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# Working Paper No. 45, An Intellectual History of Josiah Warren

Jarod Balentine  
*Portland State University*

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# **An Intellectual History of Josiah Warren**

## **Working Paper No. 45**

**Authored by:** Jarod Balentine.

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**Abstract:** This inquiry seeks to establish that Josiah Warren (1798-1874) developed a synthesis of anti-capitalist economics and radical individualism which became a unique, yet highly practical strand of anarchism in the United States. This inquiry relies heavily upon Crispin Sartwell’s *The Practical Anarchist: Writings of Josiah Warren* (2011) for insight into Warren’s contributions. Warren registers as distinct because of his relative isolation from other anarchist thinkers, existing largely as a lone practitioner operating in the western territories of the United States during middle-part of the 19<sup>th</sup> century. This inquiry considers Warren’s philosophical views as well as his practical program—namely his doctrines on ‘the sovereignty of the individual’ and ‘equitable commerce’—as well as his own assessments of experiments carried out over the course of his lifetime.

**JEL Classification Codes:** B31, B59, P48

**Key Words:** Anarchism, Anti-capitalist Economics, Josiah Warren, Utopianism

This inquiry seeks to establish that Josiah Warren (1798-1874) developed a synthesis of anti-capitalist economics and radical individualism which became a unique, yet highly practical, strand of anarchism in the United States. Far from being a scholar, Warren's background was in music, printing technology, and general inventiveness. In fact, little evidence can be found of his interaction with other anarchist thinkers, social scientists, philosophers, or scholars whatsoever. Warren's anarchism is a distinctly practical affair, borne of lived experiences. As such, while certain connections to existing theory stand to be made, an analysis of Warren must emphasize his isolation from the rest of the emerging anarchist movement of his time. This isolation, however, makes his thoughts and experiments all the more fascinating, for they were truly original innovations based in the material conditions of the mid-19<sup>th</sup> century working class. To explore Warren's life work, this effort will lean on the well collected and edited compilation of his writings collected by Crispin Sartwell (2011), who additionally provides a comprehensive chronology of Warren's life.

### **The Sovereignty of the Individual**

Born in 1798 in Boston, Massachusetts, Josiah Warren first found work as a musician. Crispin Sartwell (2011, 254) explains that by 1816, at the age of eighteen, Warren made a living playing in the Boston Brigade Band and two years

on he married Caroline Cutter. The two would leave Boston in 1819, in the midst of the economic depression, and take up residence in Cincinnati, Ohio, where Warren once again found work playing the clarinet. Sartwell (2011, 254) also notes that while living in Cincinnati between 1821 and 1823, Warren successfully prosecuted a patent for a ‘lard-burning lamp’ that provided a lower cost form of lighting than the then prevailing tallow-burning lamps. Not only is this an indication of Warren’s inventive disposition, but the production of these lamps in a factory in Cincinnati would fund many of Warren’s later social experiments and ventures.

It was in this context that Warren first encountered Robert Owen, the Welsh industrialist, social reformer, and philanthropist who espoused ideas of utopian socialism. Owen first implemented his ideas in his family’s mill town of New Lanark near Glasgow, Scotland, and would go on to found communistic communities across the United States. Owen became one of Warren’s greatest influences and helped to set the course for Warren’s life’s efforts. Sartwell (2011, 255) traces their first encounter to Warren’s attendance of a speech delivered by Owen on 10 June 1825 in Cincinnati. In September of that same year Warren relocated his family to the Owenite community of New Harmony, Indiana. Warren quickly established himself as the music director, a teacher at the school, and a worker in the printing facility (tinkering with printing technology remained another

of Warren's lifelong interests). Sartwell (2011, 23) describes the New Harmony community as based upon communal ownership of property, even though the implementation of this provision would prove difficult. Constant disagreement over the use of community resources and the management of the community store served as continuous sources of tension at New Harmony. Paired with a severe shortage of skilled laborers—relative to a large population of “eccentrics” and sycophants (likely coasting on Owen's wealth)—the experiment in community lasted but two years. In 1827 Owen sold the town to its residents, and the town transitioned into a community typical of the surrounding towns.

