism carried with it the prospect of economically invigorating southern raw-material production to fuel the beneficiary factories of the northeast. To an antislavery Whig, such policies carried an implicit need to either tolerate the chattel labor force of the South or adopt further policies intended to ween plantation agriculture from slavery. (Compensated emancipation paired with colonization became the favored route, as per Henry Clay's formulation.)

Many southerners responded to the rise of antislavery pressures, incorporated as noted into pro-industrial economic policy, by embracing the export orientation of the cotton trade. Thus Robert James Turnbull's famous series of letters to the *Charleston Mercury* in 1827 outlined a political economy of slavery and free trade, linking the two to a simultaneous rejection of American System doctrine.^[41]



Henry Clay

Yet such pairings were each premised upon proactive government policies – for the Whigs, the adoption of a managed manumission over time to counter the slavery-entrenching tendencies of enforced national economic

self-sufficiency, and for the slaveowners the need to direct public resources to the enforced maintenance of their tyrannical labor system as both a means of absorbing its costs and as an entry barrier against a free-labor alternative (or, more immediately pressing, seeing as competitive labor systems did not directly emerge in the southern economy, the political threat to slavery's subsidized position that northern free labor ideology represented).

Such tensions suggest an underdeveloped area of historical inquiry where slavery and economics are concerned, as they also portend the emergence of a radically proslavery yet anticapitalist ideology in response to free-labor abolitionism. The late antebellum period, it so happens, incubated one such ideological strain.

Within a decade of Leggett's death, some of the most virulent proslavery rhetoric and theorizing to emerge from the South adopted a position on capitalism that may be characterized only as unambiguously adversarial. George Fitzhugh, the radical slaveowner and disciple of Thomas Carlyle's condemnation of the "dismal science," constructed his "sociological" defense of the southern economy by assailing the "unrestricted exploitation of so-called free society," specifically, the same free labor that Leggett and his successors championed, which Fitzhugh aimed to show was "more oppressive to the laborer than domestic slavery."

Fitzhugh's tirades singled out the doctrine of economics, a "system of unmitigated selfishness" and individualism from which arose "laissez-faire, free competition, human equality, freedom of religion, of speech and of the press, and universal liberty." Such concepts, he maintained, were "tainted with abolition, and at war with our institution."^[42] In fact, Fitzhugh opened his first book with a thorough denunciation of Adam Smith's doctrine of free trade, declaring it antithetical to slavery:

Political economy is the science of free society. Its theory and its history alike establish this position. Its fundamental maxim *Laissez-faire* and "*Pas trop gouverner*," are at war with all kinds of slavery, for they in fact assert that

individuals and peoples prosper most when governed least.^[43]

One would be hard pressed to identify a more diametrically opposite counterpart -- indeed a more slavery-worshipping, protectionist, and illiberal foil -- to Leggett. And yet just as Leggett is largely omitted from modern accounts that stress an alleged unity of capitalism and slavery, Fitzhugh's vicious and narrative-confounding attacks on the doctrine of *laissez-faire* capitalism find no home in the intellectual history of the same purported link. In addition to neglecting (or at times butchering) the empirical economic literature on the slave economy's operations, recent historical work on the intellectual dimensions of the slavery-capitalism relationship border on negligent.^[44] Directing greater attention to the starkly conflicting visions of Leggett and Fitzhugh presents necessary grappling for intellectual historians of slavery and capitalism to undertake, one that will likely chafe with many of their own ideological priors.

I will leave the development of these thoughts to the discussion should others choose to pick them up, and offer them here as a line of inquiry to be pursued rather than an attempt to answer such a sweeping set of themes. But a related final note warrants investigation in the form of Leggett's direct political progeny.

Anthony provides us an insightful account of Leggett's immediate heirs, tracing his progeny through the Locofoco supporters of the Canada rebellions of 1837, the Dorr rebellion in Rhode Island in 1841, and the ongoing political realignments of the 1850s. The "dormant beast of domestic insurrection" in the second case reflects a populist democratizing strain of thought in Leggett's heirs, as well as the somewhat chaotic political decoupling of the expansion of political participation from the principles of abolition due to the perceived prospect of the former's national appeal. The failure of the Dorrites' charter presaged further splintering and general ineffectiveness that would come to characterize the Locofoco movement until the Civil War, although a silver lining may be found in the transmission of Leggett's crusade against public corruption into strains of both major political parties to emerge from that conflict.

Partisan realignment remains a fascinating extension of Leggett's influence precisely because it followed such a messy course – including in the Republican Party, where antislavery principles took root but the accompanying doctrines of laissez faire did not. Or perhaps a more nuanced take would note that laissez-faire doctrine was sacrificed to assemble the electoral coalition that would hold enough of a line on slavery while also winning a national election. In any case, the GOP emerged from the war as the party of banking and tariffs – albeit one with a restless minority of free-trade New Englanders, which both wrestled with the party apparatus and at various points in successive elections – 1872 and 1884 in particular – evinced a willingness to bolt.



Abraham Lincoln

That the market-liberal strain persisted is its own testament to the movements Leggett sparked, and indeed no less a source than Abraham Lincoln both recognized and grappled with their place in his own coalition. In a candid private interview with his campaign biographer, Lincoln in 1860 confided his awareness of the trouble with holding the Republican coalition together, given his own Whiggish economic views in a party that did not entirely share them. Standing on the opposite side of the platform debate was William Cullen Bryant, Leggett's newspaper patron and primary political heir. As a surviving note from the interview attests:

Mr. L[incoln] says, "the Tariff subject must be touched lightly. My speeches in favor of a Protective Tariff would please Pennsylvania and offend W.C. Bryant in the same degree. It is like the case of three men who had nothing to cover them but a blanket only sufficient to cover two. When No. 1 pulled it on, off No. 3."[\[45\]](#)

Lincoln of course managed to hold his coalition together without pulling off the metaphorical blanket, yet an unexpected push by a group of former Whigs-turned-Republicans in early 1861, exploiting the absence of southern senators amidst the secession crisis, gave them the upper hand in the GOP on economic matters. The cause of free trade would revert to its Democratic base after the war, including taking more than a few Republicans with it and leaving others – Senator Charles Sumner among them – in tension between their personal economic ideals and the electoral fortunes of the party in power.

