

The Factory's Influence on Labor, and Business Practices

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Introduction

There is a conundrum when it comes to the relationship between cotton, free wage labor, slavery, and industrialization. The perception today is that prior to the Civil War, the cotton industry as a whole was fully dependent on slave labor, and wage labor didn't become a dominant force in the industry until after the Civil War. While slave labor, as well as the cotton industry (which are intrinsically bound), certainly serve as the foundation for the Civil War, a closer statistical analysis of labor in this industry shows a far more complex evolution of the labor force than the modern day perception allows. As Beckert points out, "While the U.S. cotton industry only counted 10,000 wage earners in 1810, that number rose to 122,000 in 1860," on the eve of the Civil War (Beckert, 180).

While the "Industrial Revolution was mostly about labor-saving technology [i.e. the cotton gin] ... these labor-saving machines required labor to operate them," (Beckert, 180). As new technology led to increased output and production -- in turn leading to cheaper cotton prices, and higher demand for textiles -- the industry, as a whole, demanded hundreds of thousands of new workers. As cotton continued to dominate the economic landscape of the United States, the industry would radically reshape the entire social, economic, and labor constructs of the country. In fact, it is difficult to overstate the influence that the cotton industry had on nearly every aspect of American life, including labor, and business practices. And while it's true that a transition to wage labor, and industrial society, was far slower moving in the South than the North, these evolutionary shifts began taking place prior to the start of the Civil War; even in

the Antebellum South to some extent. Furthermore, many “erroneously concluded that slavery was the most efficient agrarian labor system in North America, and incorrectly inferred that the North rejected slavery for ideological-moral reasons rather than economic ones,” (Earle, 51). It is evident, however, that the Industrial Revolution was profit-driven, and therefore, the switch to free labor, primarily in the North, had less to do with the immoral underpinnings of slavery than the economic benefits of free labor.

Slavery’s economic benefits remained in place far longer in the South, which in turn slowed their shift to free labor. That in mind, it is certainly reasonable to suggest that the Civil War, at least in the instance of the South, was indeed central to realizing the complete shift to wage labor across America. But the Northern economy’s transition to wage labor prior to the war -- which was brought about by financial, rather than moral, reasons – coupled with the observance of similar trends starting, albeit slowly, in the South, displays that the economic changes resulting from industry were at the heart of this shift. Essentially, the North’s adoption of wage labor, along with the necessary evolution of business practices, paved the way for the nation’s shift away from slavery. This Northern industrial shift, acting as the catalyst, was in full momentum before the Civil War; a war that served as the final deathblow that would create a wage-labor society across the nation. Contrary to modern day perception, the Industrial Revolution -- including the inception of the factory and associated changing business practices in the early nineteenth century -- played

an equally, if not more, influential role on the transition from slave to wage labor, than the Civil War did.

Factories, and the Transition of Slave to Wage Labor: North Versus South

The South

For the sake of this argument, it is necessary to look at the cotton and textile industry in the Antebellum South first, even though, chronologically, development in this area happened later. The claim is that, while the South remained reliant on slave labor throughout the years leading up to the war, their emergence into the textile industry placed them on a trajectory where their labor force was poised to gradually resemble that of the North, who had an increasing affinity to employing wage earners. While they continued to rely on the institution of slavery, as was necessary in the formative years of the American cotton industry and plantation economic model, their rationale in choosing what kind of labor to employ utilized the same methods as in the North. Like the North, the Southern textile mills' labor force was directly dependent on the available labor pool, and the economic benefits between free and slave labor. To give an idea of the differing labor pools, the Southern population, according to the 1840 U.S. census, had nearly two and a half million slaves compared to the North, who had just over a thousand.

