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FOREWORD

For centuries Americans have been resistant to the idea that government has a role in reducing economic inequality. Against the expectations of thinkers such as Alexis de Tocqueville, who imagined that commitments to popular sovereignty and political equality would, over time, incline citizens to favor equality more generally, Americans have historically embraced economic inequality as a necessary consequence of equality of opportunity. The Horatio Alger myth so seized the American imagination that throughout US history most Americans have opposed redistribution on the expectation that with enough effort and talent anyone could become wealthy and ought to be able to keep the fruits of one’s labor and enjoy one’s wealth. As political scientist Jennifer Hochschild showed in her classic book *What’s Fair: American Beliefs about Distributive Justice*, Americans cherish political equality but also are very comfortable with economic inequality. Most Americans have seen no necessary connection between these two kinds of equality. This attitude found political sustenance in appeals to the authority of the American founders, who arguably resisted pure democracy in favor of a complex republic designed to dampen the tendency of the idea of equality to intrude upon a commitment to liberty. If Americans are free to pursue their dreams and develop their talents, it has been thought, some will inevitably succeed and others fail, but—in principle—anyone could become very rich. It is this attitude that fuels the Tea Party movement today.

In recent years this optimistic and idyllic picture has been challenged by the fact that economic inequality is as great as or greater than it was in the era of the robber barons and by pessimistic prognostications of some economists who see this problem getting still
worse in the future. French economist Thomas Piketty published a 700-page book, *Capital in the Twenty-First Century*, that became a best-seller. A year into his second term, President Barack Obama gave a speech in which he asserted that the problem of growing economic inequality is the “defining challenge of our time.” The economic gap between the few super-rich citizens and most Americans has become so massive that even Obama’s Republican opponents have taken notice and pledged to do something about it. It is likely that a prominent issue in the 2016 presidential campaign will be the problem of inequality and what to do about it.

What changed since 1982, when Hochschild wrote her book documenting Americans’ comfort with economic inequality, and 2014, when economic inequality became the defining issue of our time? Over the past thirty years, evidence has mounted that the American dream is a myth. Economic inequality has become more pronounced, and wealth has become more entrenched. More importantly, the idea that everyone would be better off financially even if worse off relative to the wealthy has proven untrue. The income and standard of living of most Americans has stagnated even while the super-rich have accumulated unprecedented wealth. Economists are beginning to revise standard accounts of the logic of capitalism, and other social scientists are exposing other adverse consequences of inequality, such as increased crime and other social costs. A robust economic and social debate today upends conventional understandings of the logic of capitalism. In sum, conventional economic understandings are under siege today.

In the book that you have before you, Clement Fatovic recasts this economic and social debate as a political and constitutional problem. Fatovic challenges the idea that inequality is a necessary consequence of liberty by showing that *a concern for equality is a necessary condition for freedom, properly understood*. Returning to the debate surrounding the founding of the American republic, Fatovic shows that the conventional and instinctive appeal to the founders as authority for the proposition that no legitimate constitutional argument supports governmental support for redistributive policy is mistaken. Thomas Jefferson, James Madison, and Thomas Paine, to say nothing of less well-known thinkers of the founding era such as Noah Webster and Abraham Clark, all thought it imperative that government resist inequality in order to make political freedom viable and vital. If this book did nothing more than correct mistaken
appeals to authority, it would be a signal contribution to the con-
temporary debate. Fatovic makes an irrefutable case that leading
politicians of the founding generation and early history of Congress
thought that governmental efforts to avoid or mitigate economic
inequality were uncontroversial and legitimate legislative issues.
Of course, there was much debate and contest regarding particular
proposals, and many were defeated, but modern-day libertarian an-
tipathy to any and all redistributive policy finds little support in the
thinking of influential founders and statesmen at the origin of our
constitutional order.

Still more important than the issue of original intentions and
misinformed appeals to authority is Fatovic’s project to enlarge and
enlighten contemporary political debate. In his account of a huge
array of political issues—including suffrage and representation, tax
policy, regulation of militias, revenue plans, and even the design and
ratification of the Constitution itself—Fatovic shows the economic
concerns surrounding equality were nested in a larger political co-
nundrum. As I mentioned above, today’s partisans often assume that
economic inequality is a by-product of the nation’s commitment
to freedom. The burden of this book is to show the reader how to-
day’s conventional wisdom rests on a mistaken and narrow view of
freedom. For the founding generation, political freedom—the ability
of ordinary citizens to participate in politics—requires a modicum
of economic equality. Conversely, pronounced and serious levels of
inequality render ordinary citizens unfree. Americans have lost the
understanding and practice of debating public policy from this more
capacious perspective on equality and freedom. This book recovers
the resources needed, along with a refreshingly original argument
necessary, to reframe democratic discourse about a defining issue of
our time.

Jeffrey K. Tulis
Coeditor, Constitutional Thinking
Economic inequality in the United States today is approaching unprecedented levels. The concentration of wealth has reached a point unseen since the eve of the Great Depression, when the top 0.1 percent controlled nearly 25 percent of all wealth in the country. At present, the top 0.1 percent owns more than 22 percent of all wealth in the United States, while the top 1 percent controls more than 40 percent of the nation's wealth. The six heirs to the Walmart fortune alone possess more wealth than the bottom 40 percent of Americans combined. In some ways the distribution of income is now even more skewed than it was during the Roaring Twenties. Approximately 24 percent of all income went to the top 1 percent the year before the stock market crash of 1929. In recent years, the top 1 percent has taken in more than 90 percent of all income gains. The economic gap between the top and the bottom has grown so large that leaders in both major political parties have been forced to take notice. In an address that received extensive media commentary, Democratic president Barack Obama called rising inequality the “defining challenge of our time.” During a major campaign-style event, former Republican governor of Florida and 2016 presidential hopeful Jeb Bush observed that a widening “opportunity gap” has made the “American dream . . . a mirage for too many.”

Disparities in wealth and income had been growing rapidly since the late 1970s, but it took the worst economic downturn since the Great Depression to draw sustained public attention to this trend. The 2008 financial crisis, which plunged millions into poverty, threw millions more out of work, decimated savings, and left many homeowners underwater on their mortgages, laid bare the structural imbalances in the economy and exposed just how vulnerable
middle- and working-class households are to forces beyond their control. The sluggish and uneven recovery that followed the Great Recession has contributed to the sense that economic inequality is growing out of proportion. Although the stock market has more than doubled in value, and compensation for top executives at major corporations is now at or near an all-time high, median wages have barely budged in real terms since 2009.

A few scholars and journalists had been warning for years about the growing divide between haves and have-nots as well as the related decline in upward mobility, but it was collective acts of political protest that finally forced the media and political establishments to begin focusing on these developments. Since the financial crash of 2008, low-wage workers, the unemployed and underemployed, and grassroots activists have staged demonstrations, strikes, and sit-ins throughout the country to demand improved pay and better benefits for workers, increases in the minimum wage, higher taxes on the wealthy, and stricter regulations on and accountability from the financial sector, which many blamed for the country’s economic woes. Members of the Occupy Wall Street movement, which began in Manhattan’s financial district in September 2011 and soon spread to cities around the country [and other parts of the world], raised public awareness of growing class divisions with their slogan “We Are the 99 Percent.” Highly publicized protests and occupations of financial institutions, boardrooms, college campuses, and other spaces spurred national conversations about corporate malfeasance, the corruption of the political process, the erosion of democracy, and other problems linked to economic inequality. Although the Occupy movement has largely dissipated, the language of the 1 percent and the 99 percent it popularized continues to frame debates over economic inequality and public policy in the United States.

Despite these and other efforts to address growing economic stratification, there has been considerable resistance to treating the issue as an appropriate matter for public policy. One of the major challenges to placing economic inequality on the political agenda is a persistent and powerful strain of laissez-faire thinking dating back to the revolutionary period that is inimical to most forms of government involvement in the economy. In particular, opponents of policies designed to reduce economic inequality frequently invoke the American founders to support their claims that government action in this area is illegitimate. Contemporary critics—most notably within
the Tea Party movement—allege that political efforts to deal with economic disparities violate the founders’ beliefs in limited government and individual freedom. Although the founders were certainly concerned about maintaining limited government, they were also deeply concerned about economic inequality. Indeed, many of the founders worried about economic inequality precisely because they viewed it as a threat to freedom. As I demonstrate below, some of the most important political debates during the founding were framed in terms of the impact different policies would have on economic inequality.

Much of the resistance to government action on economic inequality in recent decades has drawn on a very different tradition in American political thought. Even as the American welfare state was undergoing its greatest expansion since the New Deal, laissez-faire ideas experienced a revival in the 1960s and 1970s thanks to the concerted efforts of libertarian politicians, newly established think tanks, prominent scholars, and business groups advocating smaller government, lower taxes, and freer markets. Since the 1970s, this powerful strand of American political thought has contributed to a formidable conservative backlash against the perceived excesses and failures of the welfare state (as well as the high wages, benefits, and workplace protections the labor movement secured after World War II). Republican president Ronald Reagan encapsulated modern hostility toward government that had grown too bureaucratic, taxed too much, spent too much, and accomplished too little with the line “Government is not the solution to our problem; government is the problem.” This line of thinking provided a crucial justification for the wave of deregulation, privatization, tax cutting, and reductions in domestic spending that occurred over the next few decades under the rubric of “neoliberal reform.” The notion that government should generally stay out of the economy except to maintain a climate friendly to business became so well entrenched within the established two-party system that Democratic presidential candidate Bill Clinton made the promise to “end welfare as we have come to know it” one of the centerpieces of his campaign.

