# NBER WORKING PAPER SERIES ON HISTORICAL FACTORS IN LONG-RUN GROWTH

TOWARD A NEW SYNTHESIS ON THE ROLE OF ECONOMIC ISSUES IN THE POLITICAL REALIGNMENT OF THE 1850s

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Working Paper No. 34

NATIONAL BUREAU OF ECONOMIC RESEARCH 1050 Massachusetts Avenue Cambridge, MA 02138 January 1992

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#### ABSTRACT

After sketching various ways in which economic issues influenced the political realignment of the 1850s, the paper concentrates on five questions: (1) the timing of the economic issues and the disjunctions in economic developments across regions and classes; (2) the size of the nonagricultural male labor force of the North toward the end of the 1850s and the ethnic and residential distributions of these workers; (3) changes in the ethnic composition of the northern electorate and the sharp shift in the partisan affiliations of "Old Americans," especially between 1852 and 1860; (4) problems in measuring the ups and downs in the standard of living of northern nonagricultural workers between 1840 and 1860 and provisional estimates of the decline in their real wages between 1848 and 1855; (5) a provisional estimate of the excess supply of labor during 1854-1855 created by the unfortunate phasing of three cycles (the collapse of a long cycle in construction, the coincident trough of a relatively mild trade cycle, and the continued upswing of a long cycle in immigration).

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### TOWARD A NEW SYNTHESIS ON THE ROLE OF ECONOMIC ISSUES IN THE POLITICAL REALIGNMENT OF THE 1850s

Economic issues have roamed in and out of explanations for the Civil War and the political crisis that preceded it.\* Between the two World Wars and continuing on through the 1950s, it was common to argue that the Civil War was the outcome of a struggle between two incompatible systems of economic organization. The war was the means used by the rising capitalist class to destroy a system--chattel slavery--that was inimical to the capitalist mode of production.¹ This "progressive" interpretation of the war was given a special twist by Phillips, Ramsdell, and their followers who argued that the Civil War was unnecessary because its internal economic contradictions would have soon led to the self-destruction of the slave system, even in the absence of a war.²

Economic explanations for the political crisis of the 1850s and the Civil War were largely replaced during the 1970s by a cultural explanation for the clash. Although these cultural explanations have roots that reach back to the debates of the late 1830s, the 1840s, and the 1850s, the argument was set forth in modern form by Craven in 1942 and more powerfully by Foner in 1970. As Foner put it, the two decades preceding the Civil War "witnessed the development of conflicting sectional ideologies, each viewing its own society as fundamentally well-ordered, and the other as both a negation of its most cherished values and a threat to its existence." When the Republican party came into being it sought to mobilize its forces around the proposition that "two profoundly different and antagonistic civilizations...were competing for control of the political system."

The debate touched off by Foner has pushed research toward a more complex and a more directly political analysis of the breakup of the Second Party System

and of the political realignment of the 1850s. While the emerging new synthesis incorporates important elements of the view that the realignment reflected a growing cultural divide between the North and the South over the slavery issue, 6 it also incorporates important elements of the work of the enthnocultural school of political historians, and of historical polymetricians. In this connection a good deal of attention has been focused on the nativist movement of the 1850s as the catalyst for the destruction of the Second Party System and for a political realignment along sectional lines.9 The recognition of the pivotal role of the nativist movement has sparked a reexamination of the role of economic issues. 10 The focus of interest this time is not so much the clash between the industrial capitalists of the North and the landed aristocracy of the South, which now seems less acute than it did to the "progressive" historians. The new focus represents a return to the questions long probed by labor historians such as Commons et al. and Ware, and more recently by Montgomery, Pessen, Feldberg, Ashworth, Wilentz, and Ross: the factors which led to increasing pressure on the living standards of nonfarm northern workers from the mid 1840s through most of the 1850s and the political responses to these pressures. 11

This paper is aimed at providing an overview of the role of economic issues in the political realignment of the 1850s. It is an attempt to integrate arguments set forth elsewhere by a number of scholars into a coherent whole. While the view that emerges rests on a considerable amount of new research, much work remains to be undertaken before the numerous issues raised by this interpretation can be resolved. Consequently, this paper not only suggests the lines of a possible new synthesis on the role of economic issues in the political realignment of the 1850s, but it also suggests an agenda for research needed to resolve many issues that have until now been inadequately confronted.

## The Changing Role of Economic Issues in the Political Realignment of the 1850s

While economic issues played an important part in the political realignment of the 1850s, there was no one overriding, persistent issue that by itself can explain that realignment. 12 Nor were economic issues more overriding than ideological, political, social, or cultural issues. As with other issues, economic issues waxed and waned, and as they did politicians sought to exploit each in turn to advance their political objectives. Included among these politicians were a small number who were dedicated to the abolition of slavery, and who were able to exploit the breakdown of the Second Party System to advance their objectives. The overriding proposition in the interpretation outlined in this paper is that both economic and social issues were in flux and that competing groups of politicians were struggling to find ways of turning these often novel issues to their advantage. Within that framework I would emphasize six different ways in which economic issues affected the political realignment of the 1850s.

First, there were the early, and initially unsuccessful, efforts of abolitionists to insert an economic dimension into their indictment of the South. This period of early experimentation with economic issues extended from the late 1830s to the late 1840s.

Second, there was the rise of a new set of economic issues, quite different from those that originally defined the Second Party System, which were related to the explosive rate of urbanization and the unprecedented rate of immigration. These issues, which arose sporadically between 1820 and 1844, came to the fore between 1848 and 1855. The acute phase of political reaction reflected a triple economic crisis (declining real wages, rising unemployment, and deteriorating

health and life expectations) experienced by northern nonfarm workers. Concern with unchecked immigration and the attendant crises were critical to the spontaneous breakaway of nativist workers in the North from the Whig and Democratic parties during 1851-1855.

A third phase in the development of economic issues began when certain antislavery leaders sought to exploit the Kansas crisis in order to gain control of the nativist breakaway and push it in an antislavery direction. Not all of the antislavery leaders in the Whig, Democratic, or Free Soil parties appreciated the need to stress the economic dimension, but Henry Wilson and Joshua R. Giddings (who were originally Whigs), Galusha A. Grow and Nathaniel P. Banks (who were originally Democrats) and, especially, Horace Greeley did.

The next aspect of the development of economic issues involves the effort to consolidate and extend Republican support between the end of the 1856 election and the outbreak of the crisis of 1857. During this period of economic recovery in the North, Republican leaders led by Greeley intensified the economic indictment of the South, exploiting the books by Frederick Law Olmsted and (especially) Hinton Rowan Helper, and arguing that the expansionist impulse of the South stemmed from its economic failure.

Another phase in the development of economic issues occurred after the outbreak of the crisis of 1857, which strained Republican unity. Republicans were taken off the hook, however, by the brevity of the crisis and the strong recovery and also by the Democratic outrage over Helper's book which became the center of the struggle to organize the House in December of 1859 and January 1860.

The attempt to promote economic issues took a new turn when Buchanan vetoed the Homestead bill in June of 1860, which was the culmination of a process that

turned free land from a divisive issue in Republican ranks into a unifying issue.

The balance of this paper attempts to elaborate on these six aspects of the exploitation of economic issues during the political realignment of the 1850s. The discussion is carried forward under the following headings: the timing of economic issues; the ethnic and residential distributions of nonfarm male labor in the North; changes in the northern electorate and the shifting partisan affiliations of Old Americans; problems in measuring changes in the standard of living of various socioeconomic groups between 1840 and 1860; and a conclusion which includes a provisional estimate of the extent of unemployment among northern nonfarm workers in 1854-1855.

#### The Timing of Economic Issues

In analyzing the economic component of the political realignment of the 1850s, it is important to keep in mind that the economic issues just summarized were not part of some underlying general economic crisis of capitalism. From the standpoint of economics they are relatively distinct issues whose coherence was mostly a product of political rhetoric. I stress this point at the outset because not enough attention has been given to the disjunctions in economic developments across regions and classes during the antebellum era.

Of the seven economic crises between the end of the War of 1812 and the outbreak of the Civil War, only those of 1819-1820 and 1837-1838 were similar in their regional impact. The northern recession of 1826-1828 was a depression in the South that lasted until 1831. Similarly, the brief, although sharp northern recession of 1841-1843, began in the South a year earlier, lasted two years longer, and was more severe. On the other hand, the severe northern recession of 1857-1858 coincided with one of the South's most vigorous booms. The impact of immigrants on labor markets, so devastating to native artisans in

the North during the first half of the 1850s, was much more confined in the South. The impact of the cholera epidemic of 1849-1850 was far more severe in the North than in the South.  $^{13}$ 

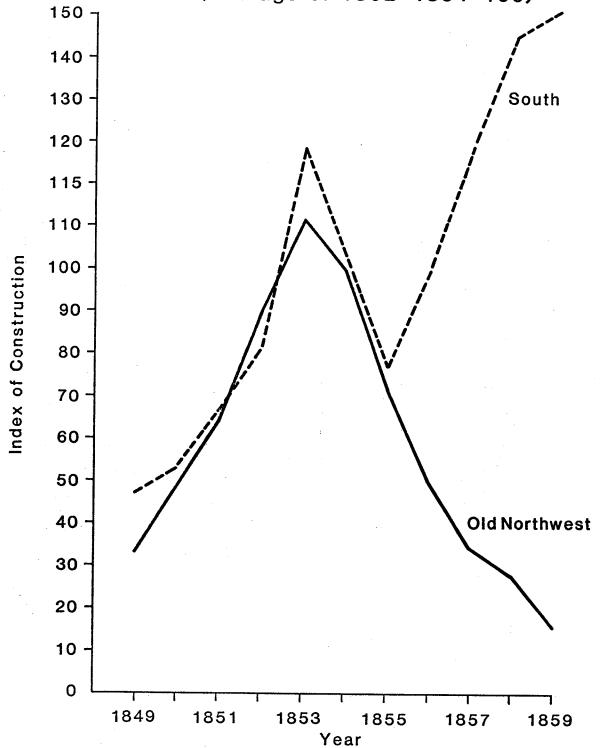
Figure 1 shows how different the pattern of railroad construction was in the Old Northwest and in the South during the 1850s. 14 Although the South and the Northwest showed a similar pattern of rising annual construction between 1849 and 1853, construction dropped off sharply in the Northwest after 1853. The rate of decline in that region was so rapid that by 1859 the annual rate of construction was not only far below its 1853 peak, but was even below the level that had prevailed at the beginning of the decade. In the South annual railroad construction fell off only in 1854 and 1855. It rose sharply in each of the remaining years of the decade. By 1859 southern construction was not only three times greater than it had been at the start of the 1850s, it was also well above the 1853 peak.