To demonstrate how Northern industry crept its way into the South, the example of Henry Donaldson could be used. He left Rhode Island, where he ran a mill that relied on wage labor, to open a textile factory in North Carolina, in the

1830s. He, along with other Northern-transplant factory owners in the South, saw slaves as “equal as whites in aptness to learn, and skill to execute... more accountable than whites... and learned to handle the machinery as readily as free-labor,” (Miller, 475). Like the North, the South was beginning to see a boom in industrialization, and factory-work. Also like the North, they chose their labor force on the premise of financial gain. Unfortunately, Southern demographics left slaves as the more financially advantageous labor force, as they were abundant, available, and equally apt to perform the duties. Additionally, as Miller’s research shows, most Southern mill owners held slaves and bondsmen in much higher esteem than white wage earners.

While this remained the case in the South for much of the first half of the nineteenth century, demographic and economic shifts that affected labor pools highlight that the South, too, was willing to utilize free labor when it was expedient, and adapt to new practices if necessary. They did, however, remain reluctant, as they still saw slaves as a more favorable work force for a number of reasons. By the 1850s, cotton prices were increasing, and there was a strong demand for slave labor back in the fields. This drove their price up, and mill owners were forced to “reluctantly accept white labor in their stead,” (Miller, 477). Even still, while many of the factory workers would be returned back to plantation masters, most of the skilled factory workers remained in the mills during this time, despite the growing need for labor in the fields. During this time, white labor was becoming cheaper, and more available, but mill owners were reluctant to hire them even when they were cheaper, as “They drank, they

swore, they stole, and they drifted away. They were, on the whole, an unreliable work force who clung to the preindustrial work habits and values of rural and village culture,” (Miller, 478). Due to this, many mill owners blamed any financial troubles they faced on these white workers.

As a whole, white labor was only used in the southern textile mills when the owners had no choice. During this time, the relationships of labor, race and the mills, led to an integrated workforce of both blacks and whites, which led to an array of issues, as it did in the North, including fights, discrepancies in wages and style of work, and complaints from one group about the other taking their jobs. Ultimately, “The Antebellum South never enjoyed ‘cheap labor’ in its textile mills. The poor quality of white workers and the rising costs of bondsmen contributed to the slow, erratic rate of economic growth in the Southern textile industry,” (Miller, 481). Because of these complex dynamics, it is reasonable to accept that the Civil War, necessary or not, was largely responsible for accelerating the same changes that were already underway in the North. It is clear that similar transformations were already underway here, as Northerners began moving South, opening mills, and cultivating an industrial economic landscape that, leading up to the Civil War, was already beginning to look more and more like the North, even if they still remained heavily agrarian and reliant on slavery. Industrialization shifted the North from agrarian to industrial in a rather short timeframe, ultimately leading to the transition to wage labor. This same societal shift needed to take place in the South as well before any major shift from slave to free labor could happen.

The North

While acknowledging the South's slow rate of adapting to the new industrialized economy that had already begin taking shape up north, as well as their reluctance to fully implement free labor in place of slave labor even in the factories, it is plain to see that the factory system of the North had begun infiltrating their economy even before the Civil War. The same circumstances that led to the North's integration of wage labor were, paradoxically, the same circumstances that provided the opposite affect in the South, who still preferred slave laborers. To reiterate, the morality of slavery was never much consideration in either region. Instead, owners and entrepreneurs were making profit-driven decisions. It could be argued that an organic shift to wage labor could have happened in the South for the same reasons it did in North, as they shifted from an agrarian to an industrialized society. Equally so, it could be argued that the Civil War was necessary to fully integrate wage-labor into the Southern economy. Thankfully, this complex question is irrelevant to the argument at large in this research. Regardless of what was necessary for the South to fully adopt, it can still be demonstrated that a shift to wage labor was propelled by the Industrial Revolution starting in the North, and the factory system that came to dominate their economy. Long before the Civil War, the cotton industry as a whole was already becoming less reliant on slavery. With that in mind, attention can now be drawn to the economy of the Antebellum North, and the influence

that the booming textile industry played on the transformation to a nation of free wage earners.