The resilience of laissez-faire ideas in American political thought would have presented a major obstacle to efforts to deal with economic inequality in any circumstances, but the emergence of the Tea Party in 2009 has probably posed the most serious challenge in recent years to the notion that government has a legitimate role to
play in alleviating economic hardships or minimizing disparities in wealth and income. The Tea Party movement was initially formed in opposition to a nearly $800 billion stimulus package championed by the Obama administration because its grassroots members and their benefactors believed such spending was fiscally irresponsible and highly unlikely to achieve its goal of boosting economic output. It did not take long for Tea Party members to make the additional argument that many forms of government intervention in the economy favored by the president—including those begun by his predecessor at the height of the financial crisis—violated the Constitution and betrayed the principles of the American founding. Members of the various Tea Party organizations and their supporters in the media frequently invoked the slogans and symbols of the American Revolution to support their claims that government attempts to regulate (or bail out) big business or to minimize economic inequalities are antithetical to American ideals of limited government, individualism, and freedom.

These ideas about the limited role of government in the economy have also been combined with other ideas that have served to delegitimize policies aimed at addressing economic inequality. Chief among these is the belief that government assistance creates pernicious forms of dependency that degrade personal dignity and undermine individual liberty. Many of these arguments were advanced in response to proposals aimed at improving the material conditions of ordinary Americans, including increases in the minimum wage, assistance to homeowners struggling to pay their mortgages, extensions in unemployment benefits, an ambitious plan to overhaul the health-care system, and tax hikes on the rich to help pay for all of this. As 2012 Republican vice presidential nominee Paul Ryan said of the welfare programs that existed in the 1960s in a campaign speech shortly before the election, “This top-down approach created and perpetuated a debilitating culture of dependency, wrecking families and communities.”12 Resistance to more egalitarian policies has also been reinforced by an assertion that even acknowledging the existence of economic inequality in public is to engage in a crass and disreputable politics of envy. In response to the attention the issue was receiving during the 2012 election, Republican presidential standard-bearer Mitt Romney opined, “You know, I think it’s about envy. I think it’s about class warfare.”13

If attacking large disparities between rich and poor constitutes a
form of class warfare, then the struggle against economic inequality is arguably the longest-running war in American history. Battles over the powers and responsibilities of the government have been waged in terms of class since the very beginning of the Republic, if not before. The issues that agitated Americans during the founding are not necessarily identical to the issues that trouble many Americans now, but economic inequality was just as much a preoccupation then as it is today—if not more so.

Economic inequality was a pervasive topic in legislative debates, newspaper articles, political pamphlets, private correspondence, religious sermons, public orations, and official addresses during the American founding. The subject generally entered political discussions in one of two main ways. One was in response to the perceived effects that policies under consideration would have on the economic conditions of particular classes. Almost any proposal could be—and often was—evaluated for its possible effects on relations between the classes. Economic inequality was one of the factors that frequently entered into calculations about the costs and benefits of different proposals. In particular, these debates would often focus on the expected impact a policy would have on the well-being and opportunities of the lower classes. The topic of economic inequality also came up independently of any policy proposal already on the political agenda. Tackling economic inequality was sometimes the main impetus behind proposals to guarantee a wide distribution of landed property, to establish free public schools, to institute a more progressive tax system, and to provide various forms of assistance to those facing hardships. These and other initiatives specifically designed to preserve or promote greater economic equality were proposed by venerable figures including Thomas Jefferson, Thomas Paine, Noah Webster, and Abraham Clark. Countless other actors from this period supported similar measures in pursuit of greater equality among classes—sometimes through regular political channels, sometimes through direct political action and violence.

The debates that took place during the founding are important not just because they provide insights into perceptions about the causes, consequences, and extent of economic inequality in early American thought. They are also of interest because they provide a richer and deeper understanding of the politics of major legislative and constitutional undertakings during that period. The politics of economic inequality helped shape the outcome of debates over some of the
most important political, economic, and constitutional controversies following independence. Indeed, some of the conflicting ideas about the role of government in the economy that divide Americans today were first formulated in debates that centered on questions of class and inequality. As discussed in the following chapters, economic inequality figured prominently in debates over suffrage and representation during the Revolution, tax policy and the repayment of war debt during the Confederation period, the creation and ratification of the Constitution, the establishment of the national bank and other key features of Alexander Hamilton’s economic program during the Washington administration, the disposition of western lands, rules for regulating the militia, and virtually every revenue plan Congress considered during the first few years of its existence. Although efforts to achieve more egalitarian outcomes did not always succeed, hardly anyone questioned the pursuit of economic equality as a legitimate political consideration.

Early American discussions of economic inequality are not simply of historical interest. They are also relevant to contemporary debates over wealth and income inequality because they help us understand why economic inequality is so troubling. Projections that the concentration of wealth is likely to get even more extreme in the future as the rate of return on capital outpaces the rate of economic growth in the United States and elsewhere around the world make it all the more urgent to understand the consequences of economic inequality.14

Many of the arguments advanced in favor of promoting economic equality during the founding are similar to the ones supporters of greater equality make today. Proponents of more egalitarian policies relied on appeals to feelings of compassion for the needy and underprivileged, moral outrage at perceived unfairness in the distribution of wealth, and nationalist sentiments about maintaining the distinctive character of American society. In addition, a few (notably Paine) urged action on the grounds that economic inequality erodes the bases of social trust and solidarity, engenders undesirable social behaviors in rich and poor alike, contributes to increases in crime, weakens the overall performance of the economy, and leads to greater social and political instability—claims that find support in contemporary scholarship today.15 However, the overriding considerations focused on the political consequences of economic inequality. In particular, many founders supported policies designed
to promote economic equality because they believed it contributes significantly to the maintenance of free government.

Although many of the arguments now advanced against addressing economic inequality through public policy are carried out in the name of freedom, the most important arguments made in favor of minimizing economic inequality through public policy during the founding were also framed in terms of freedom. Contemporary arguments against government efforts to promote greater equality usually conceptualize freedom in economic terms, but the founders’ arguments developed in support of public policies conducive to greater economic equality typically invoked a more participatory conception of freedom. According to this understanding of freedom, economic independence, which requires a wide but not perfectly equal distribution of property, is a precondition for political independence. The ability to participate effectively in the political process depends not just on those legal and political rules that ensure formally equal access to the ballot, political office, and the ears of politicians but also on material conditions that enable citizens to exercise their political rights on free and equal terms. As many founders understood it, greater equality in the economic sphere makes it possible to achieve greater equality in the political sphere. In the words of lexicographer Webster, “A general and tolerably equal distribution of landed property is the whole basis of national freedom.”

These arguments were based on a widespread belief, rooted largely in the republican ideology nearly every American professed to support, that excessive levels of economic inequality undermine the conditions necessary for the preservation of self-government. Their fear was that extreme concentrations of economic resources would result in dangerous concentrations of political power. Although many at the time generally believed (somewhat erroneously) that economic conditions in America were already fairly equal, they worried about the prospects of free government if economic inequality ever grew so extreme that it started to undermine political equality. The great danger was that dominance in the economic sphere would eventually translate into dominance in the political sphere. For that reason, reducing economic inequality was not only a legitimate function of government; it was also a political imperative for many founders. Nothing less than the fate of republican government was at stake.
This book could not have been completed without help from a variety of institutions and individuals. My first debt of gratitude is to Isaac Kramnick, a wonderful scholar, teacher, and mentor who sparked my interest in American political thought and urged me to pay more attention to issues of class in studying the history of ideas. However, I might not have even undertaken this particular project at all if it were not for the early encouragement of Sandy Levinson and Jeff Tulis, who have provided tremendous support and wise counsel for years. I am deeply obliged to them and to Fred Woodward for the faith they placed in this project when it was little more than a vague idea. Chuck Myers deserves my gratitude for skillfully—and very patiently—shepherding the manuscript through every stage of its development. Chuck provided excellent suggestions on how to frame the argument and link the topic to contemporary concerns about economic inequality.

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Clement Fatovic
1

THE AMERICAN REVOLUTION AND THE IDEAL OF EQUALITY

The ideal of equality has been central to the meaning of America ever since the colonies declared independence from Great Britain. Along with the concepts of freedom, democracy, and individual rights, the concept of equality has helped define the idea of America around its highest aspirations as opposed to its sometimes-ugly realities. There have always been discrepancies large and small between stated commitments to these ideals and actual practices, but the ideal of equality has consistently fired the American imagination. However, like the other ideals that shape the American public’s understanding of itself, the meaning and application of equality have always been contested. Even if it was “self-evident” to the generation that founded the Republic “that all men are created equal,” it has never been obvious exactly what that equality actually means, how it gets implemented, or who is promised its benefits. Some conceptions of equality have been more readily accepted than others. Even though bitter and costly struggles have been waged over the ideas of equality under the law, equal opportunity, and equal rights, legal and political conceptions of equality are now generally far less controversial than the ideal of economic equality. The advancement of equality in the spheres of law and politics is one thing, but the promotion of equality in the sphere of economics is quite another. In fact, it is often assumed today that the pursuit of economic equality involves undesirable or even illegitimate trade-offs with freedom or other important values. As a result, many Americans today are willing to tolerate levels of inequality in the economic realm they would find unconscionable in law and politics.

For those Americans who participated in the creation of the Republic, however, equality in the spheres of law and politics was very
closely connected to equality in the sphere of economics. Whatever their disagreements over the meaning and application of equality, Americans in that period generally agreed that legal and political equality depend to some degree on economic equality. Following the first stirrings of the American Revolution, more and more Americans came to understand that some measure of economic equality is a precondition for the preservation and promotion of political and legal equality. For that reason, many of them voiced concerns in letters, pamphlets, essays, books, sermons, orations, and legislative debates about the ways in which economic inequalities threaten to introduce and exacerbate legal and political inequalities.

Even more striking than the connections many Americans made between different forms of equality were the links they established between economic equality and political freedom. It was widely assumed that economic relations significantly affect the conditions under which citizens participate in the political process. Equality and freedom were not necessarily seen as distinct or opposing ideals that had to be balanced against each other, but as complementary and mutually constitutive ideals that sustained one another. In particular, economic equality was viewed as essential to political freedom. That is, a rough degree of economic equality creates the conditions for the effective exercise of citizenship.