However, it is important to note that this dissolution of New Harmony would have a profound effect on Warren, helping to shape much of his future thinking and work. As noted above, Warren passionately engaged with printing technology and was a prodigious self-publisher throughout his life. In one of his many self-published periodicals, *The Peaceful Revolutionist vol. 1 no. 4*, Warren (in Sartwell 2011, 106) explains that since the failure of New Harmony, he sought to explain why the communal approach espoused by Owen failed. The result can be described as nothing else but a *radical individualism*, with Warren (Sartwell 2011, 104) arguing that not only do people possess an inalienable individuality which dooms all attempts at its suppression, but that one of the “most fatal errors” of human society has been the creation of legal systems and principles which are

not subject to each person's own interpretation. While Owen's experiment in New Harmony was distinctly communistic in its philosophy and approach to property, we see here in Warren's writing an anarchistic rejection of legality and principle—all on the basis of an *inherent individuality*. This reading is further supported by Warren's (Sartwell 2011, 108) assertion, in the same publication, that while the state (and its accompanying legal system) purportedly exist to ensure personal security and the security of property, it has failed to do so at every turn, going so far as to claim that such institutions “commit more crimes upon persons and property and contribute more to their insecurity than all criminals put together.”

Warren only wrote two full length books in his time—the second largely a restatement of the first. The first, *Equitable Commerce*, written in 1846, opens with a discussion of individuality. In this text, Warren (Sartwell 2011, 58) repeatedly employs the term “the sovereignty of the individual,” a phrase which perfectly encapsulates Warren's individualist philosophy and can be found throughout all his writings. The book seeks to lay out Warren's reimagined conception of commerce (which will be expanded upon below). To do so, Warren (Sartwell 2011, 56-57) asserts that any consideration of human society must first begin with an understanding of the individual natures and peculiarities of “persons, things, and events,” arguing that this individualism represents the “life-principle of society.” This centering of the individual makes it easy to erroneously read Warren's

sentiment as akin to the “rugged individualism” associated with right-wing libertarianism. While Warren (Sartwell 2011, 85) certainly argues for the importance of individual responsibility, his argument is not one of disregard for other members of the community. Rather, this conception of individuality serves to emphasize *individual freedom only in a context of mutual support and equitable access to resources*. In response to a question regarding the communities he founded, Warren (Sartwell 2011, 217) stated, "if we do not secure homes to the homeless, we work to no purpose." This reveals a distinctly compassionate and community-oriented dimension of Warren’s philosophy, separating it from the dispassionate and often callous dispositions associated with right-wing notions of individualism. This question, of how to effectively protect and foster individualism while also providing all members of society with the resources they need to flourish, consumed much of Warren’s life and resulted in his proposed alternative to the capitalist economy: ‘equitable commerce.’

### **Equitable Commerce**

Serving as both the title of Warren’s most important book as well as the practical economic system which he espoused, equitable commerce is more than a general statement of morality, it is a specific and well developed alternative economic system. The grounding principle of this system, Warren (Sartwell 2011, 73)

explains, is the notion of “cost the limit of price.” By ‘cost’ Warren means the price of raw materials and the amount of labor involved in the production of a given good or service. ‘Price’ refers to the amount demanded as payment for a given good or service. Under the rules of commerce which dominated in Warren’s day—and in today’s world still—price is set at what a commodity can fetch: the highest price the market will bear. Warren (Sartwell 2011, 68) uses the example of a starving man to demonstrate the problem with this notion of commerce. Should a starving man be offered a loaf a bread and asked, “what are you willing to pay for it?” the answer will be anything, for in this instance the loaf of bread is worth his life. Warren minces no words in his condemnation of this system, calling it “civilized cannibalism.”

Instead, Warren argues for a system in which price is limited to the cost of producing, primarily the number of hours spent laboring though also including associated expenses. Warren (Sartwell 2011, 69) explains that if said loaf of bread cost its producers and vendors one hour of their labor, then in exchange no more than one hour of labor—or something which embodies one hour of labor—should be asked. Warren does qualify this argument by noting that some types of labor are far more difficult and unpleasant than others, and as such the most “disagreeable” forms of labor should be worth more accordingly. This system, then, represents a practical manifestation of the labor theory of value (with minor alterations). By

making cost the limit of price, profit becomes functionally impossible. Commerce and exchange may continue freely, but no seller can acquire undue value above their own labor. Such a subversion of the profit motive derails capitalist accumulation altogether, while allowing individuals to expend or withhold their labor purely at their own liberty, under the sovereignty of each individual.

