

**The “Black Second”:
Intersection between (White)
Progressivism and White Supremacy**

Robert B. Williams
Sulon Bibb Stedman Professor of Economics
Guilford College

ASE at ASSA
Boston, MA
January 7, 2022

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Abstract

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Arguably, two of the most notable achievements of the Progressive Era were the enactment of the federal income and estate taxes. Each enabled the eventual shift in federal taxation from a regressive, consumption-based system – primarily tariffs and excise taxes – to a more progressive, income-based tax system. Both bills were shepherded through the US Senate by Furniford M. Simmons, Senate Finance Committee chairman.

Before reaching the Senate, Simmons served in the House, representing North Carolina in the 2nd District, colloquially known as the “Black Second”. Due to its large black electorate, this seat was held by four different black lawmakers over the last quarter of the 19th century, making it the most contested seat of its era. After serving one term in this seat, Simmons lost his 1888 reelection bid to Henry P. Cheatham, like Simmons was born on a plantation, but as an enslaved child. Losing again in 1890, Simmons later became head of the NC Democratic Party and orchestrated the infamous 1898 election. Democrats swept back into power defeating the “Fusionist” candidates promoting the primacy of “Anglo-Saxon blood” and organizing “Red Shirt” vigilantes to threaten voters.

Immediately after the election, White citizens of Wilmington ousted their “Fusionist” local officials and rampaged through black neighborhoods killing residents and destroying property. Simmons subsequently authored the disfranchising amendment to the state constitution. The subsequent voter suppression ended the term of George Henry White, current occupant of the 2nd District and the last black lawmaker to serve in Congress for nearly 30 years.

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The Progressive Paradox

The Progressive Era spans several decades after 1890 in which reformers expanded the role of government to curtail the worst excesses of the prevailing laissez-faire, industrial capitalism. Newly enacted laws enabled the federal government to oversee the nation’s food and drug safety, enforce anti-trust actions against large corporations, protect the nation’s natural resources, and supervise the nation’s banking and credit industries through the creation of the Federal Reserve. State laws regulated minimum working conditions, set maximum working hours, and established minimum wages. Both federal and state governments established worker’s compensation systems while child labor laws were introduced. Civil Service reforms were enacted to limit corruption and professionalize the ranks of government employees. Constitutional amendments were passed to extend voting rights to women and make Senators subject to direct election. The enactment of the federal income and estate taxes initiated a complete transformation of the federal tax system. Many of the modern institutions that shape our lives were introduced during this period.

Over this same period, economics as a profession came of age. A new generation of economists, seeking a more scientific grounding to their analysis, embraced the marginalist focus of the emerging neo-classical tradition. Some among this new wave formed the American Economic Association (AEA) in 1885, which became the primary professional association. Over next few decades, the discipline shifted from political economy to economics. Higher education acknowledged the potential of this emergent discipline. In 1880, courses in the classics outstripped those in political economy by ten to one. Twenty years later, economics classes had largely caught up. By 1912, only English had more majors than economics at Yale University (Leonard, 2016). Newly created Economics Departments offered new opportunities for those practicing economics, thereby swelling AEA membership. Founding members of the profession such as Richard Ely, John Commons, Edward Bemis, Frank Fetter, Henry Carter Adams, and ERA Seligman provided intellectual support for many of the Progressive policies. A subsequent generation of well-known economists like Henry Rogers Seager, A.B. Wolfe, Royal Meeker, Charlotte Perkins Gilman, and Irving Fisher added their support and intellectual heft to various Progressive policies.

Yet, this time of rising progressive influence coincided with another, transformative trend – the reimposition of White Supremacy. Throughout the country, states and local governments rescinded voting rights to Black and poor White citizens and erecting the Jim Crow barriers to Black opportunity and livelihood. Resistance to these changes are met with a spate of lynching that peak during the 1890’s but remain high throughout the period (Johnson, 2020). White racial violence erupted in more episodic ways targeting Black communities as White mobs burned and pillaged Black neighborhoods whether in Wilmington, NC and Phoenix, SC in 1898, Atlanta, GA in 1906, East St. Louis, IL in 1917, or a host of cities during the Red Summer of 1919 (Darity & Mullen, 2020). White mobs resumed their violence and destruction a year later in Ocoee, FL and subsequently in Tulsa, OK and Rosewood, FL in 1921 and 1923. In these and countless other towns, White citizens were busy erecting monuments, often in the shadow of the local courthouse, that served as a reminder of white dominion. In Washington, DC, Treasury Secretary McAdoo segregated the offices, toilets, and lunchrooms “to remove the causes of

complaint and irritation where white women have been forced unnecessarily to sit at desks with colored men” (Yellin, 2013, p. 135). Two years later, President Wilson ordered a private screening of the racist film *Birth of a Nation* in the White House. When President Harding took office, it’s believed that he was inducted in KKK while a couple of year later the organization marched along Constitutional Avenue in their full, white-robe regalia.