These ideas grew out of a sober acknowledgment of the dangers excessive levels of economic inequality pose to self-government. Many expressed anxiety that disparities in economic resources would eventually translate into disparities in political power that ultimately weaken the foundations of free government. Concentrations of wealth make it much easier for the rich to gain undue influence in government and dominate the political process. By the same token, lack of material resources makes it much more difficult for the poor to gain a voice and participate in the political process. The most worrisome feature of economic inequality concerned the relations of dependence and domination that formed between members of different classes. Many feared that large concentrations of wealth would give members of the upper classes the ability to determine not only the availability and prices of goods, employment opportunities, working conditions, and the wages of those in the lower classes but also the tax policies, spending priorities, and other public policies that affected the lives of ordinary citizens. If the political process were skewed in favor of the few at the expense of the many, support
for the institutions of free government would gradually erode over time, eventually threatening the freedom of rich and poor alike.

To combat the dangers economic inequality poses to political freedom, many Americans looked to the government to prevent economic inequality from becoming excessive. The use of public policy to minimize or prevent the growth of economic inequality was viewed as a legitimate function of government by a wide spectrum of political actors, from middling farmers such as Revolutionary War veteran William Manning and urban champions of the laboring classes such as Thomas Paine to wealthy planters such as Thomas Jefferson and intellectual elites including Noah Webster. Even though many of these and other important figures generally favored small and limited governments, they were open to the use of public policy to minimize the damaging effects of economic inequality on the kind of government they wished to preserve. Religious and humanitarian considerations frequently entered into arguments in favor of public policies designed to address economic inequality, but political considerations revolving around the links between the maldistribution of wealth and imbalances of power ultimately justified a more active role for government than many were otherwise willing to accept.

Attitudes toward Inequality and Hierarchy during the Founding

The presence of slavery and indentured servitude throughout all thirteen colonies and states serves as an obvious reminder that various forms of extreme inequality were well entrenched if not always accepted. A variety of cross-cutting and overlapping hierarchies characterized social and political life in eighteenth-century America. As historian Gordon Wood notes, “Most of colonial society was vertically organized.” Colonial society was stratified along racial, gender, religious, occupational, and financial lines. Although Americans were conscious of belonging to different economic strata, antagonisms stemming from differences in occupation, national origin, and other markers of identity hampered the development of a politicized class identity or general class-consciousness. Relations of subordination between whites and blacks, men and women, Protestants and Catholics, professionals and laborers, native-born
citizens and immigrants, and rich and poor existed throughout the country, but there were notable regional differences in manners and sensibilities, especially when it came to relations between classes.\textsuperscript{3} Class distinctions were much more rigid in the South than in the North. Hierarchical patterns of behavior and vertical structures of power were also far more prevalent in the southern states compared with their northern counterparts, with large planters continuing to model their behavior and consumption patterns on that of the English gentry.\textsuperscript{4}

Those in the lower ranks of society were expected to exhibit appropriate levels of respect toward their “betters” and submit to their judgments about what was best for the community as a whole. Norms of deference required certain forms of address, posture, and gesture in social intercourse between members of different social and economic classes that were taught in guidebooks and enforced through social norms.\textsuperscript{5} Official rules reflected and reinforced these inequalities. Property qualifications for voting and officeholding throughout the colonies gave institutional expression to the notion that the propertied were more fit for public service and concentrated political power in the hands of the wealthy. As a result of these political rules and social attitudes, members of more prestigious and lucrative professions, including lawyers, merchants, and large landowners, were heavily overrepresented in assemblies, whereas farmers, artisans, and other laborers were badly underrepresented.\textsuperscript{6} In addition, the tax system in the colonies generally favored landed aristocrats and imposed heavy burdens in the form of poll taxes on citizens of more modest means.\textsuperscript{7}

What scholars have labeled the “politics of deference” was a well-established feature of public culture before the Revolution.\textsuperscript{8} Despite periodic challenges to the pretensions of elites and the subordination of the lower ranks, the prevailing social order was never in any real danger of being overturned during the colonial period. Even some of those who contested the British Parliament’s right to govern the colonies defended the right of the “better sort” to rule within the colonies. For instance, the same writer who proclaimed the right of the people to resist tyrannical or corrupt government asserted that individuals must remain subordinate and obedient to their superiors: “The welfare, nay, the nature of civil society requires, that there should be subordination of order, or diversity of ranks and conditions in it; that certain men or orders of men be appointed to
superintend and manage such affairs as concern the public safety and happiness."9 Defenders of hierarchy could find justifications in a variety of authoritative sources that considered inequalities rooted in nature or in divine reason, from ancient texts such as the Bible and Aristotle’s *Politics* to modern classics such as Alexander Pope’s *Essay on Man*.10

After the Revolution got under way, Americans became more outspoken in questioning hierarchical attitudes and practices.11 The notion that the rich have a right to govern the rest was an early target of patriots.12 Going back to the seventeenth century, there were critics who condemned elite pretensions to superiority, reformers who sought to lower barriers to political participation, moments of popular resistance to established structures of power and privilege, boycotts against public markets that seemed to benefit wealthy merchants at the expense of small retailers and vendors, religious denunciations of the acquisitiveness of the rich and their stinginess toward the poor, and even occasional physical attacks on the property of the rich.13 One of the major differences was that various forms of inequality that had been widely accepted started to come under attack from Americans of all ranks, including those who stood at the top of the social hierarchy. Challenges to social and economic inequality that used to grow out of and be confined largely to local circumstances were being mounted on an increasingly larger scale with national implications. For instance, the political and military need to mobilize the people in the struggle for independence compelled elites to rethink the role of the marginalized and subordinated. It was getting more and more difficult to reconcile institutions such as slavery, habits of deference, and great disparities of wealth with the animating principles of the Revolution. Increasing numbers of Americans began to argue that social and political hierarchies were incompatible with revolutionary ideals of liberty, self-rule, balanced government, and most of all equality.

According to Wood, “Equality was in fact the most radical and most powerful ideological force let loose in the Revolution.”14 The ideal of equality, which was articulated in pamphlets, sermons, addresses, newspapers, correspondence, and, most memorably, in the Declaration of Independence, inspired patriots to expand the franchise, eliminate vestiges of feudalism in property law, curtail indentured servitude, and challenge the morality of slavery. It also reshaped Americans’ ideas about social relations between upper and
lower classes. Many men enlisted in the Revolutionary Army with the expectation that they would get to choose their own officers.\textsuperscript{15} Newspaper and pamphlet writers urged the adoption of annual elections and rotation in office to instill a sense of “humility” in elected gentlemen who might otherwise avoid and develop contempt for their inferiors.\textsuperscript{16} The use of honorific titles such as gentleman, esquire, and honorable—never very rigid or well defined to begin with—continued to fade in importance.\textsuperscript{17} By the same token, the use of pseudonyms such as “A Farmer,” “A Mechanick,” and “A Husbandman” by pamphleteers from all backgrounds indicated the changing political status and mobilization of those in the laboring classes.

As the ideal of equality became more firmly established in both popular and elite opinion, Americans also began to question existing distributions of wealth and power. Indeed, participants on both sides of the war for independence viewed the conflict at least partly in terms of class.\textsuperscript{18} For a moment, ideas and interests converged in opposition to various forms of inequality. Attacks on the rule of economic elites often went hand in hand with attacks on British rule because so many of the wealthiest inhabitants in the colonies were Loyalists. Samuel Adams cast the British as plutocratic exploiters who grew “rich and powerful” by seizing the “honest earnings of those industrious emigrants” in order to “support themselves in their vanity and extravagance.”\textsuperscript{19} One of the chief grievances Pennsylvanians voiced against British rule was the swelling concentration of wealth and power in the hands of the “few.” They complained that the political system was dominated by a “minority of rich men” who considered the lower classes “their property, their beasts of burden, born only to be ruled by these Lords of Creation.”\textsuperscript{20} Loyalists, in turn, portrayed the rebels as “levelers” intent on demolishing the established social order and undermining property rights.\textsuperscript{21} As Americans began to reject the legitimacy of British rule, they started increasingly to question the legitimacy of economic inequality in general. Most Americans still accepted economic inequality as a fact of life, if not a law of nature, but more and more of them started to believe extreme levels of economic inequality were incompatible with those political ideals that animated the struggle for independence. For the next few decades, the ideal of economic equality would play a significant role in debates over public policy and the prospects of republicanism in the United States.\textsuperscript{22}
No one argued that economic inequality could or should be eliminated entirely, but leading revolutionaries including Jefferson, Adams, and Paine, along with (now) lesser-known figures such as Abraham Clark, James Sullivan, and Manning expressed concerns that extremes of inequality threatened vital political values. As lexicographer and education reformer Webster put it, "The basis of a democratic and a republican form of government, iz [sic], a fundamental law, favoring an equal or rather a general distribution of property. It iz [sic] not necessary nor possible that every citizen should hav [sic] exactly an equal portion of land and goods, but the laws of such a state should require an equal distribution of intestate estates, and bar all perpetuities." Whatever their impressions of the actual distribution of wealth in America, those who described economic inequality as a political problem generally accepted some form of public action to limit the maldistribution of wealth and mitigate its effects. As discussed in the following chapters, almost every area of public policy, from the tax system and the disposition of public lands to inheritance law and education, provided opportunities to promote economic and political equality.

Critics of economic inequality could draw upon a wide assortment of intellectual traditions and historical precedents that shaped the colonial experience, from the religiously inspired social radicalism of the Great Awakening to the experiments of reformers seeking to lift the unemployed out of poverty and the sometimes violent forms of crowd action directed against the privileges of elites in the "urban crucible." In their battle against excessive economic inequality, critics found ample stores of intellectual ammunition in a variety of religious and secular sources. Critics drew from scripture, Lockean natural rights theory, and various schools of Enlightenment philosophy to develop an eclectic mix of religious, moral, economic, and humanitarian arguments against excessive economic inequality. Although religious, moral, economic, and humanitarian ideals figured prominently in many critiques of economic inequality, political considerations were usually supreme. With increasing frequency and urgency, many Americans came to perceive economic inequality as a threat to a host of interrelated political ideals, including civic virtue, social solidarity, political stability, equality under the law, and above all political freedom.