The disjunctions in economic experience across classes of free workers are most visible in the North where a spontaneous political protest movement of nativist workers arose during a period of generally strong economic growth. It is unlikely that the nativist political movement would have come close to the northern successes it obtained in 1853-1855 without the pressures on labor markets generated by the massive immigration of 1848-1854, by the high inflation rates of those years, by the massive dumping of immigrant railroad workers onto the labor markets of the states of the Old Northwest beginning about 1853, and by the acute public health crisis of 1849-1855 (promoted by a combination of massive immigration and overrapid urban expansion) during which cholera and other alarming diseases became endemic in the major cities of the North.

These economic issues arose quite independently of the antislavery movement

Figure 1

A Comparison Between the Railroad Construction Cycles in the Old Northwest and in the South during the 1850's (Average of 1852-1854=100)



and were entirely outside of the realm of economic issues originally raised by the antislavery militants. It was not until the Kansas issue that a handful of antislavery militants saw a method of developing economic issues in such a way that they would not only make deep inroads into the growing Know-Nothing constituency, but would also appeal to the northern left-wing, class-oriented, militants of the Democratic party, many of whom had seized on the free-land issue as a panacea. Democrats of this stripe were appalled when passage of the Kansas-Nebraska bill in the Spring of 1854 was coupled with the defeat of the homestead bill because Democrats in the South Atlantic states reversed their position and voted against land reform as a bloc. Labor leaders who had been aloof from the antislavery movement suddenly began to accept the theory that there really was a "Slave Power" conspiracy aimed, not merely at thwarting their campaign for a homestead act, but also at bringing slaves into direct competition with free northern labor. 15

Horace Greeley was far more prescient than other Whig leaders in recognizing the potential for merging the free land and free soil questions by hooking them onto the Kansas issue. He was a year ahead of Thurlow Weed and William Seward, and close to two years ahead of Lincoln, in concluding that this combination of issues provided the opportunity to create a winning coalition, one based primarily on northern Whigs but with the potential of drawing in key elements of the left-labor Democrats and of luring back northern Whigs who had bolted to the Know-Nothings. Of course, Weed, as a coalition-builder, faced constraints that required him to proceed more deliberately and cautiously than an issue-innovator. Greeley may have been capricious in personal and political relationships and lacking in the patience and steadiness needed to forge a broad leadership for the new coalition, but he was superb in charting and promoting

a new ideological line. 16

It is true that economic issues were not at the center of the Republican appeal in 1856. They certainly were not put into the 1856 platform. But nativist issues that played an important role in the Republican campaign were also omitted from the platform. There were good reasons for such reticence. Although both anti-Catholicism and nativism appealed to major sections of the Republican constituency, they were too divisive to be the basis for a coalition consensus. So the anti-Catholic and nativist appeals were left to those newspapers and organizations within the Republican coalition that wished to promote them. Given the fragility of the Republican coalition, the official program had to be confined to those points that united the subgroups of the party.<sup>17</sup>

Thus, while all components of the coalition pushed the antislavery theme, there was an understandable rhetorical division of labor among particular elements of the coalition, each element combining the central antislavery theme with particular subthemes most congenial to their particular constituencies. In 1855 and 1856, Massachusetts Republicans such as Banks and Wilson combined antislavery with labor and nativist appeals, while Greeley tried to counter the nativist appeal (until 1856) and worked assiduously to give an economic dimension to the antislavery appeal, which he aimed especially at journeymen and farmers. These Republican strategists recognized that to counter the nativist appeal effectively there had to be at least a rhetorical identification with the economic concerns of the Know-Nothing constituency. Robert C. Winthrop gave recognition to the role of economic issues in the Republican campaign of 1856, which he described as one-third Missouri Compromise, one-third Kansas outrages, and "one-third disjointed and misapplied figures, and a great swelling of words

and vanity, to prove that the South is, upon the whole, the very poorest, meanest, least productive, and most miserable part of creation."19

Economic issues played a different role from early 1856 until late 1857 than they did during 1851-1855. The economic recovery of the North between 1855 and mid-1857, the relatively steady price level, and the sharp reduction in immigration sapped the vitality of the Know-Nothing movement (which focused on economic problems in the North), and permitted Republicans to push the theme of the superiority of the northern economy over the southern economy. It is during this period that Greeley reinvigorated the economic indictment of slavery, seizing upon Helper's book, which he vigorously promoted in the <u>Tribune</u> with an initial eight-column story and follow-ups.<sup>20</sup>

The economic crisis of 1857-1858 posed a severe threat to the Republican coalition, not only because it was almost exclusively a northern crisis, but because the various elements of the coalition differed on policies to alleviate the crisis. The coalition was spared a split on this issue by several fortunate events: one was the swift, sharp recovery which began in 1858; another was the continuing drop in immigration, which eased pressures on labor markets; a third was the decline in food prices which served to raise the real wages of workers in both urban and rural areas.21 These conditions made it possible for Republicans in 1859 and 1860 to press the theme that the booming northern economy was infinitely superior to that of the South and that northern prosperity was endangered by an economically backward slave South that saw expansion into the North as the only solution to its otherwise hopeless economic bankruptcy. Southern leaders, made exceedingly self-confident and increasing nationalistic by the powerful economic boom in the South that occupied most of the decade, took the northern bait. Their outrage over the northern calumny of their economic

and social system turned attention away from northern economic problems (which were only temporarily alleviated), and gave credence to the claims that the North was menaced by the political and economic aggression of the South.<sup>22</sup>

The land-reform issue played a different role in 1854-1855 than in 1859-1860. During the first period, although a divisive issue in Republican ranks, it contributed to the bolt of some militant labor leaders from the Democratic party. It also helped to infuse the Slave Power slogan with economic content. By 1859-1860, after southern hostility to a homestead act became overwhelming, and especially after Buchanan's veto in June of 1860, land reform became a unifying issue in Republican ranks. So the Republican platform of 1860 combined the two slogans--keeping the territories for free men and land reform--in much the same way that they were combined by the left-labor forces in 1854.<sup>23</sup>

In elaborating on these economic issues I do not in any way mean to slight the emphasis that a number of scholars have placed on the political issues. I see both as extremely important and as reinforcing one another. I do not mean to argue that economic issues were more important than the political or the cultural indictments of slavery, but that they were a decisive additional feature of the general indictment of slavery needed to give the coalition its margin of victory. Although much more work needs to be done in showing how these economic factors affected electoral behavior, studies of elections in Massachusetts and New York indicate that economic issues contributed significantly to the political realignment in these states.<sup>24</sup>

### The Ethnic and Residential Distributions of Nonfarm Male Labor in the North

Although information on the ethnic composition of the labor force was collected by the 1860 census, that information was not reported in the published census volumes. Nor do the published volumes provide a distribution of workers between urban and rural areas. It is possible, however, to recover this missing

information by drawing random samples of the manuscript schedules of the 1860 census. Such samples were drawn for the rural North by Bateman and Foust and for northern cities by Moen.<sup>25</sup> By properly weighting the Bateman-Foust and Moen samples, one obtains the desired distribution of workers.

Table 1, which was derived from such a procedure, shows how large a share of the northern market for nonagricultural jobs went to foreign-born workers. 26 The competition was heaviest in the cities, where foreign-born workers accounted for 58 percent of the artisans, 54 per cent of semi-skilled workers, and 72 percent of the ordinary laborers. Overall, 54 percent of all male urban workers were foreign born. Among female urban workers the foreign-born share was 63 percent. 27 The competition for jobs felt by the Old Americans (third generation or greater) was even stronger than is suggested by Table 1, since about 23 percent of the natives had foreign-born parents and were largely Catholic or Lutheran. 28

One of the most striking features of Table 1 is the large share of nonfarm male workers who lived in the rural areas: 47 percent. This finding is particularly important for political analysis, since it underlines the danger of equating nonfarm workers with urban workers. This danger is even more acute if one focuses on the behavior of native-born voters. When urban is defined as places with 2,500 or more persons (as is done in Table 1), slightly more than 60 percent of all the native male nonagricultural workers lived in rural areas. When urban is defined as places of 10,000 or more persons, the rural share of native nonfarm workers in the North rises to 70 percent.<sup>29</sup>

The last finding does not imply that nonfarm workers predominated in the rural areas. Farmers and agricultural laborers account for about 70 percent of the male rural labor force in the North. However, the rural sector of the North

TABLE 1

The Distribution of the Northern Male Nonagricultural Labor Force in 1860 Between Natives and the Foreign Born (in thousands)

		Urban		Rur	al	North		
		(1) Native	(2) Foreign	(3) Native	(4) Foreign	(5) Native	(6) Foreign	
Occupational Category					J			
1.	Professionals and proprietors, upper	79	41	145	-20	224	61	
2.	Professionals and proprietors, lower	200	114	48	12	248	126	
3.	Artisans	193	262	360	88	553	350	
4.	Semi-skilled	81	95	29	11	110	106	
5.	Ordinary laborers	89	234	397	134	486	368	
6.	Unknown	7	4			7	4	
	TOTALS	649	750	979	265	1,628	1,015	

Note: For the purposes of this table, the North is defined to include the New England (ME, NH, VT, MA, RI, CT), the Middle Atlantic (NY, NJ, PA) and the North Central (OH, MI, IN, IL, WI, IA, MO, MN, and persons in the territories that subsequently became ND, SD, NE, KS) regions.

was so much larger than the urban sector in 1860, that it took nearly as many persons in nonagricultural occupations to service rural needs as to service urban needs. Indeed, there were actually more doctors, lawyers, clerics and other upper professionals in the rural areas than in urban areas. The rural areas needed the services of many blacksmiths, carpenters, coopers and other artisans, some of whom (such as blacksmiths) were more numerous in the rural areas than in the cities.