Political principle, no matter how coherently argued on paper, is a fragile thing in the halls of government. Yet something tells me Leggett would not have been surprised by such developments, viewing them instead as another deserving object of the fury of his pen.

Endnotes

[\[39.\]](#) White, p. 169.

[\[40.\]](#) Walter Scott, "The Letters of Malachi Malagrowther," in *The Miscellaneous Prose Works of Sir Walter Scott* (Edinburgh: Robert Caddell, 1849), Vol. XXI, p. 294.

[\[41.\]](#) Robert James Turnbull, *The Crisis, or Essays on the Usurpations of the Federal Government* (Charleston, SC: A.E. Miller, 1827).

[\[42.\]](#) George Fitzhugh, *Cannibals All!* (Richmond, VA: A. Morris, 1857), pp. 79-81, 88.

[\[43.\]](#) George Fitzhugh, *Sociology for the South, or, the Failure of a Free Society* (Richmond, VA: A. Morris, 1854), p. 7.

[\[44.\]](#) For a devastating critique of the misuse of economic data across several recent works in the New History of Capitalism genre, see Alan L. Olmstead and Paul W.

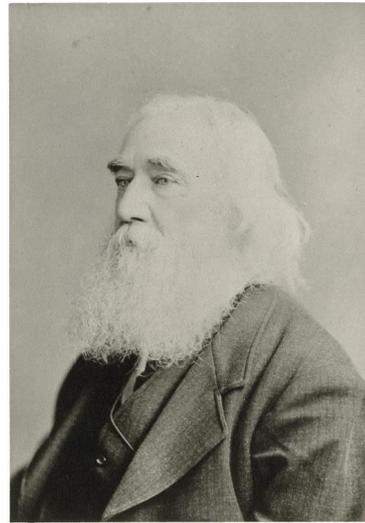
Rhode, "Cotton, Slavery, and the New History of Capitalism" *Explorations in Economic History* 67 (2018): 1-17.

[45.] James Q. Howard's Biographical Notes, May 1860, in Abraham Lincoln Papers, Library of Congress.

HOW WILLIAM LEGGETT SAVED ME FROM THE ALT- RIGHT

by Anthony Comegna

I first encountered William Leggett somewhere in my undergraduate readings on Jacksonian America—and there's no telling exactly where. Leggett does show up in many of the most popular and important books about his era, but rarely does he receive more than a stray listing or two in an index, perhaps a paragraph. However I first saw it, his name did not register with me, and neither did his Locofocos. It was a solid two years into my readings and a trip all the way to Alabama for a certain summer program in Austrian economics until I found the greatest remnants of William Leggett collected altogether, right there in one volume by Larry White. I was looking for a research topic for my undergraduate honors thesis, and after passing up volumes on the Anti-Corn Law League, the Levellers, and Lysander Spooner, there was Leggett beckoning to me from the shelf. I picked up Larry's book, immediately consumed his preface, and knew that I'd found my subject.



Lysander Spooner

I wrote a short "intellectual biography" of Leggett, detailing his ideas and his mistreatment in the historiography. The few historians who had ever paid attention to this man profoundly misunderstood him, and only this Larry White guy knew what Leggett was *actually* talking about. Someone had to put Leggett's legacy right, and I made it my mission to tell the rest of the story. I graduated, started my master's and doctoral work, and continued to tease out the grand history of locofocoism. Only one nagging issue held me back.

For my MA I wanted first to answer a burning question which had lingered from my days as a young and learning Austro-libertarian: if the Confederate secession was not really about slavery (something my libertarian "tutors" taught me to assume), then *where were* all the hard core Jeffersonians in the South *circa* 1860? Before I followed up with Leggett's disunionist abolitionism, I had to find out whether my beliefs about southern intellectual history were correct.

Well, I was wrong. I quickly discovered that by 1860, there were practically no thoroughgoing Jeffersonians *left* in the South. I found that for at least 30 years the politically powerful and their poor white allies prosecuted intellectual and political campaigns to defend, justify, protect, and empower the slave system. Figures like Calhoun pioneered the "positive good" school, and his successor James Henry Hammond identified a permanent "mudsill" class. Everywhere for two

generations, southerners praised slavery, its supposedly divine origins, its tremendous power and wealth, and its civilizing effect on African savages. I even found newspaper editors flat out saying Jefferson's "Declaration" might as well have been written by Satan himself. I was frankly flabbergasted. I wrote up my findings in my MA thesis and figuratively moved back to New York for my dissertation. I could rest easy now with the knowledge that the homeland for prewar radical liberalism was most likely Leggett's city.

And the more I read from Leggett and his radical intellectual children, their uncompromising efforts to abolish slavery and exploitation of all kinds, their constant search for revolution and reform—the more completely I fell in love with them and their movement. I make no pretension to objectivity when talking about "*my* Locofocos." My work on the South left me deeply disenchanted and worried that there *were no* Jacksonian threads connecting radicalism from colonial America to modern libertarianism. But now the Locofocos had shown me the light: I felt like I'd found Nock's [Remnant](#).^[46]

Yet as I discovered the full story of locofocoism, I also found that the vast majority of Locofocos *were not like William Leggett*. Most people—even most "radicals," I fear—are pragmatists at heart and will happily sacrifice abstract principles for immediately identifiable gains. I realized that this is what actually killed the Locofoco movement, and *this* is why so few people today have ever heard of it. And as the next few years passed (2012-2016) and libertarian after libertarian peeled away to join the gelling alt-right, I saw history replaying in real-time. At that point it was a race to finish the dissertation and start deploying this example as a warning before it was too late.

Libertarian, like *Locofoco*, has been subject to a new destructive and deadly "triangular contest." There are, of course, the Democrats; there are the big-government Trump Republicans; and we libertarians are stuck in the middle, trying to find our way to influence and impact. The more we break ranks and join the political fight, the deeper we dig our movement's grave. If we hope to save the meaning of the very word *libertarian* and live up to

Leggett's example, we have to insist on the fundamental, universal equality of individual rights, a true brotherhood of all peoples standing up to the slaveocracy.