Such a proposition begs the question: would such exchange reduce commerce to barter and all of its impracticalities? Warren acknowledged the need for a circulating medium and responded with the use of labor notes. Borrowing the idea from Robert Owen, Warren (Sartwell 2011, 122) argued for an alternative currency grounded solely in the quantity of hours of labor. Thus, fluctuations in the value of this “money” become impossible as long as hours themselves remain constant. Labor notes may be differentiated for specific forms of labor (as per its disagreeableness), for instance labor notes for hard labor or unpleasant sanitation work may carry more value than the notes of a music teacher who may rather enjoy their work. Because even the materials required for the production of a given good or service will be purchased on these grounds, the exchange through each stage of the production process can be easily represented in labor expended with no room for extracted surplus value. As such, prices fixed by the limit of cost should in fact be far more affordable than those produced under unequitable commerce. Similarly, even if someone has no wealth to their name, they still have labor which

can be expended—with just and equitable reward—in order to acquire labor notes and in turn all of their necessities. Warren (Sartwell 2011, 88) estimated that handling the purchasing of land and shelter under this system would allow for the complete housing of the population, in contrast with the crises of homelessness which exist under capitalism.

Ever the practitioner, Warren did more than simply entertain these ideas. After some small-scale experiments during his time in Owen's community, Warren's first major practical project was the Time Store in Cincinnati which opened in 1827, shortly after the collapse of New Harmony. Sartwell (2011, 255) finds claims that at the time, the Time Store became "the most popular retail business in the city." The purpose of the Time Store was two-fold. First, it functioned as a general goods store in which all the merchandise was priced at cost. The small markup necessary for the maintenance of the shop was minimal and the compensation for the employees was measured by a timer which the shopkeeper (typically Warren himself) would begin as soon as the buyer engaged them. As such, the shopkeeper was always equitably rewarded for their time and customers were encouraged to come prepared and not waste any time. The second purpose was to function as a hub for the exchange of labor notes. Sartwell (2011, 18) explains how beginning with a simple notice board upon which people could post both their needs and offerings, the Time Store soon evolved into a functional

‘labor bank.’ Those with minimal wealth could easily come and offer labor in exchange for necessities, which, always bought at cost, were quite attainable even to those with nothing to their name. The Time Store, therefore, became the center of a localized cooperative economy.

Because goods sold out of the store could not be sold above their cost, the Cincinnati Time Store inevitably began to undersell its competitors in town. In *The Peaceful Revolutionist vol. 2 no. 1*, Warren (Sartwell 2011, 119) acknowledges mixed reactions from the existing “store-o-crats.” Some called for the Time Store to be shut down, while others in fact applauded Warren’s efforts and sought to replicate his methods. While Warren’s experiments did tend towards localized alternative economies, the premise itself is highly compatible with expansion and large-scale exchange. The more laborers (and forms of labor) brought into a labor-exchange system, the more needs may be filled, the more variety of goods and services may be offered, and the more resilient the system becomes to localized disruptions.

With respect to theory, Warren’s notion of equitable commerce bears a striking resemblance to French anarchist Pierre Joseph Proudhon’s [1863] (1979, 71) idea of ‘mutualism.’ Mutualism, for Proudhon, was a socialist alternative to *state* socialism which maintained the use of free markets but under a system of mutual reciprocity, not exploitative, capitalist social relationships of ownership. In

fact, Sartwell (2011, 45) finds that Russian anarchist Peter Kropotkin credits Warren as a precursor to Proudhon's mutualism, though Warren's work is often overlooked. Warren's isolation from any other anarchist thinkers (it is even unlikely that Warren ever used the word to describe himself) offers an interesting case study in the intuitive nature of anarchist thought. For Warren, the creation of a system of equitable commerce simply represented a socially beneficial correction to the flaws of capitalist commerce; the only change being the basic proposition that everything should be exchanged at its cost, no more, no less.

### **Utopia and Modern Times**

While the Time Store in Cincinnati was certainly a success, Warren's ambitions extended to establishing ideal communities in the tradition of other utopianists like Owen before him. Over the course of his life, Warren sought to put together a collection of writings on all of his practical experiments and it is from these writings which Warren's accounting of his ideal communities may be found. The first of these was established in Tuscarawas, Ohio in 1835, although Warren (Sartwell 2011, 202) recounts that the small community of just six families suffered constantly under a number of infectious diseases which forced those involved to abandon the experiment. To recuperate from this loss, Warren opened a new Time Store in New Harmony, now just a town in Indiana, though many of

Warren's old acquaintances from the Owenite days remained there. Warren (Sartwell 2011, 202) explains that while a success, such local measures only offered minimal reprieve to those suffering under the conditions of wage labor. Here we see plainly Warren's revolutionary bent, for he argues that while Time Stores demonstrate the *possibility* for new modes of organizing society, a "great revolution" must eventually be brought about to free the working class from the toils of the wage system.