A variety of political thinkers and traditions dear to Americans at the time addressed the political costs associated with high levels of
economic inequality. The one that supplied the overarching framework for understanding how ideals such as civic virtue, social solidarity, political stability, equality under the law, and political freedom were interconnected and how they were imperiled by economic imbalances was republicanism. Central to the idea of republicanism is the notion that the preservation of freedom in a republic ultimately depends on the quality of its citizens. In particular, the virtue and active participation of equal and independent citizens are considered essential to the maintenance of a free way of life. Republicans from Aristotle, Cicero, and Machiavelli to James Harrington, Algernon Sidney, and Jean-Jacques Rousseau have recognized the role of institutions—including a balanced constitution, general laws, annual elections, and rotation in office—in creating and perpetuating free government, but they also emphasized the importance of social, economic, and moral factors in making these institutions work. Of paramount importance was the virtuous citizen, committed to the commonweal and prepared to subordinate private interest for the sake of the public good. As Samuel Adams explained, virtue is critical to the preservation of liberty: “While the People are virtuous they cannot be subdued.”

According to long-standing republican tradition, the virtue of the citizen does not spring automatically from human nature: it has to be cultivated by a proper education and the right set of socioeconomic conditions. For citizens to develop and exercise the virtue necessary for the maintenance of republicanism, they must be independent. That is, they have to be capable of exercising their own judgment and will, free from the control or dominance of others. To a significant degree, the basis of this autonomy is material: political independence depends on economic independence. For many republican thinkers, economic equality is considered indispensable to the preservation of republicanism. Without it, individuals would not enjoy the independence required to use their own judgment, protect their liberties, exercise their responsibilities, or fulfill their duties as citizens. Lack of independence makes citizens susceptible to deception, manipulation, and exploitation by others. As Revolutionary War veteran and newspaper editor Robert Coram explained in 1791, “If they are dependent, they can neither manage their private concerns properly, retain their own dignity, or vote impartially for their country; they can be but tools at best.” The achievement of economic independence does not require an equal distribution of
property for republicans, but it does require a minimum degree of property to keep poorer citizens from becoming so desperate they sell their votes to richer ones and to prevent richer citizens from becoming so powerful they dominate the poorer ones. As Webster explained, one of the most important lessons taught by the history of ancient republics is that “vast inequality of fortunes” is ultimately fatal to free government.

Although there are several varieties of republicanism, including more aristocratic and more democratic variants, virtually every thinker in that tradition taught Americans the same lesson about the relationship between economics and politics: power follows property. Republicans were aware that shifts in the distribution of power could produce shifts in the distribution of wealth, but thinkers such as Harrington, who exerted a strong influence on revolutionary thinking, believed political power was ultimately determined by property ownership, especially property in land. As Harrington put it in *The Commonwealth of Oceania*, “Equality of estates causeth equality of power, and equality of power is the liberty not only of the commonwealth, but of every man.” Conversely, unequal property was closely associated with unequal power. An uneven distribution or concentration of power jeopardized both individual and collective freedom. As political theorist Michael J. Thompson explains, opposition to economic inequality within the republican tradition and among the Americans guided by it was based on fears of the political inequality and domination it tended to produce and maintain. Economic inequality is so destructive to liberty that Harrington went so far as to assert, “Where there is inequality of estates, there must be inequality of power, and where there is inequality of power, there can be no commonwealth.”

Republicans devised a variety of measures to prevent domination of the political process resulting from excessive levels of economic inequality. To borrow a distinction drawn from James Madison’s account of the problem of factions in republics, they proposed to deal with the problem of economic inequality either by controlling its effects (e.g., by giving the people institutional means of controlling elites and holding them accountable or by redistributing property after its distribution became too unbalanced), by eliminating its causes (e.g., by taking steps to ensure the distribution of property did not become too unequal in the first place), or by some mixture of the two.
Republican thought on the political effects of economic inequality exerted a profound influence on the thinking of Americans during the revolutionary period. Thompson may go too far in claiming arguments over economic inequality were “central to the political debates that spurred America’s political and social development,” but there is no question that growing numbers of Americans came to see economic inequality as a danger to individual and collective freedom, the moral character of individuals, and the very idea of the public good in the decades following the struggle for independence. The republican ideal of economic equality was reiterated in speeches, sermons, pamphlets, essays, and private correspondence throughout the closing decades of the eighteenth century (and well into the next one).

Perhaps the most important and widely voiced republican objection to excessive economic inequality was the claim that it threatens political freedom. In keeping with the teachings of republican thinkers throughout the ages, many Americans began to sense that republican government could not succeed where property was distributed too unevenly. Webster summed up the conventional republican wisdom on this point, proclaiming, “An equality of property, with a necessity of alienation, constantly operating to destroy combinations of powerful families, is the very soul of a republic—While this continues, the people will inevitably possess both power and freedom; when this is lost, power departs, liberty expires, and a commonwealth will inevitably assume some other form.”

Excessive inequality undermines the ability of ordinary citizens to participate effectively in the political system not only because their material conditions make it harder for them to get involved but because they are more easily overpowered by those with great concentrations of wealth. For that reason, Connecticut Congregational minister and historian Benjamin Trumbull cautioned, “It will be highly politic in every free state, to keep property as equally divided among the inhabitants as possible, and not to suffer a few persons to amass all the riches and wealth of a country.”

By the same token, broadly distributed property serves as a check against concentrations of political power in the hands of a few. In a letter to Jefferson, Yale University president Ezra Stiles opined that government would never “acquire a Power dangerous to liberty so long as Property in the United States is so minutely partitioned and transfused among the Inhabitants.” What Benjamin Franklin had described as a “happy mediocrity of
condition” gave citizens the material resources and independence necessary to resist encroachments on liberty.

Critics argued that economic inequality erodes the conditions that make individual liberty and free government possible. As one petition circulated in Pennsylvania put it, “No observation is better supported, than this that, a country cannot long preserve its liberty, where a great inequality takes place. Is it not therefore the most dangerous policy in this infant republic, to combine the wealthy in order to make them powerful?” Preachers numbered the “baneful effects of exorbitant wealth” among the factors “inimical to a free, righteous government.” William Findley, an Irish immigrant who represented the Pennsylvania backcountry in Congress, warned, “Enormous wealth possessed by individuals, has always had its influence and danger in free states.” However, “wealth in many hands operates as many checks” against the possibility of dependence on a few. According to Revolutionary War veteran and Massachusetts farmer Manning, free government is lost for two main reasons. One is the conniving and scheming of the few, the other is the ignorance and inattention of the many. The result in both cases is dependence.

One of the most persistent critics of economic inequality was radical republican Clark of New Jersey, a signer of the Declaration of Independence and a leading figure in state politics in the decade following the start of the Revolutionary War. Clark argued, “Inequality of property . . . is detrimental in a republican government” because it undermines the independence necessary for citizens to exercise their political rights. Like many other republicans, Clark supported egalitarian measures for a variety reasons, but the decisive factor behind his support for reforms was an interest in maintaining the conditions that made republican self-government possible. Sympathy for the plight of the poor and middling classes may help explain why he and other like-minded republicans sought to reduce court costs, lower the tax burdens on the poor, and provide relief to distressed debtors (policies he successfully pursued in New Jersey), but it does not necessarily explain their opposition to pensions for military officers or payments to speculators. What mattered to egalitarians such as Clark was not just the absolute condition of citizens but their relative status. Any policy that increased the distance between the social classes was worrisome even if the material well-being of the lower orders did not suffer because that policy would undermine the socioeconomic foundations of republican government. Clark feared
that great disparities in wealth would produce great disparities in power, transforming a republic of equal and independent citizens into a hierarchical society of “lords and tenants.” If left unchecked, economic inequality would eventually lead to political inequality incompatible with republicanism.

Critics argued excessive economic inequality threatened other political values as well. In a 1792 pamphlet that examined the history of banking institutions, including their most recent incarnations at both the state and national levels, Boston lawyer and politician Sullivan argued inequality was antithetical to the republican values that animated the Revolution. Large gaps between the rich and the rest of the public are worrisome because they engender passions detrimental to the solidarity republicanism requires among citizens. Privileges, especially those created and dispensed by government, stimulate the “corrosive passion of envy” that gives rise to the social competition and political factitiousness so destructive to “civil society.” Sullivan concluded his analysis of money and banking policies in the United States by reminding readers of the principles that ought to guide decision making in a republic: “Government ought to move uniformly, on fixed, rational, honest, and regular principles. It is intended to preserve the equal rights of all the citizens, and to protect the weak against the powerful, and the poor against the rich. But these important ends can never be accomplished where the measure of wealth, and medium of trade, is unsteady and capricious, or where the powers of government, by an undue influence, are made subservient to the gratification or emolument of particular associations, or of individuals in the civil community.”

Of course, these egalitarian ideas did not meet universal assent. Some conservatives expressed concerns that the equality of liberty championed by republicans would endanger property rights. One of the most outspoken critics of the egalitarian ideals that grew out of the Revolution was Gouverneur Morris, a fervent nationalist who played a leading role in the creation of the Constitution. He noted, “Where political Liberty [which he defined as the right to give or withhold consent from any law to which a man would be subject] is in excess Property must always be insecure and where Property is not secure Society cannot advance.” Many propertied men and political elites agreed with Morris’s views, but he did not speak for all conservatives. In fact, some of the most prominent conservatives agreed with their more radical contemporaries about the tensions
between republicanism and inequality. In a letter to Sullivan, John Adams expressed wholehearted approval of republican theorist Harrrington’s observation that “power always follows property,” writing, “The balance of power in a society, accompanies the balance of property in land. The only possible way, then, of preserving the balance of power on the side of equal liberty and public virtue, is to make the acquisition of land easy to every member of society; to make a division of land into small quantities, so that the multitude may be possessed of landed estates. If the multitude is possessed of the balance of real estate, the multitude will take care of the liberty, virtue, and interest of the multitude, in all acts of government.”