Endnotes

[46.] Albert Jay Nock, "Isaiah's Job," *The Atlantic Monthly* (1936). Online at Mises.org <<https://mises.org/library/isaiahs-job>>.

A MOVEMENT FOREST CLUTTERED WITH PARTISAN TREES

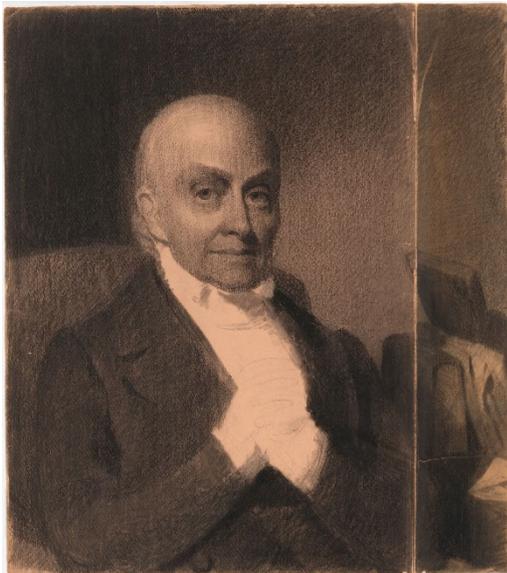
by Anthony Comegna

Virtually every secondary source on William Leggett's locofocoism cites its way back to a single article by historian William Trimble published almost exactly one century ago.^[47] Trimble was planning a much larger study but never completed it: "This article is collated from a more extensive study, now in manuscript, on the history of the Locofoco party." Interestingly, Trimble's interest was sparked "a number of years ago in a seminar of Professor Frederick J. Turner, who has continued to evince helpful interest." If only Trimble had finished and published the project (I know the struggle!), we may have lived through a very different sort of 20th century. Just imagine if, ca. 1920s-40s, Americans like Albert Jay Nock, Rose Wilder Lane, or H. L. Mencken had a full history of Locofocoism at their fingertips. I cannot say what they would have done with it; but as history actually happened, Trimble's manuscript went neglected and the Locofocos all but disappeared from the record.

And Trimble was really on to something. His Progressive perspective helped identify a movement which bridged the gap between free markets and left-wing social causes. Historians in Trimble's generation understood that the time-worn nationalist narrative peddled by the likes of George Bancroft (our country's original court historian) operated in favor of the ruling class.

The nationalist view treated American history as complicated and messy but always righteous and good. Colonial history was a prelude to the Revolution, and all history after 1776 was the logical and proper unfolding of America's place in humanity's destiny. Nationalist historians emphasized what they saw as a single great creed of mission uniting all Americans across time and space, from the Puritans' "City upon a Hill" to the martyred Abraham Lincoln.

Progressives, by contrast, emphasized the deep and lasting conflicts in American life. Informed by a mix of Marxist concerns about economic power and libertarian concerns about state power, their best histories read like Trimble's article on locofocoism. They recognized how deeply interconnected political and economic power were, and they mercilessly applied their first principles to whatever question they were studying.



John Quincy Adams

The Progressives' main mistake, though, was idealizing the past into clean categories of heroes and villains: Piedmont vs. Tidewater, Republicans vs. Monarchists, Democratic-Republicans vs. Federalists, Democrats vs. Whigs, Labor vs. Capital, and so on. Progressive histories often read like comic books, and the narratives could get fairly cartoonish. Trimble's article on the Locofocos is no different. He lauded Locofoco Ely Moore for being "the first president of the New York General Trades' Union

and also of the National Trades' Union," and the man John Quincy Adams called "the prince of working-men." He painted the New York Locos as pure heroes organizing for the people, but as we have already seen, the story is far more complex and far less noble.

For Trimble the Locofocos were the clear forerunners for his own school of progress, and if he had followed the story through he could have really had something there. But one key error spoils the project. Trimble limited his perspective to the Locofoco Party and therefore missed the movement. For all their keen attention to political power, to Progressives and most historians since, history is really about political activity and anything not apparently useful to that effect is relatively useless.

It seems astonishing that despite the field-quaking changes in the historical profession since then, so few have bothered to expand on Leggett and locofocoism beyond Trimble's article and perhaps a few primary sources. The sad fact remains: except for a few stragglers from the old labor left, almost no historians have any interest in people like Leggett, and his story has gone largely untold. Trimble helped along the forgetting process with conclusions like this: "The Equal Rights or Locofoco party which this faction organized, though it proved insignificant in number of adherents and in duration of existence, nevertheless has a distinct place in American political history." Distinct, sure—but worth remembering? Most historians who might have read Trimble apparently think not.

Even those left-wing labor historians who admire the Locofocos have made this same move—they laud locofocoism as a forerunner to the labor movement and even the New Deal, which they love so much, while either grievously misunderstanding or conveniently ignoring the ultra-libertarianism. They praise the party for aiding labor but bury it as soon as the true movement began. Telling that tale requires forsaking the state as the central focus of history, and precious few historians do that.

So let's hear it for Liberty Fund! If we were not taking the time to remember Leggett, I fear no one else would.

Endnotes

[47] William Trimble, "Diverging Tendencies in New York Democracy in the Period of the Locofocos," *The American Historical Review* 24, No. 3 (Apr. 1919): 396-421. Available online at JSTOR, <www.jstor.org/stable/1835776>.

SLAVERY AND CAPITALISM IN LEGGETT'S DAY AND OUR OWN

by Brian Schoen

Leggett's emphasis on competitive banking is important, and others have summarized the historical trajectory far better than I could. I also tend to agree with Anthony that Leggett's larger intellectual legacy would only be rediscovered late in the 19th century. I am curious, though, if Benjamin Tucker and others were directly inspired by his writings or if their journey towards "libertarianism" came from a different source?