It should also be remembered that in 1860 many manufacturing workers lived in rural areas. Such industries as saw mills and grist mills, which were a larger share of manufacturing than they are today, were almost wholly located in rural areas. Many blast furnaces, especially those using charcoal or bituminous coal) were also located in rural areas because it paid to be located close to their sources of raw materials. Power was another reason for locating factories in rural areas. In 1860 water power was often more economical than steam power, which meant that factories were often located at the fall line of rivers, which were generally beyond the outskirts of cities in antebellum times.<sup>30</sup>

The ethnic and residential distributions of nonfarm workers are particularly important for understanding the political realignment of 1850s. Table 1 indicates that there were 1,628,000 native males in the northern nonfarm labor force, of whom about 81 percent or 1,319,000 were of voting age. Of these about 77 percent or 1,019,000 were natives of native parents (see Table 4 below). Assuming that 87.3 percent of the electorate voted in 1860, 31 and given the total vote for the President in the 17 states of the North was 3,443,000, the total northern electorate was 3,944,000. It follows that adult nonfarm native males of native parents accounted for about 26 percent of the northern electorate,

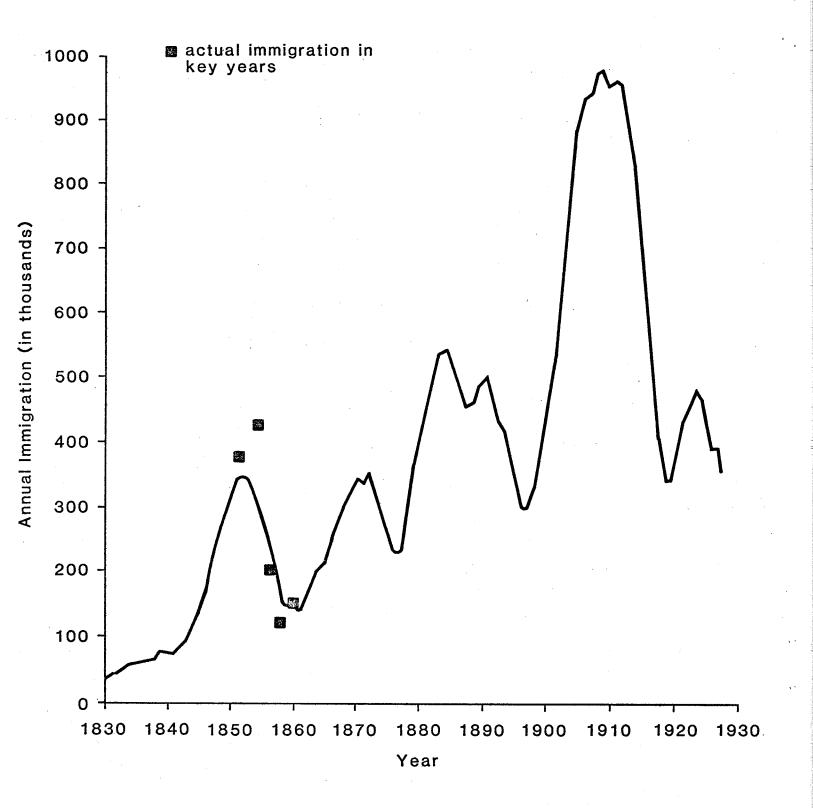
although they represented only about a sixth of the northern labor force (which including women and males under age 21 was about 6,319,000 persons).<sup>32</sup>

Information on the residential and ethnic distribution of voters is critical to the analysis of many unresolved issues in the analysis of popular voting behavior during the 1850s. A case in point is the extent to which the Know-Nothings drew their support from nonfarm voters in the elections of 1853-1856. The findings that at least in Massachusetts and New York, the Know-Nothings had substantial support from nonfarm workers, many of whom were Catholic or Lutheran, suggests that class as well as ethno-cultural issues played an important role in the 1850s. 33 Furthermore, if, as is suggested by Table 1, a quarter of the voters in rural counties were nonfarm workers, it cannot be assumed that the support for the Know-Nothings in these counties in 1856 came overwhelmingly, or even mainly, from farmers. The same point applies to the explanation of the rural Republican vote in 1860.

### The Changes in the Northern Electorate and the Shifting Partisan Affiliations of Old Americans

The timing and the amplitude of the immigration cycle of 1841-1861 (measured from trough to trough) is critical to an understanding of the political realignment of the 1850s (see Figure 2). The has long been known that the northern population grew very rapidly between 1820 and 1860 and that a vast upsurge in immigration played a major part in that process. However, the absence of data on place of birth in the censuses before 1850 and the failure of the published censuses of 1850 and 1860 to reveal place of birth by age, sex, and occupation has made it difficult to unravel the independent contributions of immigration and natural increase to the growth of the labor force. The drawing of the samples from the manuscript schedules has clarified some issues. In 1860 foreigners were 30 percent of the urban population (37 percent in cities with

Figure 2 Seven-year Moving Average of Annual Immigration, 1830-1927



10,000 or more persons), 41 percent of the nonagricultural adult male labor force of the North, and 55 percent of that labor force in northern cities with more than 10,000 persons. So foreign-born competition for jobs was much greater than is implied by the published census report that 18 percent of the northern population was foreign-born.

There was also great variation in immigrant pressure on labor markets over time, because immigrants arrived in waves. The crest of the antebellum wave was reached in 1854, after which immigration rates declined sharply. The impact of these waves on labor markets is illustrated by New York City. In 1855 more than three-quarters of that city's labor force was foreign-born, but just five years later the foreign-born share had declined to 61 percent.

So the timing of immigration and the distribution of immigrants over space are very important for understanding the economic distress suffered by native northern labor during the last two decades of the antebellum era, and of the political realignments stimulated by this distress. It is also important to differentiate between entrants into both the labor force and the electorate who were children of recent immigrants (and hence, mostly Irish or German Catholics and German Lutherans) and children of native parents (largely Protestants of British descent).

The significance of these distinctions for the changing composition of the northern male labor force between 1820 and 1860 is revealed by Table 2.35 Here, persons and their descendants who entered the country up to 1820 are designated "Old Americans," while arrivals from 1820 on, and their descendants, are designated "New Americans." Table 2 indicates that in the absence of migration the rate of natural increase of the northern labor force during the antebellum era was about 2.8 percent per annum, which is a high rate of natural

Table 2

The Division of the White Male Labor Force of the North into "Old Americans" and "New Americans", 1820-1860 (in thousands)

	. 1	2	3	4
Year	Male Old Americans	Northern Male Labor Force	Male New Americans	Column 3 as a % of Column 2
1. 1820	931	1,155	224	19.4
2. 1830	1,289	1,654	365	22.1
3. 1840	1,742	2,452	710	29.0
4. 1850	2,247	3,641	1,394	38.3
5. 1860	2,779	5,137	2,338	45.5

increase in the labor supply by current U.S. standards. The combination of exceptionally high immigration rates and high natural rates of increase greatly intensified the northern competition for jobs. Between 1820 and 1860 the labor supply of New Americans increased at a rate of over 6 percent per annum, which nearly doubled the number of new jobs that had to be created in the North during the antebellum era. That rate was often too high to sustain, with the consequence that labor markets frequently became glutted.

The heavy influx of immigrants between 1820 and the early 1850s also had far-reaching effects on the nature of the American electorate and on political alignments in the North. Table 3, which is based on a simulation model described elsewhere, presents estimates of the number of naturalized adult males and foreign-born voters at each presidential election between 1824 and 1860. The key feature of this table is the explosive addition of foreign-born voters between 1852 and 1860, a lagged result of the enormous expansion of immigration between 1846 and 1854. As a consequence, the share of northern voters who were foreign-born rose from under 10 percent in 1840 to over 25 percent in 1860, with over two-thirds of the increase coming during the last 8 years of the antebellum era.

Table 3 does not reveal the full shift in the ethnic composition of the northern electorate. It is necessary to distinguish not only between foreign-born and native voters but also to distinguish among native voters. The native voters of native parents (i.e. third or greater generation Americans) probably voted much differently from immigrants (first generation) and their children (second generation).

Table 3

An Estimate of the Number of Foreign-Born Voters and Naturalized Adult Males at Each Presidential Election from 1824 to 1860, By Year of First Presidential Election Following Naturalization

	N.	umber o	f Natu	ralize	d Male	s Age	21 or	01der	(in th	ousand	s)
Fir	st Presidential										
Ele	ction Following	. 1	2	3	4	5	6	7	8	9	10
Nat	uralization	1824	1828	1832	1836	1840	1844	1848	1852	1856	1860
	100014	1/0	1/2	126	100	100	107	0.5	70	60	1.0
1.	1820 or earlier	149	143	136	129	122	107	95	78	60	46
2.	1824	10	10	9	8	8	7	6	. 5	3	3
3.	1828		10	10	9	8	8	7	6	5	3
4.	1832			15	14	13	12	11	10	9	7
5.	1836				31	29	27	25	23	20	18
6.	1840					64	60	56	52	48	42
7.	1844						96	91	85	78	72
8.	1848							111	105	98	91
9.	1852								147	139	130
10.	1856									316	298
11.	1860										492
12.	Total naturalize	d									
	in all U.S.	159	163	170	191	244	317	402	511	776	1202
13.	Total naturalize	đ									
	in North	137	140	147	165	210	273	346	440	669	1036
14.	Estimated number naturalized male who voted in Nor	s									
	who vocca in Noi	37	82	83	99	175	223	266	342	592	904
		57	02	0,5	22	1/3	223	200	J42	332	704

What is at issue is less a matter of the speed of acculturation as of religious affiliations and ethnic origins. In the 1850s, third and greater generation whites in the North were overwhelmingly (93 percent) descended from British and other North European nationalities and were overwhelmingly reformed evangelical Protestants.<sup>37</sup> Second-generation whites in the 1850s, however, were largely of Irish and German ancestry and were mainly Catholic and Lutheran.