Speaking from the floor of the House of Representatives in 1796, Massachusetts arch-Federalist Fisher Ames attributed the vitality of free government in America to its lack of poverty. The possibility of political turmoil and social disorder is remote, he claimed, because so many Americans have the opportunity to achieve literacy. However, he worried about how long liberty would endure if conditions became less equal: “Can liberty, such as we understand and enjoy, exist in societies where the few only have property, and the many are both ignorant and licentious?”

Americans from across the ideological spectrum also condemned the moral values and social behaviors that seemed to spring from excesses of inequality. Critics denounced conspicuous displays of wealth as antithetical to the egalitarian spirit of republicanism. In his 1783 Fourth of July oration in Boston, John Warren, a Revolutionary War surgeon and founder of Harvard Medical School, reminded listeners of the “opulence of individuals, which when exorbitant, must always be injurious to the common interest.” John Adams and others supported sumptuary taxes on luxuries to discourage the consumption of goods that accentuated differences between the classes and bred social resentment. Some displays of affluence were deemed inimical to social solidarity and republican virtues of simplicity and frugality. For instance, the establishment in 1785 of a social club that would meet in Boston every other week to dance and play cards led to a hysterical outcry that can be explained only by the fact that detractors, who derisively dubbed the Tea Assembly the Sans Souci Club, perceived the luxury and idleness it represented as a fundamental threat to republican virtue and simplicity. Even defenders of the social club acknowledged that the ideal of republican equality is bound to make anything that stimulates social competition suspect.
in the eyes of observers.\textsuperscript{54} Samuel Adams went even further by attacking the acquisitive spirit behind the accumulation of wealth as a threat to republican government: “The inordinate love of gain, will make a shameful alteration in the character of those who have heretofore sacrificed every enjoyment to the love of their country.”\textsuperscript{55}

Political writers and preachers also condemned ostentatious displays of wealth for setting bad examples that the poor and middling classes tried to emulate. West Springfield, Massachusetts, Congregationalist minister Joseph Lathrop advised Americans to “live according to our rank and ability,” but he also exhorted the wealthy to live more modestly so “that their example may encourage moderation among others” and so that the savings from their frugality could “be applied to some charitable purpose.”\textsuperscript{56} Others, such as Sullivan, contended that great disparities, especially those resulting from government policy, give those with less wealth a perverse incentive to pursue get-rich-quick schemes rather than engage in more productive and virtuous activities: “A great part of our wants are factitious, arising from what we see in the possession of others; and therefore, when a few men, by an inequality of operation in the laws of the ruling power, accumulate fortunes, and live in unequalled splendour, it corrupts the taste of the other part of the community, and draws their attention from their ordinary means of business. It produces a spirit of envy, and renders those unhappy, who before had been quite contented with their situation.”\textsuperscript{57} The ideal of equality emboldened some writers to vent their hostility toward the wealthy. Contrary to those who claimed that the lower orders are irresponsible, vicious, or dangerous to liberty, Manning asserted that the greatest threats to free government stem from the insatiable appetites of the upper class: “It is a solemn truth that the higher a person is raised in stations of honor, power, and trust the greater are his temptations to do wrong and gratify those selfish principles.”\textsuperscript{58}

Beliefs about the Level of Economic Equality in America

Despite their awareness that their societies were structured by various differences in wealth, status, and class, Americans frequently asserted that they lived in an egalitarian country. Even as they issued dire warnings about the dangers of economic inequality to the political health of the Republic, their diagnoses of the existing distribution
of property were overwhelmingly favorable. Indeed, the idea that America was a land of equality—at least for white men—was a general point of national pride and superiority.\textsuperscript{59} Whatever disparities in wealth or income Americans observed were generally thought to fall within tolerable limits from a republican standpoint.\textsuperscript{60} How did Americans reconcile their claims of equality with acknowledged disparities in wealth and income? How could the very same people who viewed political conflicts through the prism of class proclaim that a general state of equality prevailed? How could those who used terms such as \textit{lower orders, superiors, rich}, and \textit{poor} to describe their societies claim they were anything but unequal?

An important part of the answer to these questions lies in the fact that many Americans believed the distribution of wealth fell within a relatively narrow range, with the vast majority falling somewhere in the middle. Three interrelated arguments were usually offered to justify claims of relative economic equality. The most common argument was that America was equal compared with other countries, especially those in Europe. Another was that any inequalities that did exist were largely insignificant because they were only temporary. Yet another argument was that any economic inequalities that did exist were not especially severe or widespread.

Favorable comparisons with countries in Europe were critical to sustaining the notion that America was an egalitarian country.\textsuperscript{61} Americans from different backgrounds and parts of the country were united in their belief that economic conditions in their own country were remarkably equal compared with the conditions they and their ancestors left behind. In contrast to the extremes of poverty and wealth that characterized European societies, the “middling ranks” constituted the largest share of the population and of property owners. Self-described laborer Manning flatly asserted, “We are on an equality as to property [compared] to what they are in the old countries.”\textsuperscript{62} Robert Goodloe Harper, a Princeton-educated representative from South Carolina, boasted that America was nothing like Europe: “Fortunately for America, there are few \textit{sans-culottes} among her inhabitants, very few indeed. Except some small portions of rabble in a few towns, the character is unknown among us; and hence our safety. Our people are all, or very nearly all, proprietors of land, spread over a vast extent of country, where they live in ease and freedom; strangers alike to oppression and want.”\textsuperscript{63} Webster expressed the views of many Americans when he observed that this
relatively equal division of land was enough to “prezerv [sic] a gov-
ernment in the united states [sic], very different from any which
now exists or can arize [sic] in Europe.”64 Perhaps Franklin summed
up the differences between the New World and the Old World best
of all:

Whoever has travelled thro’ the various Parts of Europe, and
observed how small is the Proportion of People in Affluence
or easy Circumstances there, compar’d with those in Poverty
and Misery; the few rich and haughty Landlords, the multitude
of poor, abject and rack’d Tenants, and the half-paid and half
stary’d ragged Labourers; and views here the happy Mediocrity
that so generally prevails throughout these States, where the
Cultivator works for himself, and supports his Family in de-
cent Plenty, will, methinks, see abundant Reason to bless divine
Providence for the evident and great Difference in our Favour,
and be convinc’d that no Nation that is known to us enjoys a
greater Share of human Felicity.65

The conviction that America was more equal than countries in
Europe was also based on the belief that social mobility made dif-
fences in wealth and income transitory, and therefore largely in-
consequential. Boasts that it was possible for the lowliest laborer to
achieve economic independence with enough pluck and hard work
could be heard throughout the land. The absence of legal impedi-
ments to upward mobility and the general lack of institutional sup-
port for the aristocracy helped explain the fact that the “rich and the
poor are not so far removed from each other as they are in Europe”
for French immigrant Michel Guillaume Jean de Crèvecoeur.66 En-
comiums to social mobility and opportunity even became standard
motifs in oratory commemorating the Fourth of July.67 In one of the
earliest Fourth of July orations ever delivered, South Carolina his-
torian David Ramsay made the political implications of economic
opportunity abundantly clear to his listeners, proclaiming, “The
poorest school-boy may prosecute his studies with increasing ar-
dour, from the prospect, that in a few years he may, by his improved
abilities, direct the determinations of public bodies, on subjects of
the most stupendous consequence.”68

As French political thinker Alexis de Tocqueville would explain
after his journeys throughout the United States in the nineteenth
century, equality of conditions did not mean wealth was distributed equally among individuals or families. It meant no one’s economic status was fixed: the distribution of wealth was not determined by a rigid class hierarchy propped up by the legal and political systems. In contrast to the situation in Europe, no one could count on the government to prevent the loss of wealth and status, and everyone could hope to achieve wealth and status without interference from government. According to this way of thinking, Americans were equal in the sense that they were equally subject to the same dynamic forces that constantly unsettle and destabilize class relations. The idea that anyone could experience a sudden reversal of fortune—for good or ill—was a mainstay of eighteenth-century social and political thought in America. Even the most wealthy and powerful men in America were vulnerable to the vicissitudes of life. In a midcentury essay calling for the establishment of a hospital that would minister to rich and poor alike, Franklin observed, “The Circumstances and Fortunes of Men and Families are continually changing; in the Course of a few Years we have seen the Rich become Poor and the Poor Rich; the Children of the Wealthy languishing in Want and Misery, and those of their Servants lifted into Estates.”

Robert Morris, a well-connected and well-to-do merchant who served as superintendent of finance during the final years of the Revolution, expressed the same idea a few decades later: “Those who are now most rich, may then be poor, and those who are poor, become rich.”

Proving the point, the merchant and financier fell from his perch as one of the wealthiest men in North America and landed in a debtor’s prison. Though the height from which Morris fell made his descent particularly spectacular, there were so many other prominent men who lost their fortunes and ended up in debtor’s prisons that it became easy for Americans to believe that the class structure was truly—and perhaps terrifyingly—fluid and unstable.

The availability of land reinforced this belief in social mobility. Historian Frederick Jackson Turner’s famous thesis that the availability of inexpensive but productive land on the frontier provided settlers the opportunity to achieve independence was already an article of faith in the eighteenth century. Franklin also succinctly articulated the thinking accepted by generations of Americans: “Land being thus plenty in America, and so cheap as that a labouring Man, that understands Husbandry, can in a short Time save Money enough to purchase a Piece of new Land sufficient for a Plantation,
whereon he may subsist a Family.’’ As long as land was plentiful, the country could avoid the poverty, inequality, and social tensions that afflicted European societies.

When Americans did acknowledge the possibility that conditions might not be equal everywhere, they usually insisted their own cities and states were free of significant disparities. Writing of New York City, Judge Thomas Jones explained, “With respect to riches, there is not so great an inequality as is common in Boston and some other places. . . . Every man of industry and integrity has it in his power to live well, and many are the instances of persons who came here distressed by their poverty who now enjoy easy and plentiful fortunes.” Pennsylvania representative Albert Gallatin believed economic disparities in his state were so small that “an equal distribution of property has rendered every individual independent, and there is among us true and real equality.”