I'll take back up the slavery thread that Phil returned to. He rightly points out an anti-laissez-faire, proslavery thread, one embodied by George Fitzhugh. I would quibble, though, with the notion that Fitzhugh's "vicious and narrative-confounding attacks on the doctrine of laissez-faire capitalism find no home in the intellectual history of the same purported link." Eugene Genovese and Elizabeth Fox-Genovese—who defined the intellectual history of the South for nearly 40 years, first as Marxists and then as Catholic converts—painted Fitzhugh as the quintessential proslavery thinker, emblematic of a paternalism variously defined as precapitalist, anticapitalist, or the "bastard child" of capitalism.[48] A middling and mostly unsuccessful Virginia planter, Fitzhugh projected his personal losses on the system, claiming that slavery's inefficiencies came because of slaveowners' supposed benevolence to their slave "family." He saw free trade as the enemy and offered up sociology as a discipline capable of saving slaveholders and the plantation South from the corrosive effects of modern capitalism. As a fill-in for proslavery

thinkers, he served both Marxist accounts and some classical economic views that similarly stressed slavery's economic backwardness.

That this thread of anticapitalist, proslavery thinking has been downplayed recently is revelatory of a couple of different trends. One is clearly a desire by some historians, especially after last decade's financial crisis, to hitch everything bad, including slavery, to capitalism. But there are also some other interpretive developments worth considering. For one thing, we better appreciate that not all slaves were on plantations, and that life on them was far more brutal than benevolent. We appreciate that modern or "second slavery" was adaptable to nonagrarian activity, with slaves—sometimes hired out, the masters getting the bulk of the profits, to work in factories, building railroads, etc. As such, proslavery thinkers like industrialist J.D.B De Bow, who edited an influential southern periodical based in New Orleans and stressed slavery's compatibility with capitalism, have garnered greater attention.[49]

But perhaps more importantly, slavery's practice and meaning were laid bare at the slave auction house where at least hundreds of thousands of men, women, and children were "capitalized"—bought and sold. The ledgers of those slave traders look remarkably similar to the account books of other merchants and shopkeepers, albeit with people rather than goods as the chief commodity. This was a marketplace of bondage that slaveholding intellectuals, including Jefferson, felt uncomfortable writing much about and seldom publicly defended.[50] Yet it was a key feature of southern economic life, one in which market prices determined labor's commodification. When coupled with the statistical data that slaveholders and their allies mounted to highlight slavery's central place within the world economy, this looked rather capitalistic, though as Phil notes, economists and a few historians have challenged the capitalism-as-slavery school's selective and incomplete use of data.[51] To this critique James L. Huston has also recently suggested that the "new history of capitalism" rests on some problematic and undertheorized definitions, ones highlighting a

splintering of Marxist theory more generally.^[52] Of course the same might be said of liberalism, the definition of which proved as malleable in the 19th century as it is today.



Thomas Jefferson

Phil's broader point that proslavery thought in and after Leggett took multiple forms is an important one. Thinkers drew from religion, history, pseudoscience, and Fitzhugh's "sociology" to justify slavery's existence. I think there is also something to Anthony's claim that the South was abandoning its Jeffersonian legacy of natural law. Yet some southern theorists sought a workaround by redefining nature in the starkest of racist terms. Anticipating Social Darwinism, they claimed that nonwhite peoples were naturally suited to slavery.

For our purposes the key question remains the extent to which slavery can be seen as compatible with capitalism then and now. Scholars have offered many options. Jeffrey Young, for example, suggests that slaveholding was a form of "corporate individualism," which I think probably accurately expresses how many slaveholders perceived themselves as economic actors: "managing" property-owning men engaged in an otherwise free marketplace.^[53] My own view is that slavery represents a malignant but real form of capitalism and that fortunately there were better, more moral versions that expanded freedom and opportunity. Ultimately slavery,

as Phil rightly notes, required remarkable statism, with governments mobilized to keep aspiring free-men and -women in bondage. Here is where a "Leggettian," or "libertarian," critique is especially useful.

Yet on the reverse side of that coin is the problem of ending entrenched slavery, and here I am not sure how far "libertarianism" gets us. Very few slaveholders followed John Randolph's and George Washington's lead and voluntarily freed their slaves. An older generation of scholars thought that slavery might die a natural *laissez-faire* death, but most economists and historians (even those using the best data) no longer see that as likely. The question then is who or what would have stopped the slaveholders' violation of the slaves' natural rights and thwart the holders' general legal dominance. Slaves of course often and valiantly resisted, yet except for the case of Haiti, they usually failed to overturn the system on their own. The answer, in almost every instance, has been from the top and often with a strong imperial or national state. In Britain the Parliament decreed it, with government agents enforcing it. In Russia the Czar did. In the United States an executive decree made during a time of war brought it about. Is there a "libertarian" solution to the problem of entrenched slavery that could have achieved that end without the loss of 700,000 men while still liberating four million persons of African descent and offering them actual protection? I am not certain there was, but could be convinced otherwise.

Endnotes

^[48.] Eugene Genovese, *The Political Economy of Slavery: Studies in the Economy and Society of the Slave South*, 2d ed. (New York: Pantheon Books, 1965); *The World the Slaveholders Made: Two Essays in Interpretation*, (New York: Vintage, 1971) (Fitzhugh was mentioned over 100 times); *The Slaveholders' Dilemma: Freedom and Progress in Southern Conservative Thought, 1820-1860* (Columbia, SC: University of South Carolina Press, 1994); and with Elizabeth Fox-Genovese, *The Mind of the Master Class: Slavery and Faith in the Southern Slaveholder's Worldview* (New York: Cambridge University Press, 2005).

[49.] John F. Kvach, *De Bow's Review: The Antebellum Vision of a New South* (Lexington, KY: University Press of Kentucky, 2013).

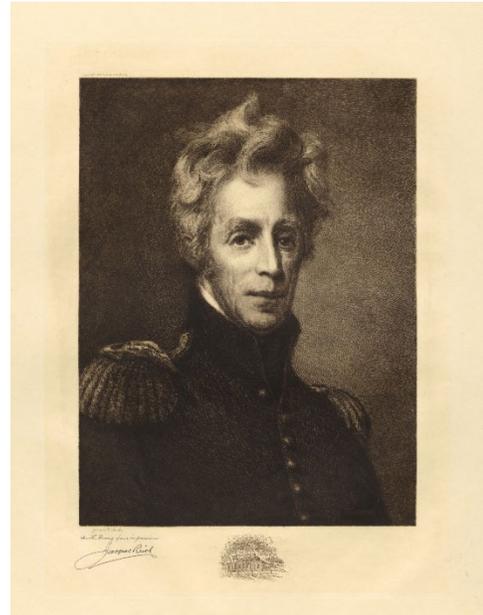
[50.] Walter Johnson, *Soul by Soul: Life Inside the Antebellum Slave Market* (Cambridge, MA: Harvard University Press, 2000); Steven Deyle, *Carry Me Back: The Domestic Slave Trade in American Life* (New York: Oxford University Press, 2005).