The implications of these demographic changes for the political realignment of the 1850s are spelled out in Table 4, which presents estimates of the ethnic distribution of northern voters for the Democrats in 1852 and 1860. 18 It shows that the percentage of the Democratic vote that came from second generation voters remained constant while the percentage coming from "Old Americans" (third or greater generation) declined precipitously. In 1852 over 62 percent of the Democratic votes came from voters who were third generation or greater. By 1860 the votes that the Democrats received from these Old Americans had dwindled so much that they accounted for less than 40 percent of the party's support. While it is true that the Democratic party of the North continued to draw most of its votes from natives, about one-third of these natives were descended mainly from Irish and German stock and were religiously more Catholic and Lutheran than reformed evangelical. The Democratic party of the North had lost the contest for the allegiance of the Old Americans. 19

Table 4 does not imply that native-born, nonfarm workers were preponderantly Democrats before 1852. This is not yet an issue that can be fully resolved from the evidence at hand. However, as Table 5 indicates, the northern native vote in 1852 split almost equally between Democrats (989,000) and the Whig/Free Soilers (1,071,000).<sup>40</sup> Regressions not yet reported suggest that in the North the Whigs/Free Soilers did slightly better than the Democrats among

Table 4

An Estimate of the Ethnic Composition of the Democratic Vote in 1852 and 1860

Ethnicity			1852	1860	
		Number (thousands)	Percentage	Number (thousands)	Percentage
		(1)	(2)	(3)	(4)
1.	Naturalized	207	17.3	620	39.1
2.	Natives of Foreign-born parents	241	20.2	346	21.8
3.	Natives of native paren	ts 748	62.5	621	39.1
4.	Totals	1,196	100.0	1,587	100.0

farmers and slightly worse among nonfarmers. Hence, it appears that in 1852 northern nonfarm workers were about equally split between the Democrats and the Whigs/Free Soilers. Table 5 also indicates that as late as 1852, the Whigs/Free Soilers were able to corral over 39 percent of the naturalized vote. Nor did the Democrats have an overwhelming share of the foreign-born vote in the North much before 1852. In the election of 1844, the Whigs/Libertyites obtained about 47 percent of the naturalized vote and the majority of the second-generation vote. Moreover, the Old Americans split their votes equally between the Democrats and the Whig/Libertyites in that election.

Despite the rising ethnic polarization in local elections during the 1840s and the early 1850s, such polarization did not really get underway at the presidential level until after the 1852 elections. Table 5 shows that the defection of Old Americans from the Democrats to the Whig/Free Soilers between 1844 and 1852 was slight. The increase in the Democratic share of the naturalized vote did not mean that the Whigs were losing their base among their traditional naturalized constituencies (the British, the pietistic Germans and the Protestant Irish). It reflected the changing composition of the naturalized vote: Catholic Irish and German Lutherans and Catholics accounted for much of the increase in the naturalized vote between 1844 and 1852 and for the vast majority between 1852 and 1860. The flight of the Old Americans from the Democrats did not begin until after 1852, when the New Americans began to eclipse the Old Americans as the main base of the Democratic party in the North.

What underlaid the partisan realignment of the 1850s, then, was a vast change, not just in the outlook, but in the personnel of the northern electorate

Table 5

Sources of Support Among Northern Voters in the Elections of 1844, 1852, and 1860 (number in thousands)

Democrats	%	60.5	47.0	3 48.4	ž				
Dещ	No.	207	241	748	•				
<u>1852</u> gs/ Soil	o/o	39.5	53.0	51.6	70	<b>%</b>	9.89	56.3	30.2
Whigs/ Free Soil	No.	135	272	799	Democrats	No.	620 68	346 56	621 3(
rats	0/0	53.4	43.5	50.0	1860				
4 Democrats	No.	119	176	672	al	0/0	31.4	43.7	69.8
<u>1844</u> Party	₩	46.6	56.5	50.0	Republicans/ Constitution Union	No.	284	269	1,438
Whigs/ Liberty 1	No.	104	229	672				parents	
		Naturalized	Natives of foreign-born parents	Natives of native parents			Naturalized	Natives of foreign-born pa	Natives of native parents
		H		<del>.</del>			٦.		e e

Percentages in each election sum horizontally. Note:

in just 8 years. Between 1852 and 1860 at least 15 percent of the eligible voters of 1852 died. Moreover, so many new voters entered the electorate during the same time span that they constituted about 43 percent of the northern electorate in 1860. About 55 percent of these new entrants were "New Americans." This massive change in the electorate was extraordinary. It was not only far larger than the change between, say, 1840 and 1848, but the rate at which New Americans were replacing Old Americans was so rapid that had it continued for another 8 years, Old Americans would have been reduced to a minority even in their own heartland. Indeed, over the two decades from 1848 to 1868, Old Americans would have declined from more than two-thirds to just 47 percent of the northern electorate.

# Problems in Measuring Changes in the Standard of Living of Various Socioeconomic Groups Between 1840 and 1860

In <u>Without Consent or Contract</u> I referred to the economic distress that afflicted native nonfarm workers in the North during the 1850s as a "hidden depression" because of the scant attention it has received from economic historians during the past three decades. My earlier work encouraged that neglect. I was one of the scholars writing in the late 1950s and early 1960s who contributed to the view that the two decades from 1840-1860 were a period of dramatic and broadly based economic growth and economic transformation in the North. This process, I noted, extended from 1820 to the end of the nineteenth century and "appears to have been interrupted only during the last half of the 1830s, the first half of the 1850s, the Civil War decade, the last half of the 1870s, and the last half of the 1890s". Ay analysis depended heavily on Gallman's new (in 1960) series on commodity production and was buttressed by a variety of other time series in manufacturing output, agriculture, and commerce.

The impression of rapid economic growth during the last two decades of the antebellum era was reinforced by Easterlin's estimates of personal income per capita by region and Gallman's development of a time series on GNP per capita for the nineteenth century, extending back to 1830 in manuscript and to 1839 in published form. These data confirmed the early findings that the northern economy was growing quite rapidly between 1840 and 1860, especially in the Northeast.

Additional research by numerous cliometricians between 1960 and the late 1970s seemed to confirm this basic finding. The national income accounts, various indexes of real wages, and a number of other measures seemed to give the same answer. Although there were periodic business cycles, these were relatively brief phenomena, superimposed on such a strong upward secular pattern of growth in per capita income and real wages, that they did not really undermine the view that the period from 1820 to 1860, especially from 1840 to 1860, was one of general prosperity and of rapid general improvement in the standard of living. We were aware that labor historians had a much dimmer view of the period, emphasizing the hardships experienced by the urban laboring classes, but their evidence was mainly anecdotal and easy to dismiss.

The first quantitative time series that cast doubt on the optimistic view of northern economic growth came into being late in 1978. That series, on the life expectations of native-born whites peaked during Washington's administration and then began to decline, reaching a trough about the time of the Civil War that was about 15 percent below the previous high. An independent series on stature at maturity showed a similar pattern, with mean heights of native-born white males declining by over 4 centimeters between 1830 and the beginning of the 1890s, and with most of the decline occurring during the 3 decades preceding the

Civil War.

These results were so contrary to our expectations that we did not know what to make of them. Our first inclination was to presume that they were artifacts of the data sources (genealogies for  $e^{o}_{10}$  and military records for heights) and of the statistical procedures used in developing the time series. Several years spent probing these possibilities and a substantial expansion of the data base led us to conclude that the findings were real.45 How are we to reconcile national income accounts that show strong economic growth between 1840 and 1860 with the data showing that life expectation and stature were declining? In pursuing this question we have started from the assumption that the national income accounts are basically correct, and that future improvements in existing estimates are unlikely to produce large changes in the basic time series. However, caution is needed in the inferences drawn from these time series. McCutcheon's recent analysis of the sources of growth in northern per capita income between 1840 and 1860 revealed that increases in labor productivity within the agricultural and non-agricultural sectors accounted for hardly 20 percent of northern economic growth between 1840 and 1860.46 Of the remainder, a third was due to the decline in fertility rates and to the high rate of foreign immigration (mainly at prime working ages), both of which raised per capita income by raising labor force participation rates. The balance was due to shifts of labor between the agricultural and nonagricultural sectors.

These complexities, which were not deeply probed previously, indicate the need for a much greater degree of disaggregation in the antebellum accounts. However, even such disaggregation may not be adequate since the data required for the construction of national income accounts are available only for census years. As it turns out 1839-1840, 1849-1850, and 1859-1860 are all at or close

to the peaks of business cycles. Hence, measures confined to these years cannot reveal how severe the downturns were between the peaks. Moreover, sectoral aggregates do not reveal how different persons within the various sectors fared: farmers versus hired labor in agriculture; merchants versus clerks in commerce; factory owners versus factory hands in manufacturing; and native versus foreign workers in all of the sectors.