The belief that such class distinctions as did exist were not especially significant was reinforced by another favorable comparison with Europe. Next to the extravagant and ostentatious displays of wealth by Europe’s aristocrats, the lifestyles of America’s economic elites seemed modest. Many of the wealthiest Americans, including prosperous merchants in cities along the eastern seaboard and landed gentry in the South, did live in grand style, but their opulence paled in comparison with the magnificence of the European nobility and commercial elites. American travelers to Europe were awestruck by the exquisite elegance and exotic luxuries they encountered. The ordinarily prolix John Adams confessed to his wife that the abundance and variety of wealth on display in Paris was so overwhelming that the “richness, the magnificence, and splendor is beyond all description.”

If there were extremes of wealth in Europe not found in America, there were also extremes of destitution in Europe not noticed in America. Americans who traveled through Europe could not help but remark upon the extent and depth of poverty that plagued the Continent. One of the first things that struck John Adams upon his arrival in France was the existence of such abject poverty in the midst of so much abundance. There was beauty everywhere he turned, “yet every place swarms with beggars.” On his return trip to France, Adams was forced to travel over the Pyrenees and through the Spanish countryside, where he saw “nothing but signs of poverty and misery among the people. A fertile country, not half
cultivated, people ragged and dirty, and the houses universally nothing but mire, smoke, fleas, and lice.”79 When asked by a European about poverty in the United States, Adams proudly proclaimed, “As to poverty, there is hardly a beggar in the country. As to dejection, I never saw, even at the time of our greatest danger and perplexity, so much of it as appears in England or France upon every intelligence of a disastrous event.”80 Writing as an “American Farmer,” French immigrant Crèvecœur boasted that his adopted country had no “real poor” thanks in part to the fact that “those who through age and infirmities are past labour are provided for by the township to which they belong.”81 Similar claims about the abject condition of the poor in Europe and the absence of such misery in the United States were made by Franklin,82 Jefferson, and many other Americans who spent time in Europe.

In spite of these claims, many Americans and foreign visitors did acknowledge the existence of class differences. Not surprisingly, those who spoke for ordinary laborers and yeomen were particularly conscious of class distinctions. In a speech at the New York State Ratifying Convention, anti-Federalist Melancton Smith, a businessman from Poughkeepsie, expressed the views of many when he observed, “Every society naturally divides itself into classes” because of differences in “birth, education, talents, and wealth.”83 Manning also took it for granted that societies are always divided between the rich and the poor, or what he referred to as “the Few and the Many.”84 Much as Madison had argued in Federalist 10, Manning maintained that variations in the “capacities, strength, and abilities” of individuals will always produce a “very unequal distribution of property in the world.”85 The inescapable consequence of the “difference of interest between those that labor for a living and those that get a living without bodily labor” was class conflict. The few will always seek to exclude the many from the privileges that set them apart.86 Although Manning’s contemporaries could agree that societies have always been divided between rich and poor, many of them continued to believe America had avoided the extremes that had fractured other societies. In their view, America was not a country divided into rich and poor but a country dominated by a solid middle class.

Many foreign accounts reinforced the image of America as a country generally devoid of the extremes found in Europe. For instance, French abolitionist Brissot de Warville remarked in 1788 that he
“saw none of those livid, ragged wretches that one sees in Europe, who, soliciting our compassion at the foot of the altar, seem to bear witness . . . against our inhumanity.” However, a number of European visitors challenged the self-flattering claims of Americans that poverty was nonexistent in the United States. The marquis de Chastellux reported that he first witnessed poverty among whites “in the midst of those rich plantations [in Virginia], where the negro alone is wretched.” He was shocked to find whites living in “miserable huts” and wearing “wane looks” and “ragged garments” that “bespeak poverty” of a kind he had not encountered in his previous travels. Instead of giving away or selling even small portions of their vast estates, the greatest proprietors clung to hundreds and thousands of acres of unproductive land in the hopes of one day acquiring enough slaves to cultivate these vast estates. The duc de La Rochefoucault Liancourt described the conditions he observed on his journey from Philadelphia to what would become Washington, DC, in almost exactly the same horrid terms that Franklin, John Adams, and Jefferson used to describe the plight of the poor in Europe: “In the most remote and uninhabited parts of America that I have visited, I have never seen a greater proportion of wretched habitations. The men and women who are seen issuing from their huts are badly clothed, and bear every mark of poverty. The children are in rags, and almost naked.”

As it turns out, these foreigners were more astute observers of actual conditions than Americans themselves were.

The Actual Distribution of Wealth and Income in America after the Revolution

The actual distribution of wealth matched neither the ideal nor the perception of most Americans. The reality is that significant inequalities existed between different sections of the country, between urban and rural communities, and between the frontier and more-settled communities. Available evidence suggests that the duc de La Rochefoucault Liancourt’s observations that conditions varied tremendously from one part of the country to another and even within the same state were much closer to the mark than the rosy descriptions provided by most Americans. Analyses of tax lists,
probate records, and other documents suggest that Americans who boasted about the economic equality of their country failed to appreciate just how great the disparities between rich and poor actually were in the late eighteenth century.

Although levels of inequality fluctuated over time and varied widely from place to place, it is possible to make a few generalizations. Wealth tended to be more highly concentrated in the South than in the North, in older communities than in recently settled ones, and in cities than in farming communities. Poverty also tended to be higher in places where the distribution of wealth was skewed toward the top. Levels of wealth and poverty also varied across different occupations. At the bottom were slaves, indentured servants, and unskilled laborers, with lawyers, merchants, and large landowners usually at the top. Substantial disparities sometimes existed even within the same states, communities, and occupations.

In general, higher levels of inequality were associated with higher levels of wealth and urbanization. Higher levels of inequality, as distinct from poverty, can be affected dramatically by what goes on at the top as well as at the bottom. Satisfying the demand for goods from around the country and across the globe gave merchants in bustling seaports opportunities to amass huge fortunes that increased disparities between these commercial elites and ordinary laborers. In Boston just before the start of the Revolution, the top 10 percent owned almost 60 percent of the city’s wealth. In New York, higher levels of inequality accompanied the city’s rising prosperity at the end of the century and beyond. In Philadelphia, the most populous and prosperous city in the country, the assets of the city’s top 0.05 percent of property owners exceeded the combined taxable property of the bottom 75 percent.

High levels of inequality were not limited to cities. Wealth disparities in commercial farming societies, especially in the South, sometimes exceeded the differences found in even the most stratified urban centers. Rates of landownership provide an important indication of how unevenly wealth was distributed in these areas. In the prosperous commercial farming communities of the Virginia Tidewater and South Carolina eastern parishes, about 10 percent of families controlled more than half of all land, whereas almost half of the white men remained landless. The distribution of land alone did not account for large wealth disparities in the South. Much of
the extremely high inequality in Maryland (compared with northern states) could be attributed to the mercantile activities of a few merchants scattered throughout the state.  

Just as levels of inequality varied from one place to another, so too did they vary from one period to another. Inequality trended upward throughout the colonial period as property—and power—became concentrated in fewer and fewer hands. However, the Revolution brought about a major wealth realignment because Loyalist property was confiscated, old hierarchies were dismantled, and new economic opportunities were opened up. However, during the critical period between the end of the war and the creation of the Constitution, inequality in most places began to creep back up. Transformations in the nature of production away from bespoke production by cordwainers, tailors, and other skilled artisans toward mass manufacturing by less-skilled wage laborers contributed to an uptick in economic disparities toward the end of the century. In some states, landownership became increasingly concentrated thanks to speculative activity, whereas the number of landless men started to creep upward. By the end of the century, the top 10 percent controlled 40–45 percent of all wealth in many places.

In many respects, Philadelphia exemplified several of these trends. As the port city became more affluent, it also became more unequal. In 1760, half of the city’s wealth was owned by the top 10 percent, whereas less than 10 percent of its wealth was held by those in the bottom 60 percent. The distribution of wealth in the Quaker City became more equal shortly after the start of the Revolution, but a trend in the opposite direction set in after 1780. At the start of that decade, the bottom 90 percent owned 56 percent of property; at the end of the decade that number declined to 33 percent; and by the middle of the next decade, the total was just 18 percent.

If conditions in the country were relatively equal early in the eighteenth century, evidence suggests that things changed by the end of the eighteenth century. Exact data are unavailable or unreliable for most of the eighteenth century, but an inventory of real estate values conducted as part of a national tax assessment in 1798 provides a treasure trove of information about the distribution of wealth near the end of the century. Based on a statistical analysis of the information gathered by the Treasury Department on the value of land, houses, wharves, and other real estate subject to the 1798 tax (discussed at greater length in chapter 4), economist Lee Soltow finds...
that wealth was distributed more unevenly than most Americans imagined. A handful of wealthy Americans, such as the Bingham family of Philadelphia, lived in magnificent homes costing upwards of $30,000 and decorated with expensive imported goods that managed to impress even the most discerning European visitors, whereas tens of thousands of Americans eked out existences in homes valued at less than $10—and sometimes as little as $1.103

Not only was inequality far greater than many Americans acknowledged but also there were deeper pockets of poverty than many Americans realized. In spite of the country’s self-image as a land of plenty, workers throughout the country often lived a hand-to-mouth existence and faced the possibility of extreme privations whenever the economy took a downturn.104 The well-to-do generally had little direct contact with the poor and rarely had good reason to venture into the places where they were most likely to congregate.105 Elite comparisons of the conditions of the poor and laboring classes in America to those in other parts of the world failed to take into account their personal experiences of economic insecurity and material deprivation. Those who were aware of how much poverty actually existed sometimes lamented the ignorance of the upper classes about the plight of the poor.106 Poverty—like inequality—tended to be much higher in cities than in the countryside and more prevalent in bigger cities than in smaller ones. Anywhere from one-fourth to one-third of urban residents in America were impoverished (compared with a full one-third of city dwellers in Europe).107 Seasonal variations in the availability of work contributed to the vulnerability—and inequality—of many kinds of laborers. Farmhands, construction workers, carpenters, masons, draymen, and others often struggled to make ends meet when the weather turned cold and rivers froze over, making it impossible to do certain kinds of work.

