Book Reviews

MODERN EUROPE


This book focuses on middle-class property in Leeds. Using the papers of various Leeds families, including letters and accounts, and a sample of probate records from 1830 to 1834, Morris studies the finances of middle-class families in Leeds, examining inheritance, trusts, and property ownership and development. Morris also studies family networks, though even here the focus is on how these networks influenced inheritance and other financial relationships. Gender is an important theme throughout, and the book ends with a discussion of attempts to reform married women’s property law.

Much of the book consists of detailed family histories. Morris is able to take very complicated inheritance patterns and business relationships, many of which confused the participants, and tell a story that the reader can follow easily. These family financial histories are well researched, and contain a great amount of detail. The book also contains some data analysis, usually describing the percentage of cases in a sample that fall into different categories. For example, Morris identifies five different types of provisions for widows, and reports the frequency of each type of provision in a sample of wills. The statistics and graphs presented at various points in the book are not overly complicated and are well explained, so that even readers who are less than comfortable with quantitative history will have no trouble following the analysis. Morris handles the statistics well, and is aware of both their potential and their limitations. When using data on the “sworn value” of an estate in probate, for example, he carefully describes what this value does and does not mean. His confidence in using statistics is such that he is willing to make an estimate of the fraction of Leeds property held in trust (about 15 percent), while he is at the same time aware that this estimate requires “heroic assumptions” (p. 258).

From the family histories and data he presents, Morris draws some general conclusions about how middle-class families related to property. One concerns the “property cycle,” which describes the relationship between a man’s age and the types of property he owned. Young men took an active part in business and began by borrowing working capital. As they accumulated resources their debts declined and their assets rose. After middle age men began to convert their assets into more passive forms that provided income without as much entrepreneurial labor, such as government notes or railroad shares. Early in the nineteenth century there was a shortage of such passive assets, and this explains why railroad shares sold so well when they appeared on the market.

We also learn about the inheritance patterns of the Leeds middle class. Widows were provided for, but usually did not receive ownership of the estate. Under English property law, if a widow remarried property that she owned became her new husband’s, and might not pass to the children of the first husband. To avoid such conflicts, widows usually received only the income from property held in trust. The trust protected the inheritance of the children, while still providing for the widow. Most wills explicitly replaced dower with specific provisions for widows, an action which Morris suggests was intended to improve the certainty of property ownership rather than to reduce the widow’s income.

Morris divides wills into three types according to their attitude towards specific objects owned. Some testators were “urban peasants” who passed on real estate and business capital to their heirs. Some testators, mostly women, were “things,” people
who passed on specific items to specific individuals for personal reasons. Most testators, though, were “cash economy capitalists” who showed no concern for specific things but directed the executors to convert all assets into cash, pay outstanding debts, and then divide the remaining cash equally among the testator’s heirs.

The Leeds middle class did not use primogeniture. Inheritances were equally divided among all children regardless of gender, though sons and daughters received their inheritances in different forms. Sons received liquid capital which they could use in business, whereas daughters usually received only the income from money held in trust. Leonore Davidoff and Catherine Hall reach the same conclusion in their book *Family Fortunes* (Chicago: University of Chicago Press, 1987), but whereas Davidoff and Hall emphasize the costs of this arrangement for women, Morris emphasizes its benefits. Morris suggests that the motivation for this difference was the law of *couverture*, which gave husbands control over property owned by their wives. The trust was a way of circumventing *couverture*, protecting the daughter’s income from the bad decisions or bad luck of current or future husbands. The trust thus provided an important risk-spreading function for the middle class, protecting part of the family’s assets should the husband be bankrupt. Thus, although Morris notes important differences in how men and women were treated, he suggests that these differences arose from the desire to protect women from unwise or unlucky men, and so fulfilled a valuable risk-spreading function for the middle class as a whole.

**JOYCE BURNETTE, Wabash College**


Study of the English poor has been dominated by attention to the Poor Laws, which after 1601 guaranteed relief from destitution to those with legal settlements in a given parish, although the laws did little to eliminate poverty. But what of those denied relief or given too little? Using the concept of “the economy of makeshifts” first developed for the French population by Olwen Hufton (*The Poor of Eighteenth-Century France, 1750–1789*, Oxford: Clarendon Press, 1974) Stephen King and Alannah Tomkins direct attention to the range of tactics and resources needed for survival during the eighteenth and early nineteenth centuries. Because they see the Old Poor Law as regionally uneven and unpredictable, the poor, they argue, had to work for subsistence through multiple channels. Their collection of essays uses a wide range of documents to explore welfare strategies and, most originally, the relationship among alternative sources of income in particular communities. The introduction does a fine job of situating findings in the context of earlier scholarship, while tagging differences between north and south, urban and rural communities, and men and women for special attention. In contrast to optimists who see the Old Poor Law as a complete, sometimes generous, social welfare system and the economy of makeshifts as a sign of individual success, King and his co-authors adopt a more pessimistic view both in reference to parish relief and to the economy of makeshifts, which King calls “an expression of despair and communal failure” (p. 251).

The economy of makeshifts is easier to delineate than to document. The book offers multiple paths into the topic—through the study of charities, crime, kinship networks, pawnng, and the defense of common rights, each an alternative source of income for some of the poor. The difficulty comes in discovering who used which resources in
what combination and with what particular costs and benefits. Because the essays center on different tactics in disparate places and periods, meshing the results is not a straightforward matter. In that sense, the collection is as much a call for further research as it is a presentation of clear-cut results.

