

EXCLUDING INFERIOR WORKERS:
EUGENIC INFLUENCES ON ECONOMIC REFORM IN THE PROGRESSIVE ERA

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I
INTRODUCTION

What should be the relationship of government to economic life? During the Progressive Era, 1890-1920, a pioneering band of progressive American economists offered a new answer to this venerable question of political economy. The progressive economists' bold response, which departed from most all American precedents, was two-fold: government should superintend and intervene broadly in voluntary commercial relationships, and government investigation and regulation should be guided, even directed, by university-trained experts practicing a new form of social science, economics. American economic life, the progressive economists argued, could no longer be left to the unjust, undirected, and wasteful practices of late 19th century industrial capitalism; economic progress now required active, administrative government guided by social scientific expertise, a program progressives called social control.

Unprecedented though it was, social control carried the day. Beginning in the early years of the 20th century, the progressive economists and their reform allies blueprinted and laid the foundations of the American regulatory state, pioneering an epoch-making change in the relationship of government to American economic life. The institutions of economic governance the progressives erected – a progressive personal income tax, antitrust law, and the regulation of wages, hours and working conditions, to name only the best known examples – founded the US fiscal and regulatory state,¹ and they have lasted a century or more, testament to the extraordinary staying power of the progressives' then

¹ Other pillars of the welfare state, such as compulsory social and health insurance, were erected later in the 20th century, but they, too, were built using the economic reformers' original blueprints, and they, too, have weathered all subsequent political storms.

novel conception of an expert-guided government, “broadly and continuously involved in society’s operation.”²

At the top of the progressives’ ambitious reform agenda was a set of interlocking issues known as the “labor question.” These interlocking issues –working poverty, unemployment, immigration, and the relationship of women to the labor market – fostered a vital and contentious debate about how and how much government should intervene in labor relations.

The vertiginous ascent of American industrial capitalism in the last quarter of the nineteenth century gave rise to a newly prosperous but turbulent economic era, pushing the labor question into national prominence, and demanding answers, which the newly professionalized discipline of economics had on offer. What should be done about low wages and unemployment? Were consolidated industrial firms – the “trusts” – good or bad for ordinary workers? Did immigrants add to the nation’s prosperity, or did they supplant native workers, lowering American wages and usurping American jobs? And should women’s work be confined to home and child rearing, or should women be granted legal equality with men, including the right to work for wages?

The answers given to these questions by the progressive architects of American economic reform are the story of this book. American historians have by no means neglected Progressive Era economic reform, but this book documents and explores an unheralded aspect of the story: *progressive economic reform, influential as it proved to be, was not that progressive*. The progressives who led the transformation of government’s role in the American economy defended human hierarchy, embraced Darwinian explanation in social science, advanced the claims of nation over individuals, and preached a moralistic conception of human action.

In particular, the Progressive Era vogue for scientific racism and eugenics, the social control of human heredity, deeply informed the progressive case for labor reform. Progressives were ambivalent toward the working poor and other disadvantaged groups, simultaneously depicting them as victims in need of social uplift but also as threats

² Robert Wiebe (1967) *The Search for Order*, p. 160.

requiring social control. Progressives' ambivalence toward the have-nots had its roots in their tendency, like so many of their contemporaries, to regard the industrial poor not as individuals, nor as a single working class, but as a collection of competing races and nationalities, scientifically distinguishable, whose putatively different heredity implied unequal claims to the fruits of American economic progress. Darwinism was the master metaphor of the age³, and new evolutionary theories of hereditary fitness seemed to offer a scientific basis for distinguishing groups worthy of public uplift from groups that should be regarded as threats to the health and wellbeing of the economy and society.

The progressive economists' pioneering labor legislation thus set out, in different ways and with different justifications, to exclude from the American labor force immigrants, women, African Americans, and others deemed "defective" in character or intellect. The leading lights of American economic reform defended the exclusion of these "unfit" workers not as an ostensibly necessary evil, but as a positive social benefit. In practice, only male, Anglo-Saxon heads of household escaped the charge of hereditary inferiority.

The roster of Progressive Era reformers who endorsed the eugenic and economic virtues of excluding from work immigrants, women, African Americans and mental and moral defectives is long and distinguished, almost a *Who's Who* of American economic reform. Emily Greene Balch, Edward Bemis, John R. Commons, Herbert Croly, Henry Farnam, Frank Fetter, Irving Fisher, Charlotte Perkins Gilman, Charles Henderson, Arthur Holcombe, Oliver Wendell Holmes, Florence Kelley, Paul Kellogg, Richmond Mayo-Smith, Royal Meeker, Scott Nearing, Simon N. Patten, Paul Popenoe, Theodore Roosevelt, Edward A. Ross, Margaret Sanger, Henry R. Seager, Frank Taussig, Francis Amasa Walker, and Woodrow Wilson are but some of luminaries who argued that the hereditary infirmities of inferior groups threatened American wages, American employment, and American racial health. Even Jane Addams, founder of Chicago's Hull House, the pioneering neighborhood settlement, and the historiographic personification of progressive commitment to the downtrodden, made eugenic noises (1912: 130-33), one measure of the

³ Donald Bellomy.

popularity and scientific respectability of eugenic ideas during the Progressive Era.

Race prejudice, nativism, sexism, and other varieties of American belief in human hierarchy, certainly were not new to the United States at the turn of the 20th century.⁴ Race prejudice, in particular, was already deeply rooted in American soil, its poisonous fruits having ripened long before. What *was* new in the Progressive Era was the notion that protecting American wages, employment and racial health required legal exclusion of undeserving workers, identified as those groups whose heredity science had shown to be inferior.