Certainly aware of these changes occurring, the silent response of these Progressive economists is startling and disturbing.¹ Clearly, most held deeply racist views despite their contentions of scientific rigor and objectivity. In 1896, the AEA published a tract entitled *Race Traits and Tendencies of the American Negro* in what would later become the *American Economic Review* (Bateman, 2003). Authored by Frederick Hoffman (1896), an actuary with Prudential Life Insurance, it concluded that the American Negro was lazy, shiftless, and unreliable and would experience a population decline, not due to repressive conditions of Jim Crow, but to an inherent immorality that would lead to death by syphilis and other diseases. As documented elsewhere, many of the founders and future presidents of the AEA held white supremacist views. Richard Ely cautioned others against engaging in racial prejudice but then explained that African Americans’ poor circumstances were due to “their shiftlessness, their ignorance, . . . and their alarming concentration in a few occupations, some of which—particularly as they practice them—are neither educational, uplifting, nor developmental” (Magness, 2018, p.). Sounding a similar theme, John R. Commons described African Americans as “indolent and fickle” while appearing to justify slavery as he argued that the “ negro could not possibly have found a place in American industry had he come as a free man” (Ibid, p.). Frank Fetter worried that the high birth rates among the “whites of the mountains, the foreign population, the negro, and, in general, the lower ranks of labor” would overwhelm the more intelligent ranks of society (Cherry, 1976). Irving Fisher argued:

“Among communities and people noted for lack of foresight and for negligence with respect to the future are China, India, Java, the negro communities of the southern states, the peasant communities of Russia, and the North and South American Indians” (Ibid).

Undoubtedly, the racist views of the Progressive economists ran much broader than these few examples demonstrate, likely for one reason. Until the Great Migration, most Black Americans lived in the South and most of the university appointments were in the North and West. Until that time, most of these economists were focused on a different migration. The decades sandwiching the new century recorded the largest immigration wave in our country’s history as millions of mostly European immigrants, now mostly from southern and eastern Europe, came to our shores. In 1910, it’s estimated that one fifth of our nation’s labor force was foreign born (Leonard, 2016). Many viewed their presence as diluting the quality of Anglo-Saxon stock and creating “race suicide”. These fears informed much of the thinking regarding labor and immigration policies. Indeed, many of the progressive economists who would serve as President of the AEA strongly supported eugenics policies. At this time, the eugenics movement along with its sterilization policies attained full acceptance in both intellectual and urbane society.

¹ According to Fiorito, Luca and Foresti, Tiziana. 2017 ERA Seligman wrote to WEB Du Bois of his disgust regarding the Atlanta race riot of 1906.

In his *Principles of Economics* text, Frank Taussig, an early AEA President, opined that those feeble-minded unemployables “should simply be stamped out” although he cautioned we were not at the point “where we can proceed to chloroform them once and for all” (Taussig, 1921 as cited in Cherry, 1976). Another AEA President, Wharton economist Simon N. Patten insisted that “eugenics is giving us a stronger man and a vigorous woman” (Patten, as cited in Leonard). More cautious in his racial views, Wesley Mitchell, another future AEA President, embraced William MacDougall’s instinct theory, which explains racial and other individual differences as rooted in inherited characteristics (Cherry, 1976). However, none went as far as William Ripley who developed a map of racial hierarchy among Europeans that unsurprisingly placed Northern Europeans on top and southern and eastern Europeans in a descending scale. According to his “analysis”, he catalogued three European races that he called Teutonic, Alpine, and Mediterranean. His tripartite system placed him between others who argued for ten separate races and those who argued there was a single European race. These arguments certainly led to discussions on what it meant to be “White”. One area all of these proponents could agree upon was the placement of Africans – always at the bottom on the racial hierarchy.

All of this is well documented in other publications (Bateman, 2003; Cherry, 1976; Fiorito & Foresti, 2017; Leonard, 2005; Leonard, 2016;). Instead, this paper focuses on a related subject, the paradox of those who led the fight to implement two key gemstones of the Progressive crown – the federal income and estate taxes – and their own connection to White supremacy. While the initial renditions of both taxes were modest indeed, they subsequently met one of the more modern aspirations of those who supported their enactment – they fundamentally shifted the fiscal resources of the federal government. However, over time, they’ve fallen far short of another of their supporters’ goals – that they effectively modulate the rising concentration of income and wealth in this country. While they did so modestly for a period, they’ve fallen far short on this aspiration more recently.