[51.] Add to that list historian Robert E. Wright's, *The Poverty of Slavery: How Unfree Labor Pollutes the Economy* (New York: Palgrave Macmillan, 2017).

[52.] James Huston, "Slavery, Capitalism, and the Interpretations of the Antebellum United States: The Problem of Definition," *Civil War History* (June 2019): 119-156.

[53.] Jeffrey Young, *Domesticating Slavery: The Master Class in Georgia and South Carolina, 1670-1837* (Chapel Hill, NC: University of North Carolina Press, 1999).

free-trader and free-banker who understood that political interests often captured economic-policy institutions and redirected them to self-serving ends, Leggett offered an invaluable unromanticized critique of the lofty rhetoric behind the American System and the bombastic political posturing of the nullificationists.



Andrew Jackson

MUCH WAS UNWELL WITH THE COTTON ECONOMY

by Phillip Magness

My own personal discovery of Leggett came from philosophical frustrations when navigating the politics of the Jacksonian era. I can relate to both Anthony and Larry in this sense – first, in seeing the liberal idealism of the Jeffersonians succumb to the toxins of slavery, and second in finding a historical literature on antebellum banking and tariffs that at times seemed oblivious to the corrupting influence of special-interest lobbying – or rent extraction in the modern sense – upon policy outcomes in these arenas. Leggett offered it all. He was a small-"d" democrat who retained the decentralized spirit of the Tertium Quids but minus the unwarranted valorization of agrarian life and the moral corruption of accommodating and eventually embracing slavery. And yet he also cut through a political narrative that presented economic debates as the opportunistic three-way contest between Jackson, John C. Calhoun, and Henry Clay. A

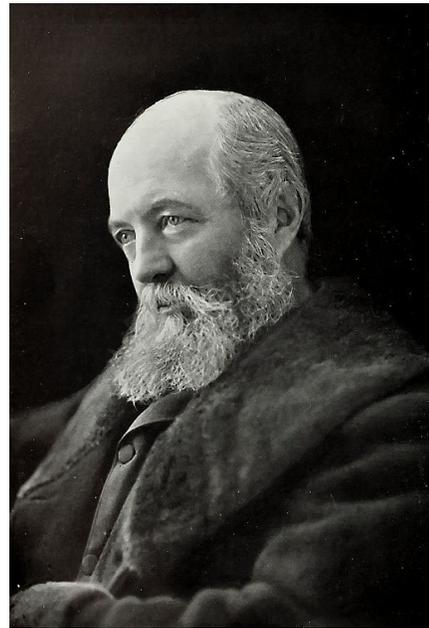
I wanted to offer a few additional thoughts, though, on Brian's insightful continuation of the running discussion around slavery's economic dimensions. Brian asks us to consider a fundamental conundrum presented by the slave system's political entrenchment vis-à-vis its economic position, namely, how to wean the country from this morally destructive system:

Very few slaveholders followed John Randolph's and George Washington's lead and voluntarily freed their slaves. An older generation of scholars thought that slavery might die a natural laissez-faire death, but most economists and historians (even those using the best data) no longer see that as likely. The question then is who or what would have stopped the slaveholders' violation of the slaves' natural rights and thwart the holders' general legal dominance.

This question presents no easy answer, but it also serves as a reminder that the political critique of slavery's entrenchment found in much of Leggett's work is also historically linked to economic indictments of the slave system.

The "natural death" argument seems to be unsupported in the available evidence, but its underlying intuition is informative. This argument held that slavery suffered from comparative economic inefficiency when juxtaposed with a free-labor alternative. Faced with the disadvantages of coerced labor and growing industrial competition, the slaveowning regions would begin to lag economically. Free labor, it followed, would eventually win out.

Even at the late-antebellum peak of the southern cotton economy, several observers saw structural weaknesses in the economic status quo. Frederick Law Olmstead's blistering travelogue of the American South, published between 1852 and 1857, lent credence to the notion that slavery served as an economic retardant in the region. Edward Atkinson similarly provided statistical heft to this position during the Civil War, publishing detailed maps of the South that posited rampant inefficiency and misuse of cotton-growing land as a result of the labor-market distortions caused by slavery. Southern partisans such as Fitzhugh and DeBow reacted to these and other similar data points by denying that slavery was the cause, but also by ramping up their respective cases for a slave-based industrialization program across the region.



Frederick Law Olmstead

Such accounts are historically important not because they presaged a natural economic demise, but because they illustrate that much was structurally unwell with the cotton economy, whether we designate it as *capitalism* or something else. Slavery's persistence then in spite of its comparative economic woes thus becomes a conundrum that can only be explained through its political entrenchment. Adam Smith, one of the main originators of the efficiency critique of slavery's economics, was also among the first thinkers to notice its intractable political persistence. "The persons who make all the laws in that country are persons who have slaves themselves," Smith explained, and as such "will never make any laws mitigating their usage; whatever laws are made with regard to slaves are intended to strengthen the authority of the masters and reduce the slaves to a more absolute subjection."[\[54\]](#) The problem of slavery was not a feature of capitalism but of governance. Furthermore, as Smith observed, democratic governance (albeit constituted among landed whites) seemed to politically entrench the institution with even greater fervor than arbitrary or monarchical rule.[\[55\]](#)

What this meant for the American slave system in 1835 or 1860 is a contest between its liberal adversaries and its small but often homogeneous and politically entrenched economic beneficiaries. It is therefore interesting to

ponder how Leggett might have proceeded were it not for his early death. Some who shared his economic disposition and rhetorical fervor eventually turned to arms. Atkinson, himself an adherent of the old free-trade doctrine, became a financier of the John Brown conspiracy. Others, such as Leggett's patron Bryant, cast their lot with the political channels of the Republican Party, only to find it stumbling through an eventually successful, but also unimaginably destructive and costly, war that at first seemed to muddle its way through the moral considerations attached to its triggering cause. One has to ponder the idea of Leggett's own pen being turned loose once again upon the political classes of his day, placing the blame – as Smith had done before him – on their centuries-long complicity with the brutal instruments of chattel-slave production.

