

HISTORY AND PHILOSOPHY OF ECONOMICS

Conservatives Against Capitalism: From the Industrial Revolution to Globalization

Peter Kolozi

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The diversity of American conservatism would astound those pundits, politicians, and critics who believe conservatism is a rigid ideology aimed at privileging the wealthy (and the white). Peter Kolozi's book showcases a conservatism uncomfortable with free-market capitalism—which adherents see as revolutionary and disruptive of tradition—and traces its origins from the antebellum South to the election of Donald Trump, profiling a remarkable coterie of thinkers who rejected the tenets of capitalism and urged a conservatism based on humane values, smallholding, and even a more powerful state.

There is no doubt that capitalism is a disrupting force in human history. It rips apart culture, tradition, and localism in pursuit of profit and maximum individual freedom. It has been a liberating force in human history but certainly not a system based on egalitarian distribution or one favorable to mass democracy. Why would conservatives come to embrace so readily a destructive force like capitalism?

This is the question Kolozi sets out to answer by focusing on conservative intellectuals who did not embrace capitalism. And there were many of them. They all wrestled with what Kolozi considers “the central challenge for conservative thought in America: can capitalism be reconciled with a conservative social order?” (191).

In the first part of the book, on the Old South, Kolozi shows how Southern slaveowners delineated their peculiar institution as a positive good opposed to the growing industrial “wage slavery” existing in Northern factories and mines. He provides a useful diagnosis

of the ills of capitalism in the minds of George Fitzhugh and James Henry Hammond, especially, who opposed capitalism because it departed from the patriarchal concepts of labor value prevalent in slavery. His discussion of John C. Calhoun reminds me of Richard Hofstadter's description of the South Carolinian as "the Marx of the master class" since Southern slavery defenders saw a labor theory of value as consistent with the institution and its necessary growth.

Recent work has argued that slavery was crucial to the development of capitalism in America. Kolozi instead focuses on the slaveholders' arguments themselves. These were not people comfortable at all with the disruptive force of capitalism, and justified bonded labor as superior over wage labor. As Hammond wrote, "capitalism commands labor, as the master does a slave" (37). No doubt this may be theoretically true, but the movement of millions of immigrants in pursuit of an American dream, and the achievement of it by some, would mitigate the idea that wage labor was linked in any way to slavery. The paucity of support among American workers for Marxist solutions to the labor problem and the continued desire to enter the middle class or wealth—if not by them then by their descendants—as well as the rise of wages in the late nineteenth century, mitigate the theoretical comparison Hammond makes.

Kolozi also profiles Theodore Roosevelt and Brooks Adams as conservative figures who disdained the *laissez-faire* consolidation that dominated the late nineteenth century. Was Roosevelt a conservative? Kolozi argues that both Roosevelt and Adams resented the roughshod power of the elite business class and sought control over it, a solution that included regulation and the creation of an administrative state to constrain the "malefactors of great wealth." Of course, being a politician, Roosevelt relied on the funds of wealthy businessmen to win election in 1904, and then turned on such men a year later. But it begs a larger series of questions Roosevelt and Adams never addressed: Were all businessmen interested just in personal power and influence? Did none of them build enterprises that contributed to the national economic good? To lump all capitalists into one huge conglomeration of "robber barons"—Kolozi cites Matthew Josephson's book on that topic a bit too much for my taste—fails to differentiate between good and bad capitalism, between crony capitalism (favours from political connections) and market capitalism aimed at efficiency and the improvement of society.

The remainder of the book is on stronger ground in profiling conservative intellectuals, from the southern agrarians of the 1930s, on whom much has been written, to postwar conservatives like Peter Viereck, Russell Kirk, and Robert Nisbet. In the postwar world, as Kolozi wisely recognizes, the twin combination of communism and New Deal liberalism became enemies of the Right, and Viereck was too comfortable with the New Deal to even be styled a conservative, as Frank Meyer would later claim. The emergence of free-market perspectives (that developed from the hostility toward the New Deal administrative state and toward communist statism) needs further elaboration from Kolozi. Why was there a movement toward free-market conservatism in the postwar period? This did not occur in a vacuum, and it is not surprising that conservatives who embraced the market would isolate those who did not, like Viereck.

Kolozi provides a fascinating discussion of the neoconservatives and their disdain for market capitalism. Irving Kristol once famously claimed he never read F. A. Hayek and he also only gave two cheers for capitalism (rather than three). Former socialists like Kristol and Daniel Bell attempted to resurrect a bourgeois ethic that saw virtue in saving, moderation, and the deferral of gratification, not the rampant consumerism and conspicuous consumption dominant in postwar America. They also looked dismally on the failure of the welfare state and the Great Society.

The solution, at least for Kristol, was supply-side economics that would allow taxpayers the virtue of keeping more of their money, which they would employ more beneficially than Washington bureaucrats. Kolozi shows how supply-side economics was attached to bourgeois virtues and to the recovery of the Protestant work ethic—a connection that does not appear in any other discussion of supply-side economics that I have read. He also discusses the development of ideas concerning a conservative welfare state taken up by George W. Bush in his faith-based initiatives and in his ideas of compassionate conservatism. But again, such policies never came to fruition as conservatives remained wedded to the free-market and antitax ideas dominant from the Reagan years to the present.

Kolozi rightfully traces the influence of Trump and his call for an America First, nationalist agenda to the capitalist criticisms of paleoconservatives like Samuel Francis and Pat Buchanan. It is doubtful that Trump was influenced directly by either man, but their delineation of an anticorporate capitalism and their propagation of the virtues and values of a Middle American radicalism has given the paleoconservative disposition the rightful claim of being the intellectual progenitor of Trumpism. But Kolozi notices the appeal of racial nationalism, as paleocons blame the immigrant for the decline of American working-class virtues. White middle-class Americans are privileged in the paleoconservative argument and that appeal won out in Trump's call for America First-styled populism as well.

Kolozi's book is an extraordinary achievement in looking at the *longue durée* of hostility to capitalism on the Right. It is well written, insightful, and breezy (196 pages of text). He is not the first scholar to recognize the anticapitalist disposition, but he is the first to place it in context and to extrapolate from it a rooted connection to a conservatism that disdains the free market and that has the tendency, at this moment, to reorient the conservative movement away from free-market fundamentalism.

—Gregory L. Schneider
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