Measures of real wages by socioeconomic groups are an obvious approach to this problem. However, when Engerman and Gallman assessed the available evidence on trends in U.S. economic growth between 1783 and 1860, they concluded that the data on nominal and real wages then available were poor measures of changes in per capita income. Part of the problem was that the nominal wage data only covered limited categories of occupations. Another problem was that these data only applied to a few localized labor markets at a time when the national integration of labor markets was still limited. These were similar problems related to the indexes of prices that had been used to convert nominal wages into indexes of real wages.

The series on nominal wages between 1820 and 1855 published by Margo and Villaflor overcame several of the problems that concerned Engerman and Gallman. 49 Further improvements in these series were made by Goldin and Margo. 50 The new wage data are drawn from military records of wages paid to civilians who worked as common laborers, teamsters, clerks, and in a wide array of skilled crafts. These men were recruited in local labor markets in the vicinity of 313 army installations in all regions of the nation. Examination of the data indicates that the army paid competitive wages and was too small an employer in most labor markets to affect the equilibrium wage rate. 51

The deflated series by Margo, Villaflor, and Goldin for the Midwest show

that the real wages of skilled workers (artisans plus clerks) declined by 24 percent between 1848 and 1855. The corresponding figure for the Northeast is 18 percent. The decline in the real wages of laborers between the same dates is 28 percent in the Midwest and 10 percent in the Northeast. These figures may be taken as a lower bounds on the decline in the real income of native nonagricultural labor in the North. They are a lower bounds because the Margo-Villaflor-Goldin series, like other indexes of real wages, suffer from several shortcomings when they are used as a measure of the trend in the annual real income of native nonagricultural workers.

The first problem, generic to the use of data on daily or weekly wage rates as indexes of annual income, is the implicit assumption that employment is constant from year to year. Margo and Villaflor call attention to this problem by pointing out that during the depression of 1837-1843, real wages rose because prices fell more rapidly than nominal wages. 52 However, such gains were limited only to those who continued to work more or less a full work year. The real income of workers as a whole declined sharply, despite the rise in daily rates, because of widespread unemployment and because of reductions in the number of days of work for those who were not laid off for long stretches of time. It was the massive unemployment in New York City following the crash of 1837 and its devastating effect on the working classes that so appalled the young Horace Greeley and radicalized him on labor issues. 53 An index of real daily wage rates not only fails to capture that distress, but makes one of the most severe depressions of American history appear like a boon to workers.

This point has an important implication for the period 1850-1855. Despite the fact that the Margo-Villaflor-Goldin index shows a substantial decline in real daily wages during these years, the actual decline in the annual income of

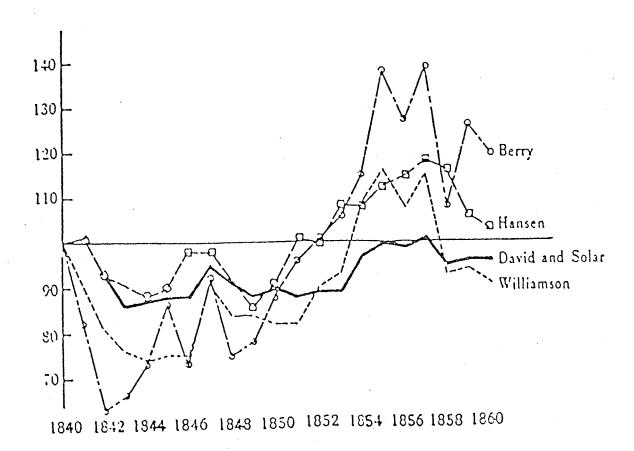
workers was probably much larger, both because work years were reduced and unemployment increased. If, for example, unemployment in the nonagricultural sector increased from about 3 to about 15 percent between 1853 and 1855, that factor alone would make the decline in the average annual wage of northeastern workers 67 percent greater than shown by the index of daily wage rates. Such a rise in unemployment is quite plausible not only because of the massive immigration from the beginning of 1850 to the end of 1855, but also because of the massive layoffs of railroad construction workers and the associated decline in residential construction.<sup>54</sup>

Another difficulty with current real wage indexes concerns the inadequacy of the price deflators. A major problem is the neglect or inadequate account that is taken of the sharp rise in the cost of housing in large cities. Moreover, there were wide differences between cities in rates of change in prices of food and other consumer goods and services. Consequently, price indexes vary widely depending on the localities from which the prices are drawn and the scope of the items covered. Although the four price indexes displayed in Figure 3 all show a marked rise in the price level between 1848 and 1856 there are significant differences in the amplitude of rise. 55

The largest increase shown in Figure 3 is in the Berry series which pertains to Cincinnati. <sup>56</sup> If the Berry index (as modified by Goldin and Margo) is used to deflate the Margo-Villaflor series on unskilled labor in the Midwest, one obtains a fall in real wages of about 28 percent between 1848 and 1855. <sup>57</sup> The fact that, even without taking account of housing prices or unemployment, the midwestern decline is more than twice as great as that of the Northeast points up the error frequently made in relying on northeastern data to characterize trends in the living standards of all northern labor. When a

FIGURE 3

A Comparison of Four Indexes of the Price Level, 1840-1860



plausible allowance is made for an increase in unemployment related to the termination of the railroad and nonrailroad construction booms, the decline in the real wages of midwestern laborers between 1848 and 1855 rises to 37 percent.<sup>58</sup>

Deskilling is another aspect of the decline in real wages that has yet to be incorporated in current indexes. These indexes implicitly assume that the distribution of workers across occupations remained constant over time. However, the labor literature stresses that deskilling was common during 1848-1855, since employers used the excess supply of labor to reclassify native artisans to unskilled categories and also found other means of reducing wages (such as charging workers for materials and floor space) that are not incorporated in the nominal wage data. <sup>59</sup> If just 10 percent of artisans were reclassified to common laborers, such deskilling, by itself, would have amounted to a 5 percent reduction in the average wage of artisans. <sup>60</sup> Thus, the joint effect of the price rise (excluding housing), increased unemployment, and deskilling may have reduced the wages of midwestern artisans by about 31 percent between 1848 and 1855, which is nearly twice as large as the decline indicated just by the fall in daily wages alone. <sup>61</sup>

It is also necessary to address the implicit assumption that the trend in real wages was identical for native and for foreign workers. The labor literature suggests that although the level of wages was lower in given occupations for immigrants than for natives, their wages may have risen relative to those of natives over time. The closing of the wage gap appears to have occurred as immigrants broke the labor monopolies of native workers and gradually worked their way into the system. 62 If that is the case, then the real wages of native workers fell more rapidly than the current series indicate, since the

current series combine the more rapid upward movement in the nominal wages of foreign workers with the more modest nominal gains for native workers. It may soon be possible to unravel this issue since recently discovered wage records contain the names of the workers, and so provide a reasonable basis for inferring nationality.

Problems in Measuring the Cost of Urban Housing, 1830-1855

The price of urban housing, as already indicated, is one of the most vexing of the unresolved issues facing economic historians who want to measure trends in the cost of living before the Civil War.<sup>63</sup> Some scholars have omitted it from their cost of living indexes because of the absence of suitable data. Others have sought to develop proxies in lieu of the desired data. One widely used series on consumer prices employs a weighted average of the wages of common labor and of construction materials as a proxy for rent. Still others have used the series on residential rental charges contained in the Weeks report.<sup>64</sup>

None of these efforts has proved successful. Newspapers, welfare agencies, and government documents report severe and unprecedented overcrowding and of skyrocketing rental charges from the mid-1840s to the mid-1850s in New York, Boston, Brooklyn, Philadelphia, Buffalo, Cincinnati, Chicago, and St. Louis. 65 Yet the Hoover index shows that expenditures on rent were remarkably constant: 66

1851	100
1852	100
1853	100
1854	102
1855	103

The problem, as Lebergott pointed out, is that the rental data came mainly from companies that provided subsidized housing for their employees. 67 The rates

charged for such housing showed virtually no variation, either during the inflation of 1851-1856 or the even sharper inflation of the Civil War. Moreover, these firms were located mainly in such small cities as Lawnenberg, IN; Oswego, NY; Canton, OH; Steubenville, OH; Zanesville, OH; and New Cumberland, (then) VA, all of which had less than 10,000 persons in 1860 and some of which had declining populations. 68

Another unresolved problem relates to the assumption that the share of rent in the expenditure of workers remained constant despite rates of increase in urban rentals that may have been two or three times as rapid as the increases in other prices. It has been reported that the ratio of rents to the construction cost of housing rose tenfold between the late 1840s and the mid-1850s in cities that were the principal targets of immigrants. Such reports may be exaggerations or refer to exceptional cases. However, even if they only doubled, the implied annual rate of increase in rental rates between 1848 and 1854 is over 12 percent.

Even if workers responded to rent gouging by cutting back on the amount of space they purchased, a proper index of costs would have to take account of the deterioration in the quality of housing that was purchased, since overcrowding greatly increased morbidity and mortality rates. Whether one used beginning or end-period weights, such quality adjustments would show much sharper rises in rental costs than unadjusted prices. Moreover, if quality is held constant, the share of housing in consumer budgets would rise sharply between 1848 and 1854 in the major urban centers of the North. 69

Whether or not it is possible to secure the data needed to measure accurately the rising cost of worker housing in northern cities between 1830 and 1855 remains to be determined. Searches are now under way for such data, but

it is too soon to predict the outcome of these efforts.

## Conclusion

During the two decades between 1840 and 1860, the total output of the northern economy increased by about 82 percent (an annual rate of about 3.0 percent). Although most of this growth was due to the rapid increase of the population, the real per capita income in the North also grew rapidly, averaging about 1.3 percent per annum. However, the benefits of these increases were unequally distributed in time, space, and across occupational groups. Much remains to be learned about the inequities, but it appears that labor in the nonagricultural sector was the principal loser, at least in a relative sense. Within this section of the labor force, it appears that foreign-born labor might have scored some gains while native-born labor suffered some losses.