Enacting The Federal Income Tax

The spring and summer of 1913 saw a Congress that sprung into unusually quick and agile action. Before President-elect Wilson took office, West Virginia and Delaware voted their approval thereby triggering the enactment of the 16th Amendment and removing any Constitutional prohibition against a federal income tax. The new President immediately called a special session of Congress to consider tax reform. Shortly thereafter, Rep. Cordell Hull, a junior member on the Ways and Means Committee, was tasked with writing the income tax statute. Born in a (yes) log cabin, Hull was an obscure congressman representing a rural district from Tennessee. Nonetheless, he was the natural choice for the job. By his own admission, he’d spent 15 years studying tax policies adopted in both the U.S. and abroad (Hull, 1948, p. 48). Several years earlier, Hull started his Congressional career by introducing a comprehensive income tax law at a time the Supreme Court considered such laws as unconstitutional (Ibid). Among his House colleagues, Hull was acknowledged as the resident expert and most ardent supporter of such an effort.

Once assigned to the task of writing the new federal income tax law, Hull worked quickly. Without help from any legislative staff or hindrance from organized tax lobbies, Hull wrote up a 15-page bill in a matter of weeks. First in the House and then in the Senate, Hull’s draft generated modest debate, mostly around the exemption level and tax brackets. Some members

advocated for lower exemptions and much higher tax brackets to capture more of the wealth of the very rich. However, Rep. Hull advocated a more modest bill that would simply swell the federal tax coffers. In his initial draft, he advocated a top tax rate of 4 percent! Throughout the Ways and Means Committee discussions as well as the full House debate, Hull led the discussion that preceded easy passage in the House.

However, the income tax bill faced stiffer opposition in the Senate, where the Democrats held a smaller margin. Under the leadership of Senate Finance Chair, Furnifold Simmons, the final bill passed with a 44-37 margin in the Senate. By early October, President Wilson signed the legislation into law. Although the current tax code runs thousands of pages, Hull's solitary efforts largely determined the form of our modern income tax system.

Given the heated debates over tax policy today, it's surprising that the nascent income tax generated so little debate. Looking back, we recognize its transformational role in shifting the source of federal taxation. At the time, Hull's handiwork was overshadowed by the larger issue of reducing federal tariffs. What we commonly refer to today as the Revenue Act of 1913 is truly known as the Underwood Simmons Tariff Bill of 1913. Hull's efforts didn't even receive its own legislation, but was wrapped within a larger tax bill and often lost amidst the debate on tariffs.

For decades, high tariffs and excise taxes served as the primary sources of federal revenues as they were the preferred taxes of the normally dominant, Republican Party. The presidential election of 1912 swept Democrat officeholders back into power after nearly sixty years of Republican stranglehold on power in Washington. Much of the country, particularly in the South and West, viewed the "Republican tariffs" as regressive taxes that raised the cost of most necessities and padded the profits of Eastern manufacturers and financiers. Many supported the attached income tax because it offered to restore some of the federal revenues that would suffer under reduced tariffs. Hull's income tax bill was simply the tail of the wagging dog.

Further, the modest nature of the bill undermined potential opposition of those who would object to a "soak the rich" bill. The final bill exempted all household incomes below \$3,000 for individuals and \$4,000 for married couples, levels that equal \$78,438 and \$104,583 in 2020 dollars.² These high exemption levels excluded almost all American households. Indeed, only 4 percent of taxpayers filed that year while less than 2 percent actually paid taxes.³ Further, the tax rates ranged from a measly 1 percent to a top rate of 7 percent! Not until 1942, amid the need for pressing war-time expenses, would the personal income tax shift from being a *class tax* to a *mass tax*. Until that point, it remained the sole province of the rich and affluent. Despite its rather innocuous sting, opponents argued it was simply a Trojan horse that would eventually become a central part of American economic life. Many of their fears were realized just a few short years later as the top rate was increased to 77 percent.

Given the complexities of an income tax, Hull's 15-page bill left many important specifics unexplained. For example, the 16th Amendment gave Congress the clear authority to tax income

² Using BLS Historical CPI Series, 1913-2020.

³ One consequence, whether intended or not, was that it eased the herculean task of implementing this system. Indeed, in 1914 tax filers merely filed their returns, but did not actually pay taxes, presumably to ensure the system was workable.

“from whatever source derived”⁴; Hull mostly left this open for future interpretation as he did for many other, key details. While some have suggested he used ambiguity to gain passage for the bill, others contend his contradictory answers to members’ questions indicate incomplete consideration of important issues (Zelenak, 2018). The bill did lead to the creation of the Bureau of Internal Revenue, the forerunner to the Internal Revenue Service (IRS). Over the course of months and years, tax officials would be required to make numerous rulings that continue to influence our current tax system.

Despite its very modest beginnings, this reestablishment of the federal income tax transformed the financial capacity of the federal government. Previous Congresses had implemented similar taxes temporarily to finance extraordinary expenditures required during wartime. This version remained in place to become the essential element of a wholly new system of federal government finance. The new tax heralded a shift in taxation and its burdens from consumption taxes to those on income. Now the federal government had far greater resources as it could now tap the strength of the US economy. Part of the Republican attraction to tariffs and excise taxes was their self-limiting nature. Simply raising tax rates to generate more public revenues would quickly choke the international trade and commerce upon which these two taxes existed. The establishment of the federal income tax enabled the federal government to expand its efforts decades later as it enacted New Deal programs and erected a social welfare network, as modest as it was.