Endnotes

[54.] Adam Smith, *Lectures on Jurisprudence*, (Indianapolis, IN: Liberty Fund, 1982) p. 181.

[55.] Adam Smith, *The Wealth of Nations*, Book IV, Chapter VII.

LEGGETT AND 'HARD MONEY

by Lawrence H. White

I have enjoyed all the contributions to the discussion so far.

Here I want to clarify the extent to which Leggett should be called a "hard money" advocate. Brian Schoen in his response essay refers to Leggett's "support for hard-money policies" and states: "For Leggett, removing bank-issued paper and preserving 'real money' (aka specie) would aid the laboring man." That accurately describes Leggett's earliest published views, but – much as it did on slavery – his thinking evolved on the question of hard money (silver and gold coins) versus bank-issued paper (banknotes, circulating debt claims contractually redeemable for silver or gold coins).



Early on, Leggett denounced private banknotes as such. In 1835 he criticized the "privilege" of allowing private firms "[to coin a worthless substitute for gold and silver](#); to circulate it as real money; and thus enter into competition with the General Government of the United States, in one of the highest and most important of its exclusive functions."^[56] (He would later recognize that the U.S. Constitution did not give Congress an *exclusive* right to issue coin.) He charged the state-chartered banks of issue with foolish and speculative expansions and contractions of the money supply, "subjecting the community to continual fluctuations of prices" and thereby causing "seasons of preternatural prosperity and severe distress, shaking public faith, exciting a spirit of wild speculation, and demoralizing and vitiating the whole tone of popular sentiment and character." He did not at this point stop to consider that the banks would not have acted spontaneously in unison but were rather acting under the common influence of the credit policies of the Second Bank of the United States (BUS). He would later identify BUS policies as the culprit for the boom-bust cycle ending in the Panic of 1837.

To limit the spread of banknotes, Leggett in 1834 called on the New York state legislature to "[refuse to grant any more charters of incorporation](#)" to banks of issue and to "take effectual measures to prohibit the small note issues."^[57] In the meantime he suggested that workingmen should write slogans on the backs of banknotes that came into their hands, like "Jackson and Hard Money!" or "Gold before Rags!," before passing them on.

By 1837, however, Leggett no longer used hard-money language. He had come to realize that the remedy for privilege in banking was not further legal restrictions but rather completely free competition in banking. He now wrote of leaving the banking system "[entirely to the laws of trade.](#)"^[58] Rather than having the legislature block the entry of any additional banks, he argued for permissionless note issue:

Any individual has a right to stamp his name, and his image too, if he pleases, on a piece of silver or gold, and exchange it for what it is intrinsically worth. In the same way we contend that he has a natural right to give his promise to pay a certain sum on a piece of paper, and, subscribing it with his name, to pass it for what those with whom he deals may be willing to receive it.

Leggett now repeatedly denounced New York state's "Restraining Law," which prohibited the entry of any bank not chartered by the legislature.

In an 1837 essay supporting Jackson's veto of the recharter of the Second Bank of the United States and calling for the removal of the federal government's money balances from state-chartered banks to simple Treasury coin depositories, Leggett argued sweepingly for *laissez faire* in banking.^[59] Just as the federal government has no warrant to interfere with the exchange of goods, he wrote,

[it has, properly, nothing to do with the currency,](#) which is also an affair of trade, and perfectly within the competency of its own natural laws to govern. Let the government confine itself to its plain and obvious political duties. Let it have nothing to do with a "credit system." Let it connect itself neither with corporations nor individuals. Let it keep its own money, taking care that it is *money*, and not *promises*; and let it leave it to unfettered sagacity and enterprise to devise and carry into effect whatever system of exchange and credit may be found most advantageous to the commercial interests of society.

Faced with the disorder surrounding the Panic of 1837, Leggett urged that the legislature of the state of New York should

[give freedom to that spirit of enterprise](#) which even now, in the chaotick state of things to which exclusively privileged bank monopolies have reduced us, stands ready, if only allowed free scope, to rescue the community from the terrible confusion of general bankruptcy. If Governour Marcy wishes to convene the legislature, let it be for the purpose of repealing all the restraints on the trade in credit and money, and not for imposing new burdens on the defrauded people, for the benefit of a few privileged charter mongers.^[60]

Leggett's mature position was thus that governments should be restricted to hard money, but the public should be left free to use whatever kind of money it preferred. There should be no legal restrictions against banknotes to keep them from the hands of businesses and individuals. In an answer to a reader's question, Leggett made this position very clear. Here I quote at greater length an 1837 passage that I quoted only a snippet from in my response essay.^[61] Leggett wrote:

[There is an ample amount of bullion for all the purposes of a currency.](#) But freedom of trade does not imply the abolition of paper credit. It merely contemplates the separation of government from the credit system, whether in the way of restraint, regulation, or encouragement. There is an ample quantity of bullion in the world for an exclusive metallick currency, but prices would, of course, have to undergo a vast reduction, to adjust them to a hard money scale. But an exclusive metallick currency could only be instituted and maintained by the force of arbitrary government edicts, totally contrary to the first principles of natural justice. Bank-notes, in their intrinsick nature, are nothing more than the promisory notes of one individual to another, they are merely one of the forms which confidence between man and man

assumes. So long as the laws do not interfere, and give an adventitious character to these notes, there is no reason, in natural justice or social expediency, why they should be interdicted. If left to themselves, they will not extend beyond the limits of a secure foundation, nor the demands of general convenience.

Endnotes

[56.] "The Course of the Evening Post," *Evening Post*, (May 18, 1835).
 <https://oll.libertyfund.org/titles/682#Legett_0012_1_06>.

[57.] "Small Note Circulation," *Evening Post*, (August 6, 1834).
 <https://oll.libertyfund.org/titles/682#Legett_0012_1_93>.