Because of the strong surge of the northern economy in 1859 and 1860, coupled with the sharp decline in immigration (the main source of the growth in the nonagricultural labor force), the real income of northern labor apparently recovered from their lows in the mid-1850s. This conclusion is suggested by the recent work on the income accounts of the North, which indicates that labor productivity in the nonagricultural sector was virtually the same in 1860 as in 1840.71 However, the fact that even after the strong surge of the economy during the two years preceding Lincoln's election, nonagricultural labor productivity was virtually the same as it had been two decades earlier, has two other implications: First, it tends to confirm the proposition that nonagricultural labor hardly shared in the strong overall gains in per capita income. Second, since there were rapid advances in the technology of manufacturing and transportation during this period, and rapid increases in capital formation,

constant labor productivity implies that it was the exceptionally high rate of growth in the number of workers (possibly coupled with labor speedup) that prevented nonagricultural labor from sharing more fully in the growth of per capita income.<sup>72</sup>

Although the income accounts provide significant insights into the status of labor from one census year to another, they do not reveal what happened to the economic conditions of workers during noncensus years, particularly between 1848 and 1856, when the Second American party system was destroyed. series recently constructed by Margo, Villaflor, and Goldin provides improved information on one key measure. Their work shows that between 1848 and 1855 the decline in the real daily wages of unskilled workers in the Midwest was 28 percent and the corresponding decline for skilled workers was 24 percent. Since the price deflator they used does not yet take account of the sharp rise in the cost of urban housing, it is likely that the inclusion of that cost will push the midwestern decline in real wages to well over 25 percent. Northeast real daily wages fell by about 13 percent. However, since the housing crisis was much more acute in northeastern cities than in midwestern cities, it appears likely that the gap in the rates of decline between real wages in the Midwest and in the Northeast will narrow somewhat, although at this point it is difficult to say by how much. 73

Indexes of real daily wages do not measure the effects of unemployment, of deskilling, or of labor speedup, all of which contributed to the economic distress of workers during the 1850s and which made the slide in the real annual income of nonfarm workers between 1848 and 1855 steeper than the slide in the real daily wage rates of particular occupations. Much work remains before these effects can be measured with precision, but the available evidence suggests

that unemployment increased sharply, especially between 1853 and 1855, and hence had a significant effect on the real annual incomes of workers.

Three considerations support this inference. First, the collapse of the northern railroad construction boom by itself dumped about 83,000 workers onto the nonfarm market for labor during these two years. Nonrailroad construction also reached a peak in 1853 and experienced a comparable collapse during 1854 and 1855. Since the nonrailroad construction sector was more than twice as large as the railroad construction sector, it is likely that a total of about 280,000 construction workers, about 10 percent of nonfarm labor force in the North in 1853, had to seek employment in other sectors.<sup>75</sup>

Second, it is unlikely that the workers released by the collapse of the construction boom could have been absorbed by other sectors of the economy without displacing workers already employed. Although manufacturing and services did not experience as severe a collapse as construction, the available evidence indicates that these sectors were also in recession. Berry reported heavy declines of production in the midwestern iron industry during 1854 and 1855, which resulted from "numerous and heavy failures." The output of the cotton textile industry, according to estimates developed by Davis and Stettler, peaked in 1852 and stagnated for the next 3 years. Although foreign-born workers were able to find jobs in textiles, it was at the expense of the native workers whom they displaced when they accepted reduced rates of compensation per piece. Figures on the traffic of New York canals and railroads, much of which originated in the Midwest or was bound for the Midwest, indicate that commerce was also in recession during 1854 and 1855.76

The third consideration is the heavy pressure put on northern nonfarm labor markets by the influx of foreign-born labor. Between 1850 and 1855, the number

of nonfarm workers in the North increased by about 710,000, an increase of 32 percent in just five years (or an annual rate of increase of 5.7 percent). During the upswing of the construction cycle, the construction sector (railroad plus nonrailroad) absorbed between 200,000 (in 1851) and 76,000 (in 1853) additional workers per year, most of whom were foreign-born. Since manufacturing and commerce were also expanding, the downward pressure on real wages exercised by heavy immigration was abated by the coincidence of the upswing in a long construction cycle with the expansion phase of a short trade cycle. However, after the collapse of the construction boom, the 280,000 construction workers displaced in 1854 and 1855 had to compete not only with workers displaced from manufacturing and commerce during the contraction phase of a mild trade cycle but also with about 260,000 new entrants into the northern nonagricultural labor force, most of whom were new immigrants. Displaced and new workers together accounted for about 18 percent of the northern nonagricultural labor force at the end of 1855.77

Since only the agricultural sector was buoyant during these years, it is doubtful that more than a small proportion of the job seekers could have found jobs without displacing other workers. And indeed, those who were unemployed (mainly recent immigrants) did undercut the real wages and employment standards (mainly of natives or earlier immigrants) in their effort to alleviate their dire circumstances. So to many of those who held jobs prior to 1853, the new wave of immigrants appeared to be responsible for their unemployment or their declining standard of living. However, the glutted labor markets of 1854-1855 were the consequence of the unfortunate phasing of three cycles. Exogenous (chance) factors caused the collapse of the long cycle in construction to coincide with the trough of a relatively mild trade cycle and with the continued

upswing of a long cycle in immigration. 79

Relief came in 1856 when an upswing in the trade cycle, coupled with a sharp decline in immigration, made it possible to employ many of the job seekers. Because the process of absorption was interrupted by the Panic of 1857, it was not until 1859 that the excess supply of nonfarm labor in the North was converted into excess demand, causing real wages to exceed the 1848 peak. <sup>80</sup>

It is against the background of economic distress and recovery that the political convulsions in the North during the 1850s need to be analyzed. Unemployment and declining real wages among northern nonfarm workers were not the only issues on which the politics of this period turned, but they were important issues that concerned a substantial share of the northern electorate. Northern politicians, whatever their positions on slavery, recognized that they had to address these issues, and sought to do so in ways that promoted their principal political objectives. To understand the political realignment of the 1850s it is important to understand the interplay of these economic issues with the ethnocultural and the antislavery issues.

## **NOTES**

\*I have benefitted from comments and criticisms of an earlier draft by Thomas B. Alexander, Stanley L. Engerman, Ronald P. Formisano, James R. Grossman, Ralph Lerner, James M. McPherson, Robert A. Margo, Douglass C. North, and Robert P. Swierenga.

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- politics in industrializing Cincinnati, 1788-1840 (New York: Columbia University Press, 1985).
- 12. The argument in this section draws on Robert W. Fogel, <u>Without consent or contract: The rise and fall of American slavery</u> (New York: W.W. Norton & Company, 1989), chs. 9 and 10. See also Fogel, Galantine and Manning, <u>Evidence and methods</u>, especially the introduction and entries #15, #60, #62, #68, and #69.
- 13. On the timing of recessions in the North see Fogel, Without consent or contract, chs. 9 and 10. On the timing of the southern recessions see ibid, pp. 92-98; Fogel, Galantine and Manning, Evidence and methods, entries #20-#28, #36, #37; and Laurence J. Kotlikoff, "Quantitative description of the New Orleans slave market, 1804 to 1862," in Robert W. Fogel and Stanley L. Engerman, eds., Without consent or contract: The rise and fall of American slavery: Markets and production: Technical papers, vol I., (New York: W.W. Norton & Company, 1992). See also Yasukichi Yasuba, Birth rates of the white population in the United States, 1800-1860, (Baltimore: Johns Hopkins Press, 1961), ch. 3.
- 14. The northern index is computed in the manner indicated in Fogel, Galantine and Manning, Evidence and methods, entry #66. The series was extended to 1859 using data for 1861 and 1862 from the U.S. Bureau of the Census, Tenth census of the United States: 1880. Report on the agencies of transportation in the United States, Vol. IV, (Washington, D.C: Government Printing Office, 1883), Table VIII. That source also provided the data for the southern index.
- 15. Fogel, <u>Without consent or contract</u>, pp. 350-351, 370-371, and the sources cited there.

- 16. Fogel, Without consent or contract, pp. 316-319; Jeter Allen Isley, 

  \*\*Morace Greeley and the Republican Party, 1853-1861\* (Princeton: Princeton 
  University Press, 1947); Glyndon G. Van Deusen, \*\*Thurlow Weed: Wizard of 
  the lobby\* (Boston: Little, Brown, 1947); idem, \*\*Morace Greeley: Nineteenthcentury crusader, (New York: Hill and Wang, 1964); idem, \*\*William Henry 
  Seward\* (New York: Oxford University Press, 1967); William E. Gienapp, \*\*The 
  origins of the Republican party, 1852-1856\* (New York: Oxford University 
  Press, 1987), pp. 123, 251-252, 287-290.
- 17. Gienapp, "Nativism and Republican majority," pp. 529-559; idem, Origins of the Republican party; Robert W. Fogel, "Modeling complex dynamic interactions: The role of intergenerational, cohort, and period processes and of conditional events in the political realignment of the 1850s," NBER Working Paper Series on Historical Factors in Long-Run Growth, No. 12, 1991.
- 18. Fogel, Without consent or contract, pp. 347-354, 375-377, 380, 384-385; Silbey, The partisan imperative, chapter 7.
- 19. Cited by Sewell, Ballots for freedom, p. 290.
- 20. Robert W. Fogel and Stanley L. Engerman, <u>Time on the cross: The economics of American Negro slavery</u>, 2 vols., (Boston: Little, Brown, 1974), chapter 5; Isley, <u>Horace Greeley</u>, esp. chapters 7 and 9; and Fogel, <u>Without consent or contract</u>, pp. 385-386.
- 21. It is worth noting that the upswing in the northern economy that began in late 1858 and continued through 1860 took place despite the continuing decline in midwestern railroad construction shown in Figure 1.
- 22. Fogel, Without consent or contract, pp. 104-107, 343-344, 347-354.