Reestablishing the Federal Estate Tax

Although happening just three years later, the discussions surrounding the estate tax occurred under very different circumstances. The protracted war in Europe was shrinking international trade causing customs revenues to drop by one third over a two-year period (Brownlee, 1985). The nascent income tax was still an unknown quantity requiring a dependence on consumption taxes, hated by Democratic lawmakers for their regressive impact. At the same time, the war in Europe appeared less distant. The sinking of the Lusitania along with 128 American lives shocked the American public, shifting sentiment from neutrality to supporting the war on the Allied side. The poor state of the nation’s meager military forces generated pressure to finance a substantial increase in defense spending. Not willing to borrow funds, the Wilson Administration sought new ways to raise tax revenue even as it contemplated a hard-fought Presidential campaign that fall. Responding to these pressures, a coalition of Democrats and Progressive Republicans acknowledged the need to expand the income tax and enact an inheritance tax. Even the conservative Sen. Simmons, Chairman of the Senate Finance Committee, agreed that federal revenues must come from “incomes, inheritances, sugar, and munitions of war” (*New York Times*, 1916 as cited in Brownlee, 1985, p.188).

While the politics may have favored enactment of an inheritance tax, constitutional clouds still lingered. Although the 16th Amendment cleared the federal income tax from any constitutional doubts, it did nothing for the estate tax, or any wealth tax more generally. To be sure, the Constitution gave the Congress expansive powers of taxation. According to the Article§ I:

The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United

⁴ US Constitution, 16th Amendment.

States; but all Duties, Imposts and Excises shall be uniform throughout the United States; (U.S. Const. art. I, § 8,cl.1)

The one seeming limitation on Congressional taxing powers is the commonsense requirement that such taxes be applied uniformly across the states. However, one additional phrase placed limits on the Congressional taxation powers:

. . . No Capitation, or other direct, Tax shall be laid, unless in Proportion to the Census or Enumeration herein before directed to be taken (U.S. Const. art. I, § 9,cl.4).

In the case of *direct taxes*, they would need to be levied according to the relative population of each state. During the constitutional convention debate, when asked what exactly constitutes a *direct tax*, no one answered (Farrand, 1966). Ever since, including the recent *NFIB v. Sebelius*, the Supreme Court has wrestled – without conclusion – which taxes are direct and which are not.

Despite the lack of clarity, many scholars have argued that the “other direct Tax” refers to a levy on real property. Given that real property would comprise a key portion of any wealth tax, whatever its form, all such taxes live under a constitutional shadow. Interestingly, this doubt did not deter various Congresses in the 18th and 19th centuries from enacting various wealth taxes, each time while facing the prospect of war. With each version, opponents took cases to the Supreme Court only to experience disappointment as the Court upheld the different taxes in each case, although sometimes using arguments that some find wanting. In *Hylton v. United States* (1796), the Court justices, all of whom participated in the Constitutional Convention, ruled that an annual federal tax of \$16 per carriage was not a *direct tax*.⁵ Similarly, the Court ruled in *Scholey v. Rew* (1875) that the “succession” or inheritance tax enacted to pay for the Civil War was an income tax and therefore not a direct tax. Later, the Court ruled in *Knowlton v. Moore* (1900) that the estate tax enacted to pay for the Spanish-American War was not a direct tax because it was triggered by an event, namely death, causing the transfer of wealth. However, only the personal property in the estates was subject to a graduated tax. This still left the question about whether real property could be taxed in this way.

Despite these constitutional clouds, work on the new revenue bill began in earnest early in 1916 as the House Ways and Means Committee took up the challenge. Recently elected to the Senate, Sen. Oscar Underwood (D-OH) gave way to Rep. Claude Kitchen (D-NC) who now served the dual roles as chair of the powerful Ways and Means Committee as well as House Majority Leader. Considered a Bryan Democrat who was first elected to office in 1900, Rep. Kitchen represented a loose coalition of 50 southern and western Democrats with strong Populist leanings (Brownlee, 1985). These lawmakers embraced a desire to shift the federal tax base from consumption-based to income-based along with a wariness for military preparedness and budget deficits. Like his successor, Kitchen tasked Cordell Hull with writing the draft law to raise the needed money. True to form, Hull had spent the prior year researching estate laws then in use by major countries and certain state governments (Hull, 1948). However, this time Hull introduced a

⁵ In the opinion, Chief Justice Chase thought only two taxes could be considered direct taxes: poll taxes and land taxes. Justice Patterson recalled the provision was inserted to protect Southern states who worried that their high numbers of enslaved and thinly settled land made them vulnerable to this form of taxation.

new practice as he invited two tax experts to help him draft the new law and sit in the Congressional discussions.