In his efforts to bring about said revolution, Warren committed to further practical experiments in ideal communities. The next effort, Warren (Sartwell 2011, 203) writes, took place in Ohio in 1844. Offering his theories of equitable commerce to a floundering Fourierite community (another sect of utopians, not unlike the Owenites), Warren helped the group acquire a few small plots of land from a nearby landowner, exchanging only the promise that their own labor would develop the land which they would buy from the landowner at a later date. They named the new community Utopia. Within a few short years, according to Warren (Sartwell 2011, 208), twelve families who had never owned homes before found themselves housed in homes and on land purely their own. At the time of Warren's writing, in 1872, the town had been functioning successfully for over 25 years. It had not grown more, Warren (Sartwell 2011, 208-209) argues, due to both to the fact that the local "mercenary newspapers" could not do it justice (and the

townsfolk had no wish to be public figures) as well as the more serious issue of the surrounding land being owned solely by land speculators, who would not part with their holdings on the grounds of equitable commerce. Nevertheless, the town stands as a striking example of the practicality of Warren's ideas and their ability to generate sufficient means for those who have little other than their labor, for labor is the sole value honored under equitable commerce. While Warren did not write further on Utopia, Sartwell (2011, 260) finds that the core community was likely displaced by predatory land speculators, though a town called Utopia still exists at the location.

After leaving Utopia to carry on as a self-sufficient project, Warren undertook his final practical experiment, the founding of Modern Times on Long Island, New York in 1851 (at the time a plot of undeveloped land 40 miles from the city). Warren (Sartwell 2011, 210) explains how the soil was unfavorable, no lumber or coal was to be found, and the initial few houses could only be built with the support of a sympathetic investor. Nevertheless, overcoming these initial challenges proved doable and soon enough houses began going up quickly under equitable commerce and the destitute were soon able to find housing. A running issue with the town, and a source of great consternation for Warren, was the tendency for all manner of eccentrics to arrive at the town, seeing it less as an experiment in an alternative economic and social system but rather as a place for

unlimited explorations in nudism, free love, and ill-fated notions of new medicinal or dietary cures. Warren (Sartwell 2011, 213) explains how such problems are present in any social experiment, though did drive away those of more practical means and dispositions whom Warren desired as community members. Despite these concerns, Warren adhered to his principles of individual sovereignty and never once presumed to intervene or deny anyone the right to live in whatever fashion they saw fit. In fact, to Warren's credit, despite constant bad press and running tensions with nearby communities, the community flourished under Warren's principles. Warren (Sartwell 2011, 213-214) notes that the town was the fastest growing in the area, homes and business sprung up rapidly, there existed a well-made road, a post office, a railroad station, and issues of crime were nearly non-existent. Thus, despite an influx of people who grated on some of Warren's more traditional sensibilities, the premises of the sovereignty of the individual and equitable commerce proved sufficient to produce a well-functioning community capable of meeting its needs. The community lasted into the 1860's, at which point Sartwell (2011, 43) finds the community dissolved into a more standard town.

## **Conclusion**

This inquiry has sought to establish that Josiah Warren successfully developed a synthesis of anti-capitalist economics that, combined with a philosophy of radical

individualism, became a highly practical and functional system of anarchism. Working in almost complete isolation from other anarchist thinkers—and unlikely to have even self-identified as such—Warren’s anti-government sentiments, best expressed in his discussion of the sovereignty of the individual and the impracticality and injustice of the state, and his system of anti-capitalist economics known as equitable commerce, founded on a practical application of the labor theory of value, resulted in a functioning social and economic model. What makes Warren especially noteworthy is his disposition towards experimentation and implementation rather than theory. While managing to write two books and a number of self-published periodicals, these are best seen as reluctant—though necessary—undertakings by an individual who saw his true goal as implementing his ideas, not theorizing them. Warren’s success in doing so, having founded a number of successful Time Stores and ideal communities, represents the intuitive nature of Warren’s ideas and the relative ease with which he managed to convince others of his ideas; not through rhetoric, but by example. Throughout all of this, however, one must not forget or disregard Warren’s revolutionary disposition. His despise for the capitalist economy and wage system are evident throughout his work, as is his vehement condemnation of the state and its violence. Similarly, his notions of individualism should not be conflated with conservative or right-wing notions of atomized individuality, for Warren’s philosophy was one of compassion

and mutual support. His idea of individualism left no one behind to suffer in poverty or abandonment, but rather *guaranteed* their empowerment to meet their needs free of coercion from either the state or the community. Warren was a truly practical anarchist, whose ideas and experiments have failed to receive their due attention, but from whom we today stand to learn a great deal.

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