- 23. Roy M. Robbins, <u>Our landed heritage: The public domain</u>, <u>1776-1936</u>, (Lincoln: University of Nebraska Press, 1962), pp. 193-195; Fogel, <u>Without consent or contract</u>, pp. 316-319, 346-352, 363-365; James M. McPherson, <u>The battle cry of freedom: The Civil War era</u> (New York: Oxford University Press, 1988), pp. 193-195.
- 24. Baum, "Know-Nothingism," pp. 959-986; Fogel, Galantine and Manning,

  <u>Evidence and methods</u>, entry #69. See Formisano, <u>Transformation of political culture</u> for a somewhat different view.
- 25. Fred Bateman and James D. Foust, "A sample of rural households selected from the 1860 manuscript censuses," <u>Agricultural History</u> 48 (1974):75-93. Cf. Jeremy Atack and Fred Bateman, <u>To their own soil: Agriculture in the antebellum North</u> (Ames: Iowa State University Press, 1987); Jon R. Moen, "Essays on the labor force and labor force participation rates: The United States from 1860-1950," Ph.D. thesis, University of Chicago, 1987.
- 26. For the numerous occupations included in each of the first 5 occupational categories, see Nathaniel T. Wilcox, "A note on the occupational distribution of the urban United States in 1860," in Fogel, Galantine, and Manning, *Evidence and methods*. See entry #64 and notes to Table 65.1 in the same volume for a description of the procedures used to develop Northwide totals from the data in the Moen and Bateman and Foust samples.
- 27. Wilcox, "Occupational distribution," in Fogel, Galantine, and Manning, eds., *Evidence and methods*.
- 28. Fogel, Galantine and Manning, <u>Evidence and methods</u>, entries #69, Tables 69.6 and 69.39; #60, table 60.9; and #63, Tables 63.11-63.14.
- 29. Computed from the data in Table 1, in U.S. Bureau of the Census, <u>Historical</u>

  <u>statistics of the United States, colonial times to 1970</u>, Bicentennial

- Edition, Pt. I and II, (Washington, D.C.: Government Printing Office, 1975), p. 22; and in Fogel, Galantine and Manning, *Evidence and methods*, Tables 63.11-63.14.
- 30. Grist and lumber mills, stone quarrying and coal mining, and charcoal production alone accounted for 117,689 male workers in the North in 1860. By themselves these five industries accounted for about 9 percent of the total nonagricultural rural labor force (U.S. Census Bureau, <u>Census of agriculture in 1860</u> (Washington, D.C.: Government Printing Office, 1865), pp. 677-711.
- 31. Fogel, Galantine and Manning, Evidence and methods, Table 69.35.
- 32. Thomas Weiss, "U.S. labor force estimates and economic growth: 1800 to 1860," Table 5, in Robert E. Gallman and John Wallis, eds., American economic growth and the standard of living before the Civil War (Chicago: University of Chicago Press, 1992).
- 33. Baum, "Know-Nothingism," pp. 959-986; Fogel, Galantine and Manning,

  Evidence and methods, entry #69; see Formisano, Transformation of political

  culture for a somewhat-different-view.
- 34. Computed from the immigration data in U.S. Bureau of the Census, <u>Historical</u> statistics, pp. 105-106.
- 35. See Fogel, Galantine and Manning, <u>Evidence and methods</u>, entry #60, especially Tables 60.5, 60.6, and 60.9 for the sources and methods of estimation.
- 36. See entry #69, p. 560 in Fogel, Galantine and Manning, <u>Evidence and methods</u>, for details on the construction of this table.
- 37. Robert W. Fogel, Stanley L. Engerman, James Trussell, Roderick Floud, Clayne L. Pope, and Larry T. Wimmer, "The economics of mortality in North

- America, 1650-1910: A description of a research project," *Historical Methods* 11 (1978):75-109; Edwin Scott Gaustad, *Historical atlas of religion in America* (New York: Harper & Row, 1962).
- 38. See entry #69, pp. 562-567, in Fogel, Galantine and Manning, *Evidence and methods*, for details on the construction of this table.
- 39. About 2,059,000 Old Americans voted in the North in 1860 (see Table 5).

  If the Democratic party had retained their 1852 share of the votes of this constituency, they would have received about 997,000 votes from Old Americans in 1860 instead of 621,000. Hence, about 38 percent of Old Americans switched away from the Democrats between the two elections.
- 40. The figures for the 1852 and 1860 elections are from Fogel, Galantine and Manning, Evidence and methods, Tables 69.6 and 69.7. The figures for the 1844 election were derived using the sources and procedures described on pp. 558-569 in the same source. See especially pp. 562-563 and the notes to Tables 69.37-69.40.
- 41. See Ralph A. Galantine, "The roots of political realignment between 1852 and 1860: An econometric examination," Ph.D. dissertation, University of Chicago, forthcoming.
- 42. Robert W. Fogel, <u>Railroads and American economic growth: Essays in econometric history</u>, (Baltimore: Johns Hopkins University Press, 1964), p. 128.
- 43. Richard A. Easterlin, "Regional income trends, 1840-1950," in Seymour Harris, ed., <u>American Economic History</u>, (New York: McGraw-Hill, 1961); Robert E. Gallman, "Gross national product in the United States," in Conference on Research in Income and Wealth, <u>Output</u>, <u>employment and</u>

- productivity in the United States after 1800, Studies in Income and Wealth,
  Vol. 30, (New York: Columbia University Press, 1966).
- 44. See, for example Albert Fishlow, American railroads and the transformation of the antebellum economy (Cambridge: Harvard University Press, 1965); Paul A. David, "The growth of real product in the United States before 1840: New evidence, controlled conjectures," Journal of Economic History 27 (1967):151-197; Stanley L. Engerman, "The economic impact of the Civil Explorations in Entrepreneurial History, Second Series. (Spring/Summer 1966):176-199; idem, "The effect of slavery on the southern economy, " Explorations in Entrepreneurial History 4 (1967):71-97; Lance E. Davis and H. Louis Stettler III, "The New England textile industry, 1825-1860: Trends and fluctuations," in Conference on Research in Income and Wealth, Output, Employment, and Productivity; Robert B. Zevin, "The growth of cotton textile production after 1815," in Robert W. Fogel and Stanley L. Engerman, eds., The reinterpretation of American economic history (New York: Harper and Row, 1971); Lance E. Davis, Richard A. Easterlin, William N. Parker, Dorothy S. Brady, Albert Fishlow, Robert E. Gallman, Stanley Lebergott, Robert E. Lipsey, Douglass C. North, Nathan Rosenberg, Eugene Smolensky, and Peter Temin, American economic growth: An economist's history of the United States (New York: Harper and Row, 1972); David C. Klingaman, "Individual wealth in Ohio in 1860," in David C. Klingaman and Richard K. Vedder, eds., Essays in nineteenth century economic history: The old Northwest (Athens: Ohio University Press, 1975); Jeffrey G. Williamson, "American prices and urban inequality since 1820," Journal of Economic History 36 (1976):303-333; Paul A. David and P. Solar, "A bicentary contribution to the history of the cost of living in America," Research in

- Economic History 2 (1977):1-80; Robert W. Fogel, <u>Ten lectures on the new economic history</u> (Tokyo: Nan-un-do, 1977).
- based on period life tables are reported in Robert W. Fogel, "Nutrition and the decline in mortality since 1700: Some preliminary findings," in Stanley L. Engerman and Robert E. Gallman, eds., Long term factors in American economic growth, Studies in Income and Wealth, Vol. 51., (Chicago: University of Chicago Press for NBER, 1986). Several additional time series on life expectation based on an improved data set and using cohort as well as period life tables are reported in Clayne L. Pope, "Adult mortality in America before 1900: A view from family histories," in Claudia Goldin and Hugh Rockoff, eds., Strategic factors in nineteenth century American economic history (Chicago: University of Chicago Press, 1992).
- 46. Barbara J. McCutcheon, "An exploration into the causes of the growth of per capita income in the North, 1840-1860," in Fogel, Galantine and Manning, *Evidence and methods*.
- 47. Some of the material in the next eight paragraphs is from Fogel, Galantine and Manning, *Evidence and methods*, entry #67. Differences with #67 reflect improvements in the wage series and the price deflators that are reported in Claudia D. Goldin and Robert A. Margo, "Wages, prices, and labor markets," in Goldin and Rockoff, *Strategic factors*.
- 48. Stanley L. Engerman and Robert E. Gallman, "U.S. economic growth, 1783-1860, Research in Economic History 8 (1983):1-46.
- 49. Robert A. Margo and Georgia C. Villaflor, "The growth of wages in

- antebellum America: New evidence, Journal of Economic History 47 (1987):873-895.
- 50. Goldin and Margo, "Wages, prices, and labor markets."
- 51. Some locations at the frontier where the army employed a relatively large proportion of the civilian labor force were excluded from the construction of the wage series.
- 52. Margo and Villaflor, "The growth of wages in antebellum America," pp. 873-895. Cf. Robert A. Margo, "Wages and prices during the antebellum period: A survey and new evidence," in Gallman and Wallis, <u>American economic growth.</u>
- 53. Van Deusen, Horace Greeley, pp. 31-32.
- 54. See Fogel, Galantine and Manning, <u>Evidence and methods</u>, entry #66, for further details on the collapse of railroad construction. On the collapse of the residential construction boom see Manuel Gottlieb, "Building in Ohio between 1837 and 1914," in Conference on Research in Income and Wealth, <u>Output</u>, <u>employment and productivity</u>, pp. 243-280.
- 55. Sources for Figure 3 are Thomas Senior Berry, Western prices before 1861:

  A study of the Cincinnati market (Cambridge: Harvard University Press, 1943); David and Solar, "A bicentary contribution, "1-80; Alvin H. Hansen, "Factors affecting the trend of real wages," American Economic Review 15 (1925):27-42; Jeffrey G. Williamson, "American prices," pp 303-333.
- 56. Berry, Western prices before 1861, Index A.
- 57. Margo and Villaflor, "The growth of wages," pp. 873-895; Margo and Goldin,
  "Wages, prices and labor markets". The version of the Berry index used
  by Goldin and Margo differs somewhat from that shown in Figure 3 because