“Before the factory had become a way of life, capital owners had only one model for how to mobilize vast amounts of labor: the plantation economy of the America’s,” (Beckert, 180). Starting in the early 1800s in New England, factories began popping up in record numbers, transforming the agrarian society, as mill towns began to populate the area. Initially, most people were reluctant to accept factory work, and most did so only on a temporary basis. Other families would maintain their farms, while sending a daughter off to work full time in the mills. “Workers came and left frequently... [and] they would leave once they had made enough money to hold them over to the selling of their crops,” (Beckert, 183). Factories typically employed children, and women, who were available in large numbers, and “thanks to long standing biases, [were] much cheaper,” further demonstrating that the labor force in both regions of America was most heavily dictated by what was available, efficient, and cost-effective (Beckert, 191). Though “farmers and artisans often resisted being turned into factory workers... the expansion of the mechanized cotton industry [and factories],” ultimately “turned thousands and eventually millions of people into proletarians,” (Beckert, 194-5). As this shift away from agrarian society in the North expanded, largely aided by an expanding railroad network (which grew in the North, but was somewhat stagnant in the south) “a much more novel and dynamic organization of production had emerged: industrial capitalism, with it’s ... mills based on wage labor,” (Beckert, 198).

Revolutions in Northern Industrial Practices

Though it may seem strange today, wage labor was a radical concept in Antebellum America, even in the industrialized North. As factories grew like bacteria on a petri dish, business practices were wildly transformed to accommodate the new factory model that relied heavily on this new kind of free labor. As seen in earlier examples, this was pioneered in the North. To demonstrate, we'll take the example of Samuel Slater, as he pioneered the type of business practices that came to dominate the entirety of the textile industry, and even the modern day business. Slater is arguably the most influential person in this area, as the "rapidly growing and changing industry in the 1820s and 1830s forced him to integrate spinning, weaving, and finishing operations and to turn over broad responsibility in individual factories to what is perhaps the earliest example of the professional manager," (Tucker, 297). Again, the emergence of the factory as a dominant force in American economics can be seen as having a radical affect on not just the type of labor being used, but the type of business practices being implemented.

As Slater's network of factories grew to resemble large, modern-day businesses and corporations, he was forced to innovate. He became what we'd consider today to be the definitive CEO or president of a company, as he employed a radical new concept of hiring factory agents (essentially managers) to oversee day-to-day operations in each factory, as well as devising a complex factory ledger that served as the basis for modern-day profit and loss statements

and accounting practices (Tucker, 309). The development of these new practices was necessary in order for these new factories, dependent on free wage earners, to function. Ultimately, Northern industrialization in the first half of the eighteenth century set the precedent for the development of an industrial South. While it may be debated that the South may not have seen these developments come to full fruition without the Civil War, it is more than evident that the Northern textile economy, and the cotton industry as a whole, had already set in motion the type of business practices, and reliance on free labor, that would come to dominate the entirety of the American economic landscape.

Conclusion

It is an historical fact that the end of the Civil War brought about the end of slavery. Based on this premise, the majority of the American population, even including many in academia, has falsely attributed the rise of wageworkers and free labor to the abolition of slavery. As a result, a modern-day perception has arisen within the American collective memory that the Civil War is directly responsible for the type of economy present in America today, dependent on free laborers, and innovated business practices. The truth, however, is far more complex. While the Civil War may have been the final piece of the puzzle in bringing about an industrialized society centered around wage-earning workers, these practices were set into motion decades before the start of the Civil War. While certainly more dominant in the North, these shifts began making their way into the South by the 1830s, transforming their social and economic landscape in

similar (albeit less pronounced) ways to the North. After analyzing the massive statistical increase in wage workers in industrialized Antebellum society, it becomes clear that the cotton industry, coupled with innovations in industrialization, were directly responsible for an increase in a new factory-based economy that was shifting business practices, and drastically increasing a growing class of wage workers. An overview of both the Northern and Southern economies prior to 1860 demonstrates that industrialization, and the expansion of the factory, played a far more instrumental role than most give credit in regards to influencing the post-war, wage-based, industrialized economy we know today.

Works Cited

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