Working quickly, Hull completed a draft of the new tax bill. Not only did his bill double the tax rates on personal income, but it also created a new estate tax that would include both real and personal property. Hull chose an estate tax rather than an inheritance tax due to the reduced administrative burden of reconciling one large estate as opposed to many, smaller inheritances being realized at different times. Since many states already taxed the estates of their decedents, Hull's draft exempted the first \$50,000 of an estate. His proposed tax assessed larger estates modestly, with rates ranging 1 to 5 percent. No doubt reflecting his own moderate views, the tax bill's design limited both political pushback as well as its capacity to redistribute wealth or raise large amounts of revenue. Perhaps because it was viewed as a compromise, Hull's bill received quick approval by the full committee.

Interestingly, the Wilson Administration pushed for a more aggressive tax bill. Wanting more revenue to build up the nation's army and navy, the administration supported an estate tax that imposed higher rates on larger estates than did the House bill. However, President Wilson refused to offer support for fear of angering wealthy supporters that might sink his re-election bid. As Rep. Kitchen brought the bill to the full House in early July, he did so as the White House remained silent. Kitchen used this silence to request support from his Republican opponents and subsequently the House passed the bill easily, as he attracted 39 votes from the other side of the aisle.

Getting passage through the Senate was more difficult challenge. Democratic margins were narrower in the Senate, conservative opposition was stronger, and this opposition had more time to organize their lobbyists. Much of the burden in overcoming this opposition fell upon Sen. Simmons, who still remained head of the Senate Finance Committee. Business groups lobbied to lower personal income tax threshold hoping to reduce the need to raise corporate tax rates. As the discussions bogged down, President Wilson came under added pressure to offer his support. Although he declined to do so, the bill did finally pass the committee and then the full Senate by a healthy margin. The conference committee to reconcile the two bills included both Simmons and Kitchen, with the final version raising tax rates on larger estates to 10 percent on estates over \$5 million.. Final passage in both houses led to President Wilson's signature on September 8, 1916.

To be sure, the enacted bill included a high exemption level and modest, graduated tax rates on estates. Even this modest bill required a rare coalition of lawmakers who were fiscally conservative, wary of foreign wars, hostile to taxing necessities, and willing to soak the rich to get the law passed. Not necessarily apparent at the time, it did represent a substantial shift in the fiscal resources of the federal government.

White Supremacy Views

Four men played an important role in the passage of both the federal income and estate taxes. Immediately following his inauguration, President Wilson called the Congress into special session in larger part to engage in tax reform. He gave his strong support for the nascent federal income tax as it would enable the reduction of the highly regressive Republican tariffs and hated

excise taxes. While he remained openly uncommitted to the estate tax during the 1916 election year, he clearly support the measure quietly and had his Administration help move the legislation to passage. In both cases he immediately signed the tax increase legislation into law. Rep. Hull drafted both laws and became their most vocal supporter. As key committee chairs, Senator Simmons and Rep. Kitchen played key roles in leading the draft laws through their respective bodies. While their actions are testimony to their deserved reputations as progressives of the period, what has remained unnoticed is their equally important, but disturbing views on White Supremacy.

President Wilson's racist views have become acknowledged recently causing the public policy school at Princeton named after him to change their name. Wilson developed a strong attachment to the university, enrolling not only as a student, but also serving as a professor and its president. Much of his research and writing focused on mid-19th century US history and politics. He viewed slavery as mostly benevolent, Reconstruction as an unmitigated disaster, and the Klan as inoffensive (Bartlett, 2020). As Princeton's president, he not only stopped admitting black students, but also erased any evidence of previous black students. While both savvy and charming enough to garner substantial black support in his run for the Presidency, Wilson showed his true colors once elected. Surrounding himself with other Southerners in this Cabinet, he oversaw the segregation of much of the federal government as federal offices cordoned off black workers, segregated lavatories, and replaced long-serving black civil servants. During this period, the Civil Service began requiring photographs along with employment applications, with the aim of screening out black applicants. When a delegation of black leaders met with him to register their disgust with these policies, he defended them by saying these policies benefited blacks as well as white employees (Lehr, 2015). After watching a screening of the white supremacist film, *The Birth of a Nation*, while in the White House, President Wilson is reportedly have said: "It is like writing history with lightning. And my only regret is that it is all so terribly true" (Bartlett, 2020).

Rep. Cordell Hull, the author of both tax laws, left a smaller public record of his racial views. Of course, the U.S. State Department during his long tenure as Secretary of State was notorious for its hostility to Jewish refugees seeking refuge from the Nazi Holocaust. His attitude toward Black Americans was more circumspect. However, his two-volume memoirs written in 1948 is revealing, both for what it doesn't and does say. Although his professional life roughly parallels the rise of state-sanctioned suppression of black civil, political, and social rights, none gets mentioned in his memoirs. No mention is made about the rise of lynching nor the episodic, organized White violence against Black neighborhoods that emerged across the country. Even more telling is his description of Reconstruction.