- of the omission of nonconsumption items. If I had used Berry Index A, there would have been a 35 percent decline in real wages.
- 58. The collapse of the northern construction boom (both railroad and other construction) threw about 280,000 construction workers onto northern labor markets in 1854 and 1855, which was about 10 percent of the northern nonfarm labor force in 1853. The sources for these estimates and the reasons why most of the displaced workers could not have been absorbed until after 1855 without displacing other workers are discussed in the conclusion. In the computation in the text I assumed that in 1853 the Midwest was close to full employment, and that between 1853 and 1855 midwestern unemployment increased from 3 to 15 percent. For reasons discussed in the conclusion, I believe that the assumption that midwestern unemployment only increased by 12 percentage points between 1853 and 1855 biases the computation against my argument. See note 75 for the sources and procedures used to estimate construction layoffs.
- 59. See Fogel, Without consent or contract, pp. 356-359 and the sources cited there.
- 60. In this calculation I assumed that the wages of deskilled artisans in the Midwest fell from the average wage of artisans to the average wage of ordinary labor, using the Margo and Villaflor ("The growth of wages," pp. 893-894) figures for 1851-1856.
- 61. This computation is  $0.83 \times 0.88 \times 0.95 = 0.69$ , where the first left-hand number represents the price effect, the second represents the unemployment effect, and the third represents the deskilling effect.
- 62. Cf. Oscar Handlin, <u>Boston's immigrants</u>, <u>1790-1880: A study in</u>

  <u>acculturation</u>, (Cambridge: Belknap Press of Harvard University Press,

- 1979); Robert Ernst, <u>Immigrant life in New York City</u>, 1825-1863, (New York: King's Crown Press, Columbia University, 1949); Holt, <u>Forging a majority</u>; Wilentz, <u>Chants democratic</u>.
- 63. This section is from Fogel, Galantine and Manning, <u>Evidence and methods</u>, entry #61.
- 64. Jeffrey G. Williamson and Peter H. Lindert, <u>American inequality: A macroeconomic history</u> (New York: Academic Press, 1980); Ethel D. Hoover, "Retail prices after 1850," in Conference on Research in Income and Wealth, <u>Trends in the American economy in the nineteenth century</u>, Studies in Income and Wealth, Vol. 24. (Princeton, NJ: Princeton University Press for NBER, 1960); Dorothy S. Brady, "Relative prices in the nineteenth century," <u>Journal of Economic History</u> 24 (1964):145-203; Idem, "Consumption and style of life," in Lance E. Davis, Richard A. Easterlin, and William N. Parker, eds., <u>American economic growth: An economist's history of the United States</u> (New York: Harper and Row, 1972); David and Solar, "Cost of living;" Stanley Lebergott, <u>Manpower in economic growth: The American record since</u> 1800 (New York: McGraw-Hill, 1964); Donald R. Adams, Jr., "The standard of living during American industrialization: Evidence from the Brandywine region, 1800-1860," <u>Journal of Economic History</u> 42 (1982):903-917.
- 65. Handlin, <u>Boston's immigrants</u>; Ernst, <u>Immigrant life</u>; Ross, <u>Workers on the edge</u>; John R. Commons, Ulrich B. Phillips, Eugene A. Gilmore, Helen L. Sumner, and John B. Andrews, eds., <u>A documentary history of American industrial society</u>, 10 vols., (Cleveland: Arthur H. Clark, 1910), vol. 1; Commons et al., <u>History of labor</u>, vol. 1; Edith Abbott, ed., <u>Historical aspects of the immigration problem: Selected documents</u> (Chicago: University of Chicago Press, 1926); John H. Griscom, <u>The sanitary condition of the</u>

- <u>laboring class of New York, with suggestions for its improvement</u> (New York: Arno, [1845] 1970); New York State Legislature, Assembly, <u>Report of the select committee appointed to examine into the condition of tenement houses in New York and Brooklyn</u>, 80th session, Vol. 3, No. 205, (Albany, 1857).
- 66. Ethel D. Hoover, "Retail prices after 1850." In Conference on Research in Income and Wealth, *Trends in the American economy*, p. 174.
- 67. Lebergott, Manpower in economic growth, pp. 341-343.
- 68. United States Bureau of the Census, <u>Eighth Census of the United States:</u>

  <u>Population</u> (Washington, D.C.: Government Printing Office, 1864).
- 69. Cf. Robert W. Fogel, "Nutrition and the decline in mortality since 1700: Some preliminary findings," in Engerman and Gallman, *Long term factors*. pp. 502-505.
- 70. McCutcheon, "An exploration," Table 68.1.
- 71. <u>Ibid.</u> and U.S. Bureau of the Census, <u>Historical statistics</u>, p. 22.
- 72. See Kenneth L. Sokoloff, "Productivity growth in manufacturing during early industrialization: Evidence from the American Northeast, 1820 to 1860," in Engerman and Gallman, Long-Term Factors, pp.679-736, on the rate of growth of capital and total factor productivity.
- 73. Other possible upward and downward biases in the Margo-Villaflor-Goldin index are discussed in Margo, "Wages and prices."
- 74. To the extent that there is deskilling, there is a change in the structure of occupations which will not be captured by changes in indexes of specific daily wages. An adjustment has to be made for changes in weights across wage rates in specific occupations. The role of such changes in weights and the manner of adjusting for them are described in Fogel, Galantine and Manning, <u>Evidence and methods</u>, entries #40 and #68.

- 75. The collapse of the long cycle in nonfarm residential construction in 1854 is described in Manuel Gottlieb, Estimates of Residential Building, United States 1840-1939, NBER Technical Paper 17 (New York: Columbia University Press, 1964) and idem., "Building in Ohio." In 1850 the total value of nonfarm structures was 3.4 times that of railroad structures. The labor share of construction was approximately the same in railroads and in residential construction, so that the total layoffs in the overall construction industry was approximately 3.4 times layoffs in railroad On the labor share of construction in railroads and nonrailroads see Fogel, Galantine and Manning Evidence and Methods, entry The ratio of total nonfarm construction to railroad construction c.1850 was computed from Raymond W. Goldsmith, "The growth of reproducible wealth of the United States of America from 1805 to 1950, in Simon Kuznets, ed., Income and Wealth of the United States: Trends and Structure, International Association for Research in Income and Wealth, Income and Wealth Series II (Baltimore: Johns Hopkins Press, 1952), Table V, pp.317-320. Total nonfarm capital consisted of lines 11 and 15. It was assumed that of the \$745 million in nonrailroad, nonresidential capital, 30 percent was in inventories or in consumer durables. See note 77 for the method of estimating the total nonfarm labor force in 1853.
- 76. Berry, Western prices, p. 268; Davis and Stetler, "The New England Textile Industry," Table 4, p. 221; William Lazonick and Thomas Brush, "The 'Horndal Effect' in early U.S. manufacturing," Explorations in Economic History, 22 (1985), pp. 53-96; New York (State), Committee on Canals, Report of the Committee on Canals of New York State 1899-1900, Table 26, p. 181.

- 77. The estimates in this paragraph were developed from a simulation model similar to that described in Fogel, Galantine and Manning, <u>Evidence and</u> methods, entry #60, except that the model applies to the entire northern nonfarm labor force, and not just males. Weiss's estimates of the northern nonfarm labor force in 1860 was split into native and foreign-born using the data in *ibid.*, entries #63 and #65. Estimates of new immigrants entering the labor force were based on the immigration series reported in U.S. Bureau of the Census, Historical statistics, p. 106. It was assumed that 8 percent of these immigrants left the country or died before entering the labor force and that 86 percent of the remainder settled in the North. Immigrants who had entered the U.S. labor force were assumed to leave it (through deaths or retirement) at a rate of 2.2 percent per annum. bases for the last three assumptions are set forth in Fogel, Galantine and Manning, Evidence and methods, entries #60 and #69. The labor force participation rate of immigrants in the North, 52 percent, was computed from ibid., entry #63 and the Bateman-Foust sample. The last two sources also yielded the estimate that about 80 percent of foreign-born workers in the North entered the nonfarm sector. Consistency requirements of the model implied that natives in the northern nonfarm labor force increased at an annual rate of 2.93 percent between 1850 and 1860. The last figure includes natural increase plus net in-migration.
- 78. Weiss's figures ("U.S. labor force," Tables 5 and 13) indicate that between 1850 and 1860 the northern agricultural labor force increased at an annual rate of 2.67 percent per annum. The natural rate of increae in the agricultural labor force was about 2.20 percent (Fogel, Galantine, and Manning, *Evidence and Methods*, entry #60), which implies a net shift into

northern agriculture of about 128,000 workers over the decade. Even in the unlikely event that this entire net shift took place in 1854 and 1855, and that it came exclusively from the North, it would represent only about a quarter of the job seekers. Hence, while agriculture may have aided in the absorption of the unemployed, most were eventually absorbed in the nonfarm sector.

- 79. Long cycles (which are also called Kuznets cycles) generally run between 15 and 20 years each. Trade cycles (which are also called business cycles and inventory cycles) generally run between 2 and 5 years. It is important to keep in mind that the timing of these cycles was not exactly the same in each of the states as in the North as a whole. The railroad construction booms in Massachusetts and Michigan, for example, collapsed earlier than in Indiana and Illinois. So some states felt the labor glut earlier than others. The extent of the labor glut in the nonfarm sector and its impact on the real incomes of native and earlier immigrants also varied from place to place and from industry to industry.
- 80. The Margo-Villaflor-Goldin series only extends to 1856 at present. For 1857-1860 I used the series in Williamson, "American prices," 303-333.