
The place of Negroes in the crisis of capitalism in the United States, April, 1953

The first seven pages of a typed draft of an article published as "Negroes in the Crisis of Capitalism in the United States" in the Monthly Review. In this article Du Bois places the major events of American history into the economic context of the formation of capitalism.

**Extent:** 7 p.

**Genre:** Articles
Drafts (documents)
Fragments (object portions)

**Subject(s):**
African Americans--Economic conditions
Capitalism--United States
Economic history

**URL:** http://credo.library.umass.edu/view/full/mums312-b210-i016
The development of capitalism in the United States has not followed that of Europe completely; nor has it been the same in all parts of this vast nation. While the merchant who was shipper and banker developed in New England, the South lingered in a feudalism, with black slaves and white serfs. This feudalism found economic connections with industrial capitalism both in England and New England.

American industrial capitalism arose after the Napoleonic wars and lasted until the Cotton Kingdom began to expand with world ambitions by 1840. Then Finance Capital, under the banking interests, began to combine industrial enterprises and to demand federal protection for a home market which would exclude competition from Europe. The South, moving toward closer alliance with the European freedom of industrial capitalism, opposed tariff legislation but ran into labor trouble. The long series of slave revolts which the South had minimized but which left bloody marks on Southern legislation and police organization, now were continued by Free Negroes of the North and white Abolitionists, who organized the flight of fugitive slaves. This infuriated the Southerners and became a main cause of secession; while the labor movement, recoiling from Abolition, was readily drawn into a strong movement to prevent the spread of slavery north or west.

Here was the muddle which led to Civil War; and the winning of that war was not simply a matter of military preparedness or ownership of property but much more of available soldiers. The North excelled the South in population but a large proportion of this population did not want to fight; nor did the Southern masses show too much eagerness to fight for slavery. But there was one mass of possible fighters, able and eager to furnish more than a million soldiers if given arms, provided in turn they were freed from slavery. Of these, 200,000 were actually in arms when the South wisely surrendered, after an
abortive attempt led by Robert E. Lee to arm the slaves on the side of the South at a price something less than freedom.

In 1863, therefore, a new development of capital faced the nation. Finance Capitalism, free from State control and yet working in a state-protected market and under the dictatorship of a banking oligarchy, lurched into tremendous activity. When the South sulked after the Civil War, the industrial North enfranchised the freedmen to furnish the votes necessary to insure payment of the federal war debt and raising of the tariff. This brought into a new democracy a group of 2 million or more black voters with socialistic ideas of land division, free public schools, votes for all men, and state aid for the poor, ignorant workers, white and black.

Finance Capitalism in the North began to expand toward State Capitalism, which was arising in Europe. But American Finance Capital was determined to curb democracy in America by control of the labor vote, which in the North was organizing and pressing forward to use its power to curb capital. The impasse in the South pointed the way: the North bargained with the white landowners and capitalists in the South to disfranchise the black Freedmen by revolutionary disregard of law, and then to set up this black labor group as rivals of the rapidly unionizing white Northern proletariat. The Negroes, led by the small group of Negro Reconstruction leaders who now found their political weapons useless in their hands, struggled desperately. Much lawlessness and lynching ensued until the disorder threatened race war and industrial collapse. Led by men like William H. Baldwin, president of the Long Island Railroad and president-designate of the Pennsylvania Railroad system, a number of northern capitalists united to impose on the Negroes a new leadership and a new philosophy; and at the same time counter the growth of Northern union labor. They fixed on a young Hampton graduate, Booker T. Washington, who had
a small school in Alabama, to spread the doctrine by advising Negroes to drop
the effort to regain the vote and to center on training in industry in order to
secure Negroes jobs. White Southern labor was to be satisfied by promise of
preferred and better paid employment and a legal color-line in civil life; North-
ern white labor was appeased by restriction of northern migration of Negroes.
Negro common-school education under Southern white control and with emphasis
especially on industrial skills and domestic services was subsidized by the
General Education Board. Washington and his followers were accorded flattering
and hitherto unusual social recognition and political influence all over the
country.

The Negro group proved less docile than was expected. There were in
the United States in 1896 when Washington made his widely applauded Atlanta
compromise speech, 7½ million Negroes. Instead of dying out as the false cen-
sus of 1870 promised, the 1880 census seemed to threaten eventual Africaniza-
tion of the nation. Negro common schools remained poor, but Negroes were
crowding them. Negro missionary colleges grew, and a few Negroes forced their
way into Northern colleges. Negro newspapers multiplied; the Negro church
became a social more than a religious institution and grew rapidly. Even a
distinct Negro literature developed when Dunbar and Chesnutt began to write.

Early in the new century as American Finance Capitalism was building
its vast monopolies and turning toward State Capitalism, some brash young
Negro intellectuals began to revolt and organized the Niagara Movement to de-
mand for Negroes "every right that belonged to American citizens". They were
roundly abused by the respectable capitalistic press; limited in employment
and discouraged in ambition. Something like the present hysteria against
"Communists" and "Communist Fronts" faced any colored man who dared oppose the
doctrines of Booker T. Washington, dared to enter politics or to demand "social
equality”. Some young leaders like Monroe Trotter were jailed for opposing Washington.

But there appeared a new element not so easily disposed of. That was the socialist intellectuals of the white labor movement. Two things aroused men like Walling and Russell and women like Ovington: lynching and violence in the North which marked race hate as Negro labor threatened union labor standards, and disfranchisement of Negroes in the South, as a threat to Democracy.