[58.] "Strictures on the Late Message," *Plaindealer*, (January 14, 1837).
 <https://oll.libertyfund.org/titles/682#Legett_0012_2_64>.

[59.] "Connexion of State with Banking," *Plaindealer*, (May 6, 1837).
 <https://oll.libertyfund.org/titles/682#Legett_0012_3_08>.

[60.] "The Remedy for Broken Banks," *Plaindealer*, (June 3, 1837).
 <https://oll.libertyfund.org/titles/682#Legett_0012_3_73>.

[61.] "Questions and Answers," *Plaindealer*, (June 17, 1837).
 <https://oll.libertyfund.org/titles/682#Legett_0012_3_87>.

LEGETT AND DISUNION

by Lawrence H. White

In his contribution to our conversation entitled "How William Leggett Saved Me from the Alt-Right," Anthony Comegna makes a passing reference to "Leggett's disunionist abolitionism." Here I want to underscore Leggett's disunionism, which was quite unusual in its day. Leggett in 1835-37 was one of the earliest abolitionists to propose that the non slaveholding states should exit the Union rather than participate in perpetuating slavery by continuing to make concessions to the slave holding states.

Although there had been a small New England disunion movement during the War of 1812, it was only tangentially connected to abolitionism. It was mostly a response to the trade embargo that disproportionately harmed New England. The Hartford Convention of 1814-15 passed a resolution protesting the over representation of slave holding states in Congress that resulted from the notorious constitutional provision counting three-fifths of enslaved residents for purposes of apportionment, but it did not question the institution of slavery.



William Lloyd Garrison

The most famous disunionist abolitionist before the Civil War was William Lloyd Garrison, who came to prominence in the 1830s. A detailed study of the development of Garrison's thought^[62] reports, however, that he did not embrace disunion until around 1842.

Garrison's arguments for disunion, like Leggett's, were normative. Leggett argued that it was wrong to suppress abolitionist speech (censor the mails, allow mobs to violently interrupt rallies) to placate southerners for the sake of preserving the Union. Garrison argued that it was immoral per se to remain in a political union with slave holding states. Other abolitionists added the strategic argument that dissolution of the Union would free northern states from a legal obligation to return fugitive slaves, thereby making escape from slavery much easier (a runaway would need only cross the Mason-Dixon line, not the Canadian border), and put the expense of preventing runaways back on the slave holding states.

Leggett in 1835 was outraged by the suggestion, which he attributed to unnamed southern newspapers, that northern states should prohibit public expressions of abolitionist opinion on threat of southern secession. He attributed the threat to "the arts and intrigues of Calhoun and his followers and myrmidons." Leggett responded:^[63]

[I]f we can hope to maintain our fraternal connexion with our brothers of the south only by dismissing all hope of ultimate freedom to the slave; let the compact be dissolved, rather than submit to such dishonourable, such inhuman terms for its preservation. Dear as the Union is to us, and fervently as we desire that time, while it crumbles the false foundations of other governments, may add stability to that of our happy confederation, yet rather, far rather would we see it resolve into its original elements tomorrow, than that its duration should be effected by any measures so fatal to the principles of freedom as those insisted upon by the south.

Leggett was ashamed to see his country's flag fly over slave holding states, reflecting a Constitution that protected the legality of slavery:^[64]

We confess, with the keenest mortification and chagrin, that the banner of our country is the emblem, not of justice and freedom, but of oppression; that it is the symbol of a compact which recognizes, in palpable and outrageous contradiction of the great principle of liberty, the right of one man to hold another as property;

He summarized his position in 1837: "We cannot give up Freedom for the sake of Union."^[65] Perhaps most radically, contemplating the possibility of a bloody slave revolt in the southern states, Leggett allowed that his sympathies would lie with the enslaved, not with his fellow citizens who were their oppressors:

We earnestly trust that the great contest of opinion which is now going on in this country may terminate in the enfranchisement of the slaves, without recourse to the strife of blood; but should the oppressed bondmen, impatient of the tardy progress of truth urged only in discussion, attempt to burst their chains by a more violent and shorter process, they should never encounter our arm, nor hear our voice, in the ranks of their opponents. We should stand a sad spectator of the conflict; and whatever commiseration we might feel for the discomfiture of the oppressors, we should pray that the battle might end in giving freedom to the oppressed.^[66]

Endnotes

^[62.] William M. Wiecek, *The Sources of Anti-Slavery Constitutionalism in America, 1760-1848* (Ithaca, NY: Cornell University Press, 1977), pp. 236-38.

^[63.] "Slavery No Evil," *Evening Post* (September 9, 1835). <https://oll.libertyfund.org/titles/682#Leggett_0012_513>.

[64.] "Abolition Insolence," *Plaindealer* (July 29, 1837). <https://oll.libertyfund.org/titles/682#Legett_0012_560>.

[65.] "Progress of Fanaticism," *Plaindealer* (January 14, 1837). <https://oll.libertyfund.org/titles/682#Legett_0012_528>.

[66.] "Abolition Insolence," *Plaindealer* (July 29, 1837). <https://oll.libertyfund.org/titles/682#Legett_0012_560>.

THE DISCONNECT BETWEEN IDEAS AND POLITICAL REALITY

by Brian Schoen

I would like again to thank Phil and the other participants for a really fruitful and nuanced discussion about Leggett, free banking, slavery, and capitalism. Just a few quick rejoinders to the conversation. I share Phil's "philosophical frustrations when navigating the politics of the Jacksonian Era." My own journey started not in the northeast, but in the expanding cotton belt where southern planters continued to talk like economic liberals on the macro-level while acting (on the micro) like brutal oligarchs suppressing a free labor market. In public discourse they sang (selectively) the praises of Adam Smith's *Wealth of Nations*, trumpeted the free movement of individuals and property, and derided government, especially federal-level interventions in the economy. They conveniently ignored Smith's *Theory Moral of Sentiments*. Rather than accept that the growing antislavery impulse of the early 19th century's "impartial spectator" ought to inform their actions, they mounted an increasingly vigorous defense of slavery. They worked hard to convince the world that they were classical liberals, and it is ironic that current critics of liberalism have taken them at their word.