"There yet remained in Tennessee many of the grievances and much of the bitterness and opposition growing out of the evils resulting from the Reconstruction policy. As late as the nineties, people still vividly recalled the time when all Confederate soldiers were disfranchised and troops were stationed at the polls to assure a majority vote by the densely ignorant elements of every kind, with no property interests. This balloting included the election of local officials who were notoriously incompetent and fell under the worst influences, with resulting maladministration destructive of the rights and interests of the better elements and property owners. It was under these circumstances

that the Democrats, on securing control of the state government with the aid of a limited number of Republicans, wrote into the Constitution and laws a poll-tax qualification and provided that the proceeds go into a common-school fund. It is sufficient for me at this writing, a half-century later, to say that the conditions attending the adoption of this poll-tax Act have changed very greatly” (Hull, 1948).

One could hardly find a more supportive explanation of the evils of Reconstruction and the benefits resulting from the reimposition of White supremacy rule. While Hull laments the disfranchisement of Confederate veterans he clearly celebrates the same treatment of Black Tennesseans.

House District NC -2 The “Black Second”

Soon after North Carolina’s readmission into the Union, the 1870 Census gave the Democratic Party-controlled legislature the opportunity to redraw legislative boundaries. What emerged was an oddly shaped Congressional District that included many of the rural counties of the eastern part of the state. Democratic lawmakers created this district to contain all of the black-majority counties in order to limit Republican control of neighboring districts since the newly enfranchised freedmen voted overwhelmingly for the “party of Lincoln”. In doing so, the lawmakers created a solidly Republican district that elected Black representatives to Congress as well as the state House and Senate seats. Over the final 26 years of the 19th century, Black Republicans were nominated eleven times to represent the district while four different Black congressmen represented the district for a total of 14 years. White Democrats did occasionally win election, but only when the Republican Party was divided and voting fraud was prevalent. More than any other House District in the country at this time, the North Carolina 2nd elevated local Black leaders to give voice to the concerns and aspirations of the freedmen and their families. The district became known as the “Black Second”.

One of those breakthrough White Democrats was Furnifold M. Simmons who we’ve seen would later shepherd passage of the both the federal income and estate tax laws through the Senate. Born on a plantation near Pollocksville, NC, Simmons came of age in a South that was undergoing turbulent and radical change. Family wealth enabled him to study at both Wake Forest College and Trinity College and after passing the bar, practiced law in nearby New Bern. A young leader in the Democratic Party, he decided to run for Congress in the Second District, currently held for two terms by James O’Hara, a Black Republican. Despite facing an electorate that was majority Black, Simmons won an upset victory mainly because the Republican Party was hopelessly split. Contesting the nomination of O’Hara, another Black Republican, Israel Abbott, ran as an independent Republican. A popular labor organizer and skilled politician, Abbott siphoned enough votes from O’Hara to tip the election to Simmons (Anderson, 1981).

Running for reelection two years later, Simmons faced another Black Republican, Henry P. Cheatham. Also born on a plantation in 1857 – although his mother was enslaved – Cheatham gained an education in newly opened schools and eventually graduated with honors from Shaw University Normal School (Ibid, p. 167). For several years, Cheatham served as principal of a school in Plymouth, NC before opting to run as register of deeds for Vance County and serving for two terms. In 1888, Cheatham ran against Simmons thereby creating an election pitting the

two competing Souths. Again, local Republicans could not settle upon one candidate, although the second candidate, George Mebane withdrew allowing Cheatham to claim victory over Simmons (Picket, 2009). Statewide, Republican candidates swept into office causing many White Democrats, including Simmons, to acknowledge the need to stir up racial fears in order to gain elective office.

Two years later, Simmons tried to reclaim his seat in Congress. Unusual divisions among the Democratic Party caused him to withdraw from seeking the nomination, thinking that only with unified party support could he win the election. Absorbing these electoral lessons, he served twice as state Democratic Party chair. In this office he oversaw campaign strategies that aimed to unify the White vote as comprehensively as possible and used race-baiting as the vehicle to do so. He honed this strategy in response to the Democratic Party debacle of 1896, in which “fusionist” candidates reflecting a biracial coalition of Republican and Populists swept back into power statewide. In the 1898 election, undoubtedly the most vicious and pivotal elections in state history, he organized a slate of speakers who fanned out across the state to offer voters clear messages on the need to end “Negro domination” with “Anglo-Saxon blood”. According to his own account:

“While we dealt with graft and advocated for the free coinage of silver, the keynote of the campaign was White Supremacy, and I believe I was chiefly responsible for the choice of the issue” (Simmons, 1898, as cited in Graham, 2005).

