Egg-timer session only. Submitted by Richard Sylla, NYU and NBER

Charles Beard got it wrong: A revised economic interpretation of the Constitution

Beard's once famous but now neglected 1913 book purported to show that certain personal property interests, mainly public creditors owning US Revolutionary War debts, framed the US Constitution to make their personal property more valuable. In the book, Beard barely mentioned property in slaves. I present new evidence on the market value of slave property and the market value of the national debt in the founding era. At the time of the Philadelphia convention in 1787, the property interest in slaves vastly exceeded the property interest in public securities. Even after the financial reforms of the new federal government raised the market value of the national debt (including assumed state debts), the market value of slaves exceeded it by a factor of 3 to 4. Slave ownership, not debt ownership, was the dominant property interest in the founding era. Several provisions of the Constitution fostered and protected owners of slave property. These were more than merely compromises made to achieve a unanimous adoption of the Constitution by the thirteen states, although that is how historians often portray them. They were expressions of the dominant interest of slaveholders. Recognizing this makes it easier to understand national political developments from the adoption of the Constitution to the Civil War seven decades later.

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