Worried about government interference in their domestic fiefdoms/corporate entities, they erected a proslavery

ideology and the institutional power to preserve their coerced labor. That concern ultimately propelled them to secession, the erection of their own fairly centralized government, and war. That course ironically brought about the very government action they had feared, one actually enforceable because of the power of the second-largest army in the world at the time. (China's was a bit

"THEY CONVENIENTLY IGNORED
SMITH'S *THEORY MORAL OF*
SENTIMENTS."

bigger.) Emancipation and reconstruction wiped out one major source of entrenched wealth, though unfortunately both the racist prejudice undergirding slavery and (in most instances) black economic subjugation remained, again often at the hands of local and state law, but sometimes out of well-intentioned federal policy. Political subordination of freed-men and -women also returned by century's end in ways that have been powerfully and tragically explained. In that context, it is not entirely surprising to me that Leggett's intellectual ideas found little currency.

Perhaps unsurprisingly, our posts continue to illustrate the disconnect between ideas and political realities. In the context of partisan politics, there was little ideological purity, a point that drew Leggett's ire and draws our own. Part of this challenge results from the demands that coalition parties put on government, especially during times of crisis, but I think it is more than that. As public-choice scholars remind us, individuals in a democracy expect politicians to do things for them. (Why else do corporations and other special interests dump millions into lobbying efforts, campaign coffers, and direct advertising?) The new institutional and policy histories of the 19th century might open up additional windows into how economic actors directly engaged the government.

Here historians have a great deal to learn from the outstanding work of economists like Professor White (who it has been a pleasure to share this platform with), Douglass Irwin, and others. Phil's work on the tariff of 1861 presents one such example, highlighting that even

as the union was in crisis, special interests lined up in hopes of gaining government privileges.^[67] Daniel Peart's recent book on tariff lobbyists helps to fill a major void by offering a more systematic study of how those debates played out in the antebellum press and the corridors of power. Peart's book shows that there were real tangible economic and political issues at stake and also that interest usually trumped principle. It has the added benefit of highlighting that votes often hinged on one or two swing congressmen. I found his demonstration of contingency oddly comforting in a time when political extremes again appear to be ripping apart our public discourse with vitriol that might further threaten individual liberty. Leggett doesn't make an appearance in Peart's book, but he might have.^[68]

A truer understanding of 19th-century capitalism would shed light on how different economic actors engaged local, state, and federal politics to bring about their desired policy ends. That has proven difficult, though, because until recently most scholars with a post-New Deal perspective believed that the 19th-century state was practically nonexistent. Leggett offers a different starting point. He drew from a deeply American suspicion of the effects of privileged, which is to say, government-sanctioned, power. His editorials sought to mobilize voters to end those privileges and to expand choice, leaving arguments that may not align with our own political discourse any more clearly than they did with the discourse of his day.

Endnotes

[67.] Phillip W. Magness, "Morrill and the Missing Industries: Strategic Lobbying Behavior and the Tariff, 1858–1861," *Journal of the Early Republic* 29, no. 2 (2009): 287–329.

[68.] Daniel Peart, *Lobbyists and the Making of US Tariff Policy, 1816-1861* (Baltimore: The Johns Hopkins University Press, 2018).

ABOUT THE AUTHORS

[Phil Magness](#) is a senior research fellow at the American Institute for Economic Research. He is the author of numerous works on economic history, taxation, economic inequality, the history of slavery, and education policy in the United States. His most recent book, *Cracks in the Ivory Tower* (coauthored with Jason Brennan), was published in 2019. Prior to joining AIER, he taught public policy and economics at American University, George Mason University, and Berry College.

[Anthony Comegna](#) received his M.A. (2012) and Ph.D. (2016) in history from the University of Pittsburgh, where he specialized in early American, intellectual, and Atlantic history. His dissertation, "[The Dupes of Hope Forever: The Loco-Foco or Equal Rights Movement, 1820s-1870s](#)", revives the submerged and forgotten legacy of Loco-Focoism. Anthony has taught undergraduate courses in American history and Western civilization. He produces regular historical content for <[Libertarianism.org](#)> and is the writer/host of [Liberty Chronicles](#). He currently works at the Institute for Humane Studies as the academic programs design manager.

[Brian Schoen](#) is an associate professor of history and director of the masters of social sciences at Ohio University. He authored *The Fragile Fabric of Union: Cotton, Federal Politics, and the Global Origins of the Civil War* (Johns Hopkins University Press, 2009), winner of the Bennett H. Wall book award in southern economic history; and co-edited *The Old South's Modern Worlds: Slavery, Region, and Nation in the Age of Progress* (Oxford, 2011) and *Between Sovereignty and Anarchy: The Politics of Violence in the American Revolutionary Era* (Virginia, 2015). His current project views secession and the Union response as part of a broader global crisis in sovereignty.

[Lawrence H. White](#) is a professor of economics at George Mason University and a Distinguished Senior Fellow of the Mercatus Center's F. A. Hayek Program. He edited and wrote an introduction for *Democratick Editorials: Essays in Jacksonian Political Economy by William Leggett* (Liberty Fund, 1984). His latest books are *The Clash of Economic Ideas* (Cambridge University Press, 2012)

and (as co-editor) *Renewing the Search for a Monetary Constitution* (Cato Institute, 2015). Best known for his work on market-based monetary systems, White is also the author of *Free Banking in Britain* (Cambridge, 1984; 2nd ed., IEA 1995), *Competition and Currency* (New York University, 1989), and *The Theory of Monetary Institutions* (Blackwell, 1999). His research has appeared in the *American Economic Review*, the *Journal of Money, Credit, and Banking*, and other leading economics journals. He hosts bimonthly podcasts for *Econ Journal Watch Audio* and blogs at <Alt-M.org>.

COPYRIGHT & FAIR USE STATEMENT

"Liberty Matters" is the copyright of [Liberty Fund, Inc.](http://LibertyFund.com) This material is put online to further the educational goals of Liberty Fund, Inc. These essays and responses may be quoted and otherwise used under "fair use" provisions for educational and academic purposes. To reprint these essays in course booklets requires the prior permission of Liberty Fund, Inc. Please contact submissions@libertyfund.org if you have any questions.