

### The South, the Nation, and the World: Perspectives on Southern Economic Development

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## Review

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**Carlton, David L. Carlton and Coclans, Peter A.** *The South, the Nation, and the World: Perspectives on Southern Economic Development*. University of Virginia Press, \$19.50 ISBN 813921856

The American South and the market

Two scholars take on economic history

Both David Carlton and Peter Coclans are well-known experts in the economic history of the American South, though with different areas of specialization. Carlton has researched extensively on southern industrialization after the Civil War, while Coclans has written works that have dealt primarily with agriculture and slave labor in the antebellum South. Also, Carlton has focused specifically on mills in North Carolina, while Coclans has looked in detail at rice production in South Carolina. Clearly, the two authors complement each other in terms of research, and, together, they are likely to have an appreciation of the entire economic history of the South that a single scholar would find difficult to obtain. Therefore, it should come as no surprise that they started collaborating several years ago, first in co-authored articles, and, more recently, in a previously co-authored book on the South during the Great Depression.

Carlton and Coclans' new co-authored book — **The South, the Nation, and the World** — takes both their own specific research and their collaboration a step further, since it is an ambitious attempt to provide guidelines for a historiographic reconsideration of the entire economic history of the South. The strength of the book lies in its combination of general analysis and specific case-studies, while the clarity of the argument clearly benefits a great deal from the alternation of co-authored pieces with single-handedly written articles. Unlike the previous works written by the two authors, the present one — even though a collection of essays, both published and unpublished — conveys to the reader an impression of theoretical strength and of proven ability in applying

models of economic development to the analysis of particular historical situations and phenomena. In this sense, the book provides a sort of comprehensive interpretive framework for the specific research that has been conducted and that is still being conducted by both authors.

At first sight, it would seem that, in the never-ending debate on the nature of antebellum southern economy, Carlton and Coclanis simply side with the likes of Fogel and Engerman, or at least of James Oakes, who, in contrast with the Marxist-Genovesian scholars, support the view that the slave economy was fully capitalist and that slaveholders were entrepreneurs. In their introduction (Chapter 1) to the book, Carlton and Coclanis criticize the use of terms such as premodern or backward in the analysis of southern development and they argue on page 6 that for all their feudal trappings, plantations must be understood as large-scale business enterprises, in which risk-taking entrepreneurs tapped into far-flung markets for purchased workers and sold to equally distant markets for their produce. Not only the fact that plantations were like firms made the South little different from the (supposedly) more advanced and industrializing North, but also as late as 1860 plantations were the most numerous large-scale business enterprises in the entire United States.

Yet, although no Genovesian, in his rather brief overview of the differences between North and South (Chapter 2), Coclanis clarifies that, unlike what happened in the North, the peculiarly capitalist character of the southern plantation relied on the two crucial factors of long-distance trade and slave labor—factors that, in the long run, prevented the development of both industrialization and urbanization. As the author reminds us at page 21, with one third of the nation's population in 1860, the South was responsible for only 10 percent of U.S. manufacturing output. In the following Chapter 3, then, Coclanis focuses on the analysis of plantation agriculture and provides an insightful explanation of the birth of a particular system of slave labor—the task system—that allowed the South Carolina low country to be one of the most productive areas within the southern plantation system and a world center of rice production. An expert in the history and analysis of the rice economy in South Carolina, Coclanis shows how the task system best responded to the economic needs of planter-entrepreneurs, since—as he writes at page 33—it allowed them to produce great quantities of rice with slave labor in a sickly climate, while minimizing their own supervisory and opportunity costs. In Chapter 5, then, Coclanis shows the full extent of the ties of the South Carolina low country with the world economy through the production of rice. In particular, he analyzes

the process of creation of a world market of rice and the consequences of the rise of new areas of rice production in Asia and Europe on the low country's plantation agriculture.

Carlton's Chapter 4 on antebellum southern urbanization complements well with Coclans's essays on South Carolina's agriculture and reiterates the point made in the introduction that, even though fully capitalist, the plantation economy, with its preponderance and its structural peculiarities, seriously hindered the development of southern urban centers. Unlike the North, the antebellum South had mostly small towns and only a handful of cities, whose main function was to provide markets for the sale of the plantations' agricultural products. Carlton supports this well-known view with a host of interesting data and clearly links the absence of urbanization with the absence of industrialization, a topic in which he has been long engaged in his work. In fact, Carlton and Coclans return to the crucial issue of the nature of southern industrialization in six different chapters in the book; and since the chapters treat different historical periods, the reader is left with the impression of a thorough overview of southern industrial development, even though of one mostly centered on North and South Carolina.

Perhaps, the most important of Carlton and Coclans' six essays on southern industrialization — both because of its argument and because of its wide-ranging approach — is Carlton's analysis of the South in relation to the American Manufacturing Belt (Chapter 11). In it, on page 170, Carlton argues that the combination of slave under-consumption, planter and yeoman self-reliance, and poor market integration — all structural problems related to the peculiar characters of plantation capitalism — left the South out of the process of formation of the American Manufacturing Belt between the 1840s and the 1880s. The development of this area, which occurred through an aggregation of the regions — stretching from New England to the Midwest — that provided the nation with the overwhelming majority of its industrial output and with its largest concentration of cities and factories, left the South in an increasingly pronounced peripheral position in both economic and social terms. In a previous essay on the Uninventive South (Chapter 8), Carlton and Coclans had explained the reasons for the South's peripheral economic status. Using complex statistical analysis, they had demonstrated that the South's delay in industrialization depended from the structural problems of its preeminently agricultural economy. Southern industrial entrepreneurs were not able to overcome these structural problems and, as a consequence — as the two authors write on page 9 — either

those industries à most closely associated at the time with innovative drive generally avoided the region, or cautious southern entrepreneurs generally avoided *them*.

In this respect, Carlton's essays on industrialization in North Carolina after the Civil War (Chapter 6) and Carlton and Coclans' essay on industrialization in the Carolina Piedmont at the end of the 19th century (Chapter 7) are specific examples of the consequences of the processes described in Chapters 8 and 11. In both cases, the fact that the South was left out of the process of formation of the American Manufacturing Belt was clearly the main factor that constrained southern industrial entrepreneurs and forced them to rely exclusively on local resources rather than allowing them to establish an efficient and wide-ranging network of factories and markets for manufactured goods. Instead, Carlton's essay on South Carolina shows the particular strategy followed by the entrepreneurs of South Carolina's Piedmont, who succeeded in overcoming the difficulties imposed upon them by the peripheral economic position and by the inadequacies of market infrastructures through collaboration between — as he writes at page 141 — private enterprise, local government, and state government. Though a clear example of what Carlton and Coclans call modernization from above, this collaboration is a specific example of the process that led to a larger, second wave, of southern industrialization in the aftermath of World War II — after the earlier and smaller first wave of southern industrialization of the late 19th century. In his essay on the South and the American Defense Economy (Chapter 10), Carlton talks about a key aspect of the second wave of southern industrialization and he argues that, even though important, the role of the military-industrial complex in the South has been exaggerated.

After reading the book, one is left with the impression that the assessment of southern economic development is still a work in progress, since there is still no definite answer in the debate on capitalist vs. non-capitalist character of the South's agricultural economy or on the reasons for the South's delay in industrialization. Yet, Carlton and Coclans' co-authored collection of essays is an important book that contributes a great deal in showing the way to a more complex understanding of southern economic history. Particularly commendable is the fact that the authors have avoided taking sides and have clearly used elements of different views combining them in a refreshing interpretation. We can only hope that other scholars will follow their example and will produce equally stimulating works of scholarship.

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