The rotten borough political system of the South nullified much of our national effort for Democracy and put white Southern Democrats, appointed rather than really elected, in control of Congress. The labor vote was thus largely neutralized, and Finance Capitalism, by uniting Northern banking interests with Southern Bourbon politicians, bade fair to introduce State Capitalism without democratic control.

In Europe this emergence of State Capitalism showed itself in the rise of Socialist governments which gradually yielded political power to labor. It was freely admitted by all students of political affairs that the era of Socialism was at hand and that this was natural and logical; that opposition to it was as unwise as impossible. In this country we paid little attention to this theory. Big Business was in the saddle and set to rule with fabulously increasing profits and organized control of the State. The revolt of Populism had been smashed. "Free Silver" was bought off and the political parties were systematically bribed so that corporations contributed to both parties, since each would perform the same function for them. Negroes in the North were taken into the political machines and pacified by small jobs. The South stood firm on Negro disfranchisement and segregation, which resulted in increased attempts of Negroes to migrate North. This did not disturb Industry; on the contrary it meant
scab labor to which union labor must bow.

American philanthropy which had done so much to emancipate the slaves was still under the influence of ideas of mercantile capitalism and was financed by Big Business so as to build up a black labor group to offset labor unionism, under the leadership of Booker Washington.

There was uncertainty among American Negro thinkers. The stronger tendency was to identify Negro interests as closely as possible with the interests of the dominant whites. This was frustrated by color caste; by the determination, centered in the former slave South, to make black folk forever inferior to all whites, and to accomplish this by disfranchisement, denial of civil rights, segregation in every area of social life, together with mob violence, injustice in the courts, and lynching. This practically imprisoned all Negroes in their own culture group.

This "State within a State" was both an encouragement and a menace, and was so regarded within and without the Race; white folk praised Negro "race pride" and feared it when it united blacks against whites. Black folk encouraged "race loyalty" and yet railed against self-segregation. Yet the blacks were driven together in self-defense.

Together with a few white sympathizers, there arose about 1910 three organizations with Negro and white members: the NAACP and the Urban League in the North; and the race relations movement in the South. The NAACP fought mainly through the courts to obtain equality under existent law; the Urban League tried by appeal to self-interest to secure employment for Negroes. The race relations efforts tried to bring Negro and white leaders into better personal understanding.

The first World War put terrific strain on these and other efforts. The nation feared to enter a war divided by race, even if the disparity of the groups in number, wealth and power was great. Possible disloyalty was
feared and by some discovered. Both Government and Business tried remedial measures. Negroes, despite white extremists, were recognized in the draft and the Supreme Court for the first time recognized the validity of the Civil War Amendments and curbed segregation in housing. After hesitation, Negro army officers were trained, although nearly all troops sent abroad were segregated by color, and in France Negroes declared that the American army took up more time keeping the Negroes "in their places", than in fighting the Germans.

After the war, however, Industry took the center of the field of action. It found itself compelled to rely increasingly on the political power of the State for support: for keeping the tariff high; for use of armed forces in imperial expansion; for regulation of foreign exchange, foreign prices and markets; for recognition of cartels in foreign trade.

The increased demand for labor in Northern industry, due to stoppage of immigration and the draft, led for the first time since emancipation to mass migration of Negro workers into the North. At least half a million black workers moved North in the '20's.

The South tried to prevent them coming by law and police methods; while in the North there were riots and violence which consolidated the Negro group and greatly disturbed industry. Union labor had to consider the admission of Negroes, which was furthered by the organization of the CIO. Between the wars at least a million Negro workers entered the unions.

Then came the Depression. Then Finance Capitalism smashed in its attempt to carry on State Capitalism by private corporate oligarchy and had to turn to democratic political methods in order to rescue Industry itself from bankruptcy. Its efforts were made more difficult by the presence of Negroes: in the South where Negroes were hardest hit by the industrial collapse
and received least relief; in the North where they formed a recently arrived
class of workers and survived only by wide distribution of relief in cities.
Much effort had to be attempted to break the lines of color caste in industry.

The black group had meantime in a generation accomplished one thing.
It had trained a group of leaders. They were not extraordinary men or unusually
self-sacrificing. But they knew what this world meant. They began securing
for themselves good homes, adequate income, some luxuries and wider human con-
tacts. But they were building thus a social class structure within their cul-
ture group and increasing social tensions which they could not ignore.

Since Finance Capital in this nation followed Europe into Colonial
Imperialism, American capital began to play an increasing role in Africa,
homeland of a tenth of our citizens. But American Negroes are several gener-
ations removed from Africa. Earlier attempts to interest them in migration
failed because they were simply attempts to deport the troublesome with no
real effort to establish self-sustaining Negro nations. Even after the First
World War, an attempt by Negroes to unite the black intelligentsia in a Pan-
African movement for mutual understanding, failed because it was not clear to
Negroes what chance any Negro movement would have in a world increasingly dom-
inated by whites.

After the Second World War, with its continued segregation in the
army and anti-communist hysteria in the nation, the Negro group was alarmed
and divided. Membership in organizations working for Negro equality was often
interpreted as "subversive". Many colored civic employees lost their jobs
and some Negro organizations, in order to prove loyalty, had to join the "witch-
hunt" against others and to disown accused individuals. It became standard
procedure in the FBI and Congressional inquiries to try to smoke out white