Not trusting the effectiveness of messaging, the campaign also featured the appearance of the “Red Shirts” – white men brandishing guns – into African American neighborhoods threatening violence if they resorted to voting. Both the messaging and threats of violence enabled the Democrats to sweep back into office.

One day after the 1898 election, a mob of 2,000 White insurrectionists stormed through Black neighborhoods, burning homes and businesses and murdering upwards of 300 people (Tyson, 2005). Hundreds of other Black residents simply left the city fearing for their lives. Under threat of gunpoint, the city officials – a biracial group of “fusionists” and Republicans – were forced to resign while many were banished under threat of further violence (Ibid). The newly installed city officials then fired all of the Black and White Populist city employees (Ibid). Officials in Raleigh, including Simmons, declined to intervene nor offer any protection to the local citizens. Instead, Simmons wrote an amendment to the state constitution to disenfranchise voters. This amendment barred “illiterate” voters although it provided the exception of a *grandfather clause* that exempted those with grandparents who voted before 1868. Of course, Black North Carolinians were excluded from voting before that time. Acknowledging that no Black Republican could now win in the Second District, the incumbent Rep. George Henry White refused to run for reelection in 1900. His departure the following March left the Congress lily white, circumstances that would last for almost 30 years. This assured that the various debates on the form and substance of the new federal income and estate taxes would be conducted without any black voices at the table.

To kick off a statewide blitz to convince voters to support the amendment proposal, Simmons spoke to a crowd of 2,000 in Burlington, NC. At that rally he confided:

“There is no use mincing matters. This amendment discriminates against the Negro in favor of the white man. We intended that it should so discriminate and I am here today to defend that discrimination. This is a white man’s state. We have raised the white flag here. Who will haul it down? The Negro can’t do it and the white man that does, spot him. Write on his brow traitor – traitor to country and race; to wife and child, aye to the father and mother. Let him be an outcast on the face of the earth” (Christensen, 2010).

Curiously, the primary beneficiary of this new amendment to the state Constitution was none other than Rep. Claude Kitchin. Running for the open seat in 1900, Claude Kitchin recaptured the seat held by his own father for one term in the late 1870’s. According to the Census, Black adults counted for about 55 percent of the population in the eleven counties that comprised the Second District (Anderson, 1981). Nonetheless, Kitchin won easily and was returned to Congress for eleven more terms, only to die in office in 1923. Entering the halls of Congress, Claude joined his brother William Walton Kitchin who currently represented the Fifth House District and would go on to serve as Governor of North Carolina in 1909. Two generations later, Claude Kitchin’s nephew Alvin Paul Kitchin would represent the Eighth House District for three terms, extending the influence of this substantial political family.

Rep. Claude Kitchin represented his District as a Bryan Democrat. Raised in a rural farming household, Kitchin understood the vast power held by the local merchants over farmers who often depended upon the local merchant for credit, supplies, and crop marketing. Often functioning as a local monopolist, the merchant could charge high, even extortionate, rates thereby draining the profits of farming. Trying to sell their crops at harvest time simply meant their produce sold at depressed prices. Also without competition, the railroads could charge excessive rates on shipping the bulky crops to distant markets. In the midst of this unforgiving environment, the Farmer’s Alliance spread across the rural South as an exclusively White organization devoted to breaking the power of the merchants and railroads. While farmers undoubtedly represented the largest interests, the Alliance was open to all occupations except merchants and lawyers. Claude Kitchin’s father was an active member of the alliance, at least until some in the Alliance sided with the Populists when they collaborated with Republicans to elect Black officeholders. Nonetheless, Claude clearly embraced many of the views of his father as he fought the influence of powerful interests through much of his political career.

While studying at Wake Forest College, Claude took a course in Political Economy that clearly influenced his later thinking. The class emphasized the importance of key, middle class values of hard work and frugal consumption and the virtues of laissez-faire policies, most importantly calling for the end of burdensome tariffs that fell on the receptive ears of the southern students. Even more importantly, Kitchin learned a perspective on taxation that would influence his thinking years later (Ingle, 1967).⁶ The benefits principle of taxation argues that those who benefit the most should bear the largest burden suggesting that taxes should rise with one’s property. Further, the class emphasized that taxes on necessities should be kept to a minimum to limit their disproportionate burden on the poor. Again, such prescriptions were embraced by rural Southerners who chafed under the Republican policies of high tariffs and excise taxes enacted on many necessities. Both principles would become apparent as he later led efforts to pass both the federal income and estate taxes.

⁶ Ingle, H. L. (1967). *Pilgrimage to reform: a life of Claude Kitchin*. The University of Wisconsin-Madison.

Rep. Kitchin's dislike of entrenched, powerful interests that restricted the opportunities of the hard-working, little guy did have its limits; it did not extend to ensuring that his Black neighbors had the same political rights and economic opportunities as Whites. Claude was raised in a family wholly convinced in the merits of White supremacy. His father, a lifelong Democrat and onetime holder of the second district seat, left the party when President Cleveland made some modest overtures to Black voters. When Rep. White, the last Black occupant of the second district for almost a century, gave his eloquent, farewell speech, he singled out Claude's brother, Rep. William Kitchen, for his unparalleled efforts in working against Black civil rights. It is within this family and political environment that the son and younger brother, Claude learned his White supremacist views.