Even though conditions in America were far less equal than many Americans believed, they were right about one thing: their country was still more equal than any country in Europe.108 Despite the great disparities among property owners—not to mention between those who did and those who did not own property—rates of ownership were far higher in America than in Europe. Ownership of land, the most significant form of property both in terms of its economic value and its political import in establishing the right to participate, was comparatively widespread on the eve of the Revolution. Whereas only 10 to 30 percent of adult men in many European countries
owned real estate, approximately 50 percent of men in America did.\textsuperscript{109} Although the most desirable land (in terms of soil quality and proximity to navigable waters) often fetched prices beyond the reach of the lowliest laborers, it was relatively easy to acquire land for anyone willing to settle the frontier. The low price of frontier land and the ability to acquire it on credit made it possible for artisans, mechanics, and even indentured servants to achieve landownership within a few years.\textsuperscript{110} Landholdings varied in size from plots of just a few acres in subsistence farming communities in New England to southern plantations consisting of thousands of acres, but middling farmers owned anywhere from a few dozen to more than 200 acres—a quantity more than sufficient to achieve the economic independence Jefferson and others believed necessary for free government. In eastern New Jersey between 1778 and 1780, roughly two-thirds of men owned at least some land, and more than one-third owned enough to support an average-sized family and produce a modest surplus for the market.\textsuperscript{111} Thanks to this relatively broad ownership of land, between 50 percent and as many as 75 percent of free adult men were eligible to vote in America compared with just 15 percent in Britain.\textsuperscript{112}

Americans at the time were also right about the levels of social mobility that existed on their side of the Atlantic. Even though wealth was concentrated at the top, it was possible for those born into modest circumstances to make it into the ranks of the wealthy. To be sure, the upper echelons were populated with men—and even a few women—who inherited their riches. In states such as Virginia, 80 percent of the commonwealth’s richest men in 1787 had inherited much of their wealth.\textsuperscript{113} However, lists of the propertied in other parts of the country, especially north of Pennsylvania, were filled with the names of men who started out with little. Among Boston’s wealthiest men during the 1770s and 1780s, anywhere from one-third to one-half could be described as “self-made.” The percentage of self-made men in Philadelphia and New York during this period was similar.\textsuperscript{114} In fact, upward mobility seems to have increased somewhat from these levels in the years immediately following the Revolution. By the time the Constitution was ratified, more than half of the wealthiest men in these cities had risen from humble origins.\textsuperscript{115} By definition, it was impossible for everyone to make it to the top, but it was reasonable for every white man—including an indentured servant—to think he could improve his condition. Perhaps
as many as 95 percent of those in the lower class could expect to rise to a higher level in the course of their lifetimes. Even if Franklin’s “happy mediocrity” did not prevail, the ability of white men to move into the “middling ranks” kept that ideal alive throughout the early history of the Republic.

Dealing with Inequality and Poverty

Notwithstanding claims that America was largely free of the poverty and inequality that afflicted European societies, there were policies in place to deal with both of these social ills. Public programs to alleviate poverty had existed at the local level in all thirteen colonies since the seventeenth century. Outside of these antipoverty measures, however, there were few policies in place designed specifically to address economic inequality. After all, why would Americans enact policies to address a problem they did not believe existed? However, prominent figures including Jefferson, Paine, and Clark did propose measures to reduce existing disparities in wealth and, even more importantly, prevent new ones from emerging. What is most remarkable about their proposals is that they made them at all in light of the fact that so many of them failed to appreciate the actual extent of economic inequality at the time. Their proposals can best be understood as preventative measures designed to inoculate the country against the ills of social and economic inequality. An examination of the policies that actually existed at the time provides an important indication of attitudes concerning the government’s proper role in dealing with poverty and inequality.

Poverty relief during the colonial period had always been administered at the local level. However, changes in the size and composition of towns and cities between the seventeenth century and the middle of the eighteenth century contributed to significant changes in attitudes toward the poor and understanding of community responsibilities. The kinship ties that reinforced a sense of collective responsibility for all the poor in the community without distinction gave way to more discriminating judgments about who deserved help and why. Whether and how to assist the poor came to depend more heavily on what one believed to be the causes of poverty. Poverty was attributed to a wide variety of causes including character flaws, dissolute and extravagant lifestyles, alcoholism, accidents,
illness, disability or old age, widowhood, general economic downturns, risky commercial ventures, poor investments, and just plain bad luck. Perhaps even more important than the cause of poverty was the character of the pauper. The kind and quantity of aid the poor received—and under what conditions—often depended on perceptions of their moral worth. The most common distinction was that between the “laboring” poor and the “idle” poor, with the former described as worthy and virtuous and the latter vilified as undeserving and vicious. Those incapable of providing for themselves—those who were elderly or had disabilities—could almost always count on aid from their communities.

One of the defining features of public assistance in America throughout its history has been “local variation.” Not only were there differences in the political units that actually administered aid to the poor (generally speaking, towns and counties in the North and parishes in the South) but also the amount, kind, and conditions of aid could vary significantly from place to place, even within the same state. Numerous private organizations were established to address the plight of the poor in general or the hardships that confronted particular segments of the community, including the Boston Society for Encouraging Industry and Employing the Poor (which used public and private funds to build a spinning factory that would employ the poor) and industry-specific mutual-aid societies such as the New York General Society of Mechanics and Tradesmen (which provided social insurance to members and their families in case of illness, poverty, and death). A variety of other eleemosynary institutions sprang up after the Revolution. In 1786, Philadelphia physician and social reformer Benjamin Rush helped establish the Philadelphia Dispensary—the first of its kind in the country—for the purpose of “relieving such sick, poor, and indigent persons as are unable to procure medical aid.” However, these private institutions were far less significant in number and impact than the public provision of aid. One constant across the country and throughout the eighteenth century was the predominance of public aid over private sources of relief. According to welfare historian Michael B. Katz, public assistance to the poor has outweighed relief from private sources since the very beginning of the country’s history.

Public assistance has always served multiple purposes, with reduction of poverty being just one—and not always the central—objective. Attempts to deal with poverty in Philadelphia after the
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Revolution exemplified the mixed motives of reformers. Easing the misery of the poor was seldom the only—if it was even the primary—consideration. Many programs, both public and private, were also designed to improve the behavior and character of the poor, to instill proper habits of deference toward social superiors, to root out and deter criminality, to maintain social order, and to promote industry, among other ends.\textsuperscript{127}

Public relief generally took four main forms: (1) outdoor relief, (2) poorhouses, (3) auctions, and (4) resettlement.

The oldest type of assistance in America, outdoor relief was aid delivered outside of institutions such as almshouses and asylums.\textsuperscript{128} Assistance usually took one of two forms: cash or relief in kind. The amounts of both varied from one jurisdiction and period to another. Where it was given, relief in the form of money might be sufficient to cover the costs of rent but not much else. Relief in kind included the provision of goods as varied as medicine, meat, turnips, grain, potatoes, rice, molasses, chocolate, and the use of town-owned livestock, with fuel for winter being perhaps the most common form of assistance in kind.\textsuperscript{129}

In some places, the poor were auctioned off to the lowest bidder, who agreed to provide material support in exchange for a public subsidy and the labor of the poor. It was a system that lent itself to abuse on both sides. On one side, neglect, mistreatment, abuse, and even death could result at the hands of successful bidders who exploited their charges. On the other side, some poor people got themselves auctioned off to their own family members to make extra money for themselves.\textsuperscript{130}

Resettlement involved the relocation of the poor from one jurisdiction to another. This practice often resulted in extended litigation as paupers were shuffled from town to town regardless of the season or their health conditions.\textsuperscript{131}

Because of the expenses and abuses associated with these forms of relief, states and cities began experimenting with a variety of institutions to provide assistance to and—just as importantly—monitor the poor. Several states authorized the construction of almshouses during the colonial period, but these facilities did not become common in America until the mid-nineteenth century.\textsuperscript{132} When localities began experimenting with poorhouses, they were justified as reform measures that would bring an end to the harsh and abusive practices of auctioning off and resettling the poor.\textsuperscript{133} Advocates
argued that poorhouses would eliminate the abuses associated with other programs, reduce the costs of assisting paupers, reform the moral character of the poor, discourage alcoholism and other behaviors thought to contribute to poverty, improve the lives of poor children, and inculcate a strong work ethic. There was a great deal of variation—in the amount and type of aid paupers received, the rules that governed them, and the discretion wielded by overseers, among other things—but there were a few things they had in common. In nearly every instance, members of the upper class took a leading role in directing and managing these facilities. The poor often received aid in the form of fuel (e.g., wood for heat), money, food, medicine, clothing, and burial. Some almshouses were built at taxpayer expense, whereas others were privately funded. In some cases, workhouses were combined with almshouses. The main impetus behind this eventual move toward almshouses was the anticipated reduction in costs of maintaining the poor.134 However, much of the cost savings was attributable to the fact that those in need were reluctant to avail themselves of almshouses except in the most extreme cases. Those who made use of “indoor relief” were expected to work under highly regimented conditions. The work requirement was imposed not simply as a means of maintaining these facilities but also to instill proper work habits and moral values in the poor.135 Overseers expected everyone in their charge, including the old and the infirm, to perform some kind of work for their own support, sometimes offering incentives in the form of (additional) monetary allowances, tea, sugar, meat, coffee, clothing, tobacco, and other material goods.136

Responses to Economic Inequality

If the programs in place to assist the poor had only a minimal impact on inequality that is because they were not specifically designed to narrow the gap between rich and poor. Much like antipoverty programs today, their contributions to equality were indirect and focused on economic conditions at the bottom, not the top. By contrast, policies specifically designed to address the maldistribution of wealth could be directed at the bottom, the top, or the middle. Those who worried about economic inequality proposed measures that would improve conditions at the bottom, prevent excessive growth
at the top, or shore up the middle. As the ideal of political equality gained increasing acceptance, proposals to address economic inequality at all of these levels became more common. Unlike the various forms of poor relief administered locally, postrevolutionary measures to reduce economic inequality were proposed at the local, state, and national levels.