In particular, the Progressive Era brought with it two intellectual innovations that lent a newfound scientific justification for excluding undesirables. The first innovation came from the newly influential sciences of race and eugenics; it reconceived undesirable groups, making them into the hereditarily unfit and, in so doing, elevated their exclusion to a matter of national and racial health. The second innovation, produced by the nascent university-based sciences of society, especially economics, showed how inferior workers wrongly dragged down the wages and employment of their putative betters. Eugenic science offered reformers a scientific rationale for the invidious sorting of human groups into deserving and undeserving classes – the undeserving classes’ inferior heredity made them a threat both to racial health *and* to the wages and employment of their biological betters. Economic science provided a scientific rationale for the legal exclusion of the unfit – by socially controlling inferior workers, exclusionary labor legislation would lift up deserving workers, increasing their wages and employment, while also protecting American racial health.

The Progressive Era also brought with it a third innovation vital for understanding the influence of eugenics on American political economy: the regulatory state. Expanded government authority eventually made it possible to turn eugenic thought into eugenic

⁴ Though they were in full flower: African Americans were being terrorized in the Jim Crow South; American nativism had recrudesced as opposition to immigrants from Asia and southern and eastern Europe; and women were disenfranchised and unable to own property.

practice; social control of human heredity became state control with eugenics legislation.⁵ In addition, a regulatory state meant that the cost of “race degeneracy” would be increasingly borne by government, which offered an expenditure-reducing rationale for eugenic policy – a rationale for the regulation of human heredity invoked beginning with the earliest eugenicist tracts, such as Richard Dugdale’s *The Jukes* (1877).

Social uplift or social control?

Viewed one way, the story this book tells can be seen as a contribution to a substantial revisionist literature, one that shows that the original progressives, once celebrated by American historians were not that progressive.⁶ However, the story the book tells does not intend to discredit a monolithic, invariant concept of “progressivism.” If anything, it reminds us that there is no such thing.

The American reform tradition, called “liberalism” for most of the 20th century, has been, in fact, protean and evolving, sometimes discontinuously. It is precisely because 21st century progressivism emphasizes racial equality, minority rights and an expansive conception of individual freedom, that Progressive Era progressivism, which emphasized racial inequality, the claims of nation over individuals, and a moralistic conception of human action, appears so illiberal. What happened, of course, is that American liberalism changed, and for the better. Beginning after the New Deal period, it gradually if haltingly embraced racial, and later gender, equality. This more egalitarian version of American reform eventually prevailed, and modern liberals, including those who have adopted the “progressive” label, no longer defend human inequality, indeed reject it.

⁵ As eugenics historian Diane Paul (1995, p. 6) writes, eugenics legislation had to await “the rise of the welfare state.”

⁶ Early histories of the Progressive Era soft-pedaled the less savory aspects of reform (as viewed in retrospect), because many of the historians who wrote the early histories regarded their own work as part of the progressive project they were writing about. (This case is made in John Higham, (1965) *History: The Development of Historical Studies in the United States* Englewood, NJ: Prentice Hall). Richard Hofstadter, in *The Age of Reform*, a book especially influential in the revisionist literature, recalled of his generation that “the tradition of Progressive reform is the one upon which I was reared, and upon which my political sentiments were formed, as is indeed the tradition of most intellectuals in America” (1955: 21).

Unlike their modern namesakes, however, the original progressives were partisans of human inequality, who appealed to the authority of post-Darwinian evolutionary science to make their case for economic reform. To make sense of the founding of American economic reform, then, we must understand the original progressives' scientific assumptions about heredity, selection, fitness, and race, and their implications for the unequal treatment of immigrants, women, African Americans and others deemed deficient in character or intellect. These assumptions about heredity, selection, fitness and race, widely held in the Progressive Era, help explain why economic reformers advocated social uplift for some but social control for others – the great tension at the heart of Progressive Era economic reform.

Progressives advocated for labor, but they also depicted many groups of poor workers as threats – as the cause rather than the consequence of low wages (Leonard 2003b). Progressives advocated for women's rights, but they also promoted a maternalist vision of economic and family life that would remove women from the labor force, the better to meet women's obligations to be "mothers of the race," and to defer to the so-called family wage (Leonard 2005a). Progressives advocated for peace, but they also founded their opposition to war on its putatively dysgenic effects, and they also championed the expansion of American empire in the name of an Anglo-Saxon manifest destiny. Progressives argued for more democracy, but they also proposed to limit democratic oversight of the technocratic government agencies they devised and staffed.

The economic reformers of the Progressive Era were hardly alone their ambivalence toward immigrants, women, African Americans and others, and neither were they the only intellectuals to marshal ideas about heredity, selection, fitness or race in support of their political views. Evolutionary ideas were also used to explain and justify the economic status quo, so-called Social Darwinism. But the progressives command our attention because they prevailed. The progressive economists and their reform allies changed the relationship of government to the economy, made American economics into a university discipline, and installed expert social science as advisor to government. The American regulatory state, the American research university, and American social scientific expertise

all grew up together of common origins in progressive economic reform, and we learn something about these vital contemporary institutions when we examine their joint genesis in the Progressive Era.

We no longer regard as scientific many of the progressive economists' Progressive Era notions about heredity, selection, fitness and race, but their conception of the proper relationship between scientific expertise, government and the economy – what they called social control – lives on, indeed thrives. And so too does the Progressive Era's labor question live on. The issues of working poverty, immigration, and the relationship of women to market work remain on the front page, still vital and contentious more than a century after the progressives first put government to work in the service of their most enduring idea, social control.