Claude was no more moderate on race than his older family members. Named to the Democratic Party's state Executive Committee, Claude helped to plan and implement the vicious 1898 political campaign. He helped organize the Red Shirts, an armed vigilante group that marched through black neighborhoods to terrorize Black voters and any white supporters (Rutter, 2019). Just days before the election, he spoke at a rally in Laurinburg NC before a group of Red Shirts and other White supporters, proclaiming: "We cannot outnumber the Negroes And so we must either outcheat, outcount, or outshoot them" (Zucchini, 2020). In addition, he warned that any Black constable that attempted to arrest Whites would be lynched. Much of this came to pass just days later as White leaders in nearby Wilmington led an armed mob to terrorize and murder Black residents.

Conclusion

For those of us raised on viewing the Progressive Era a rare period of expansive and public-focused policies amidst a century of conservative rule, it is certainly puzzling and disconcerting to acknowledge the overtly racist thinking and behaviors of many of its leaders. It would be misleading and dismissive to simply assert that these leaders were products of their times and that their disturbing views on race were ancillary to their policy recommendations. It is both more realistic and insightful to recognize how their racial views informed their more well-known policy views.

Perhaps, it's easiest to see this point in the experience of Rep. Kitchen. Raised on a farm in rural North Carolina, Kitchen knew intimately the challenges facing farmers, whether owners of vast estates or simply tenant farmers. He would have understood the powerful position that local merchants played in this economy, from their unassailable position in doling out credit, providing key supplies, and reporting the marketability of the farmers' crops. Each role gave leverage to the merchant to gain further value from the farmers' harvest. Dependence on the railroads for shipping their crops to market invited another drain of the harvest's value. Unlike other producers, farmers saw the value of their harvest fall just as they all brought their produce to market at the same time. These experiences certainly gave the later chairperson of the powerful House Ways and Means Committee an understanding of how powerful interests were able to siphon away the value of the farmers' hard labors. These formative experiences no doubt informed his views on the need to regulate the power of these interests in order to give the "little guy" a fair shake.

Of course, the “little guy” was uniformly viewed as White. The ability of the White farmer and workingman to get ahead did not simply depend on some level of protection from the powerful interests from above. It also depended on their gaining status based on their being viewed White. As such, this required that any Blacks who might ably compete with them were precluded from doing so. This meant not only imposing apartheid policies that precluded almost all forms of Black participation in the economy, but also ending Black participation in voting to ensure these policies would remain. Helping the little guy get ahead required protection both from above and below.

The political experiences of Simmons and Kitchin made apparent another political reality. During the last quarter of the 19th century, White Democrats learned that they could maintain political power only if they could attract a unified White vote in the face of a large and active Black electorate. Certainly within the second district but across the state more broadly, White Democrats acknowledged their ineffectiveness when confronting an organized coalition of Black voters and a modest number of disaffected Whites. In those cases, this biracial coalition swept to power in the second district and, at times, statewide. By making overt racial appeals, these Democratic Party leaders realized they could unify the White vote behind their candidates and gain electoral success.

Yet, the need to maintain this racial solidarity undermined any class-based policies that might yield a progressive agenda. This raises the crucial role played by racial disfranchisement. As long as Black voters remained a political threat to White power, support for such class-based policies like shifting the federal tax system from consumption-based to income-based was unlikely. Once Black voters were banished from the voting booths, then White Southern Democrats could begin to support more populist policies. In this way, the enactment of the federal income and estate taxes were only possible if Black voters neutralized, despite the fact that they would have been ardent supporters of these changes.

In these days of apparent “wokefulness”, one might think that this kind of thinking is thankfully in our nation’s past. However, one example should give us pause. Consider how different policies that address the growing problem of wealth concentration and inequality in our society. Numerous polls suggest widespread support for policies that would close the wealth disparities. They should strong support for various policies that might tax the wealthy more heavily and transfer those funds to those less favored, whether through Darity and Hamilton’s Baby Bonds proposal or some other mechanism. Such policies that reduce intraracial wealth disparities receive widespread support. However, consider another policy that would diminish such disparities by reducing interracial wealth disparities. A full-fledged reparations policy that would truly attempt to compensate for the centuries of harm perpetuate on African descendants of slaves (ADOS) would substantially reduce the intraracial as well as interracial wealth disparities. However, it does not take great imagination to recognize that such an improvement in the balancing of wealth would not receive the same level of support among White Americans as the previous proposals. Our attitudes toward helping the little guy are still linked to views of racial stratification. Perhaps recognizing this linkage in the past can help us see it in ourselves today.

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