Egalitarians did not necessarily think it was either desirable or possible to establish perfect equality of property. Even some of the most outspoken critics of economic inequality, such as Findley, believed that disparities in wealth were compatible with the requirements of republican (and democratic) government—but only up to a point. The threshold was crossed when wealth became so concentrated that it gave a privileged few the ability to lord it over others and translate their economic advantages into political ones, or, in Clark’s words, when husbandmen and mechanics became “tenants to those moneyed men” who live off the labor of others. Egalitarians generally did not think the country had reached that point, but at several critical junctures in state and national politics after the Revolution they worried the country was veering dangerously toward the consolidation of economic and political power in the hands of a few. Because they doubted inequality had swelled to the proportions that made republican government difficult if not impossible in Europe, they focused their attention more on preventing than on rectifying economic inequality.

Maintaining the political and socioeconomic conditions that make equality possible was the priority for egalitarians. At a minimum, preserving those conditions meant the government would have to avoid actions that worsened or introduced economic disparities. As Sullivan argued in The Path to Riches, “The rules and regulations adopted by civil society, ought always to be such, as not to afford to any individual, or particular company of men, an accidental opportunity, or a superior privilege, for the acquirement of property.” Sometimes acting on that principle meant dismantling existing legal and political structures that propped up privilege and inequality. The most notable example was Jefferson’s successful bid to get the State of Virginia to abolish the laws of entail and primogeniture, which required landed aristocrats to pass their entire estate without division into the hands of the firstborn male heir.Undoing this vestige of aristocracy would become a priority for republicans in other states as well.
Support for economic equality also entailed opposition to proposals that might contribute to disparities between the rich and everyone else. Egalitarians and their allies mounted the strongest opposition to policies that tipped the balance in favor of the wealthy or allowed the few to reap enormous financial rewards at the expense of the many. Because any action the government takes has the potential to affect the absolute well-being and relative position of different groups one way or the other, any policy disagreement had the potential to turn into a conflict over economic inequality. And many did. Alexander Hamilton’s plan to restore national credit and spur economic growth through the establishment of a national bank, the imposition of new taxes, the assumption of state debt, and the promotion of domestic manufacturing triggered the most heated and prolonged debates over class and inequality at the national level following the ratification of the Constitution. Virtually every measure dealing with property in any form was debated in terms of its distributional effects—no matter how slight or indirect. Every proposal dealing with taxes, spending, the disposition of public lands, the public debt, salaries for public officials, military pay, veterans’ benefits, education, relief for disaster victims, and mandates on members of the militia and other select groups offered an opportunity for legislators, editors, pamphleteers, and ordinary citizens to consider the impact on economic inequality.

Every aspect of the revenue system at both the state and the national levels was apt to set off a debate over economic inequality. Rules requiring taxes to be paid in specie rather than paper money, penalties imposed for nonpayment of taxes, taxes raised from the sale of basic necessities, and excise taxes that disproportionately affected the livelihoods of farmers and laborers met popular resistance and criticism from egalitarian writers.

Those who argued for more fairness in the tax system did not simply react to regressive tax policies. In fact, the egalitarian impulse was most commonly expressed in calls for the creation of more progressive taxes. There was broad acceptance of the idea that taxes should be allocated based on the ability to pay. As Jefferson put it in a letter to Madison, “Taxes should be proportioned to what may be annually spared by the individual.” Early in the revolutionary period, there was a shift, especially in New England and the mid-Atlantic states, away from heavy reliance on regressive poll taxes toward the adoption of ad valorem taxes based on the actual value of
real and personal property and the imposition of taxes on luxuries, such as wine, pleasure carriages, and watches.\textsuperscript{142} In 1776, Pennsylvania’s revolutionary government enacted a progressive tax code that included taxes on speculative holdings following more than a decade of unsuccessful pleas for higher taxes on the wealthy.\textsuperscript{143} Maryland went so far as to declare in its Declaration of Rights “that the levying [of] taxes by the poll is grievous and oppressive, and ought to be abolished; that paupers ought not to be assessed for the support of government, but every other person in the State ought to contribute his proportion of public taxes, for the support of government, according to his actual worth, in real or personal property, within the State.”\textsuperscript{144} In calling for protectionist duties on imports to encourage the development of manufacturing in New Jersey, Clark also recommended that a “considerable tax be laid on those who make use of superfluities, for that would compel the rich and splendid to pay something in proportion to their grandeur.”\textsuperscript{145} Egalitarians during the first few Congresses enjoyed some success in getting goods consumed heavily by the lower classes to be taxed at lower rates or exempted from taxation altogether and in getting carriages, luxury items, and other goods consumed mainly or exclusively by the wealthy to be taxed at relatively high rates. Although egalitarians did not win every battle over taxation, they did prevail in the rhetorical war over the legitimacy of a more progressive tax system. Even conservative leaders such as Gouverneur Morris felt compelled to express approval of more progressive taxes, writing, “It is confessed on all hands that taxes should be raised from individuals in proportion to their wealth.”\textsuperscript{146}

Egalitarianism was not limited to opposition to policies that had the potential to increase economic inequality. Proponents of equality also went on the offensive and proposed a variety of measures designed to maintain the conditions necessary for economic equality. Webster identified two in particular he believed were “essential to the continuance of republican government.” Both regulations were designed to empower citizens, especially the poor, to participate fully in the political and economic life of the community. One was a system of universal public education that provides students both the practical skills and knowledge necessary for a good livelihood. The other was a distribution of property that allowed citizens to achieve a modicum of economic independence. Both are necessary to overcome the exclusive privileges associated with “monarchical”
institutions. In Webster’s view, republican principles must not be limited to formal constitutional rules but must extend as well to educational and economic arrangements if a free system of government is to survive.¹⁴⁷

Other leading figures, including Jefferson, Joel Barlow, Samuel Adams, and Rush, also proposed public education as a means of redressing the persistence of inequality.¹⁴⁸ Not only would it lead to economic opportunities that would lift the poor out of poverty, it would also promote egalitarian values necessary for free government. In a proclamation drafted for Massachusetts governor James Bowdoin, Adams promoted education for the “sons of the poor and the rich” as a way to preserve “those principles of Equality which are essential to the Republican form of our government.”¹⁴⁹ In Rush’s view, it was imperative for republican societies to educate their citizens because ignorance gives rise to and sustains various forms of hierarchy.¹⁵⁰ Toward that end, he proposed a tax on all estates in and around Philadelphia that would provide a dependable source of funding for free public schools aimed specifically at educating the children of the poor. Prominent leaders were joined by now-forgotten voices, including that of Revolutionary War veteran, anti-Federalist, and editor of the Delaware Gazette Coram. After detailing how the progress of civilization had generated the “unequal distribution of property [that] was the parent of almost all the disorders of government,” Coram proposed a publicly funded system of education available to children of all classes as the best means of alleviating the “miseries, without disturbing the established rules of property.”¹⁵¹

Some of the more radical egalitarians proposed measures that would have an even more direct and immediate effect on equality. The most common approach involved the (re)distribution of land. Republicans looked to the sale of western lands as the chief means of expanding and equalizing ownership of land without upsetting existing distributions of property. As discussed in chapter 4, they favored the sale of these lands in small plots in order to make them more accessible to ordinary farmers as opposed to wealthy speculators (who preferred to purchase tracts in much larger sizes). Jefferson went even further and proposed giving up to fifty acres of land to any adult male who owned less than that amount in his home state of Virginia. Instead of changing the distribution of landed property as a way to foster more equality, Paine proposed direct money transfers
to compensate the propertyless for what he argued was the loss of their birthright to an equal share of the earth.

The most ambitious proposals came from the pen of Paine. The revolutionary writer who proclaimed that “government even in its best state is but a necessary evil” went on to propose the development of a welfare state that guaranteed social insurance to the unemployed, the elderly, and the disabled; provided free public education to all children; offered financial assistance to young families and their elders; and raised revenue through a highly progressive system of taxation, among other things. It would take several generations before some of Paine’s reforms would be enacted into law, but some proposals to provide targeted forms of assistance to particular groups, including low-wage sailors who faced special hardships in their line of work, did make it into the law books during one of the early Congresses.

Egalitarians were not always successful in their efforts to reduce existing levels of inequality or even to prevent its growth. Proposals designed to address economic inequality often encountered stiff opposition from forces who prioritized other values over equality or simply wanted to preserve their own privileges under the status quo. However, what is remarkable about the objections generally offered is that they seldom rejected egalitarian ideals in principle. In fact, even the most vigorous opponents of egalitarian proposals often paid lip service to the ideal of economic equality. Whether sincere or not, they sometimes protested that their own positions were more conducive to the cause of equality than that of the self-proclaimed egalitarians. Even some of those founders widely reputed to have been champions of the upper classes—particularly financier Robert Morris and his protégé Hamilton—were not necessarily averse to designing public policy in ways that would promote the interests of the lower classes.

The following chapters survey the most significant debates over economic inequality during the postrevolutionary period. Many of these debates took place within the context of critical battles that helped to determine the structure of the political system, the shape of the financial and economic systems, and the nature of social relations in the United States. Early contests over tax policy at the state and national levels, different schemes of representation under the Constitution, plans for the repayment of Revolutionary War debt,
proposals to establish banks, alternatives for disposing of western lands, and many other important issues often focused on the impact they would have on the distribution of wealth—and therefore on power. Debates over economic inequality—and the closely related topics of class and poverty—were central to the struggles that helped to establish defining American ideals and institutions.