Stephen King’s essay, “Making the Most of Opportunity: The Economy of Make-shifts in the Early Modern North,” offers the book’s most complete picture of the balance of locally available resources. King analyzes the funding available in the Lancashire township of Cowpe via charities, mill employment, credit, parish work, and relief to show that the poor law was “a significant source of welfare, but nonetheless a minority player in the overall resources available (p. 250)” Between 1800 and 1830, he concludes, parish relief offered only between 40 and 50 percent of the money available to a sample of poor families identified through local records. By linking together multiple lists of local names, he demonstrates that wages, credit, and public employment made up the rest of their budgets. Sam Barrett’s work on the West Riding uses family reconstruction techniques to outline the ways in which kinship networks shaped access to and provision of welfare. He goes well beyond the familiar argument that the “kin-poor” disproportionately had to rely on the poor law to show ways in which the kin-rich had access to other resources, such as local charities, job opportunities, and gifts to increase incomes. Social credit, whether in the forms of reputation or of extended family resources, is an understudied subject applicable to the poor as well as to elites. Alannah Tomkins’s work on pawnbroking in the town of York shows how an important urban institution granted small amounts of credit to a large number of people. A pawnbroker’s journal of pledges and redemptions enables her to categorize the money and goods that flowed through George Fettes’s shop in 1777 and 1778. Although little frequented by paupers or tradesmen, the pawnbroker allowed around 15 percent of the York population credit based upon resources stored in the form of clothing and other household items. Women’s disproportionate use of pawning gives clear evidence of gender differences in strategies of income maintenance.

The relationship of welfare strategies to the law is tackled by Steve Hindle, who studies common rights, and by Heather Shore, whose subject is London petty crime. Clearly, the extent to which poverty served as an excuse for challenges of either forest rights or the criminal law varied with social status and ideology. Both authors do a good job of outlining clashes in cultural assumptions, as does Sarah Lloyd in her investigation of the Welsh Charity School in London. All three articles bring out the ambiguities inherent in the concept of the agency of the poor. Although an expense of energy in the interests of survival is integral to the concept of an economy of make-shifts, this volume demonstrates wide differences not only in tactics but in the language and self-presentation of the poor. Rights could be asserted individually and indirectly via deference, or communally and stridently in a court case. Just as the Old Poor Law was not one system of relief, the poor were not one cultural group. King and Tomkins’s collection of essays effectively advances the discussion of welfare strategies beyond core economic issues to the cultural categories that informed them.

LYNN HOLLEN LEES, University of Pennsylvania


This book presents an in-depth discussion of the three methods that have been used to analyze capital flows and the stock of foreign investment for Britain between 1799
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and 1914. They are: the indirect method, the direct method, and the capitalization of annual income flow. Chapter 1 is devoted to a chronological review of the major research using the indirect method, which entails calculating the current account balance and inferring net capital flow as the negative of that balance. Of course, negative capital flow signifies positive investment abroad or lending. The current account is the sum of the trade balance for goods and services, net income flows, and net unilateral transfers. The last were likely small or negligible in the nineteenth century. While this approach provides a measure of the net flow of capital investment, it does not produce a measure of the stock of foreign assets owned by British residents, unless an assumption is made regarding the existing stock of such foreign investment at some point in time. With such an assumption, adding the cumulative sum of net foreign capital outflows to the assumed initial stock produces an estimate of the total stock of British-owned foreign assets at another date. If one wishes to extend the measurements backward in time, the net capital flows would be subtracted from the assumed initial stock. Two issues arise: first, one has to determine some reasonable value for the initial or benchmark stock of British-owned foreign assets; and second, one must have adequate data to calculate the current account balance. Both of these are problematic for nineteenth-century Britain. Data derived by a host of researchers are provided in this chapter, which concludes with a discussion of the work of A. H. Imlah (Economic Elements in the “Pax Britannica”: Studies in British Foreign Trade in the Nineteenth Century. Cambridge, MA: Harvard University Press, 1958, reprinted by Russell & Russell, New York, 1969). The author argues that, taking into account the slight modifications made by C. H. Feinstein, Imlah’s estimates of capital flows and of the stock of British-owned foreign assets in 1913 represent the best of those that used the indirect method.

Chapter 2 is devoted to a review of results generated by the direct method and by the capitalization of income flows to measure the stock of foreign assets owned by British residents. It involves identifying the relevant assets in the foreign countries. The direct approach was most recently employed by L. E. Davis and R. A. Huttenback (Mammon and the Pursuit of Empire: The Political Economy of British Imperialism, 1860–1912. Cambridge, MA: Cambridge University Press, 1988). It suffers from obvious shortcomings related to data availability for early periods. Record keeping being what it was, there is no systematic source for data on ownership of capital and financial assets abroad. Davis and Huttenback’s use of the direct method is credited with enlightening us regarding the behavior of British portfolio investment, but the present author indicates that little new information is provided regarding the stock of foreign wealth owned by British residents. Attempting to estimate the stock of British-owned foreign capital by capitalizing income flows relies on the accuracy of recorded income flows and on the assumption that income was repatriated and not reinvested in the foreign country. Although such reinvestment would likely emerge eventually as larger future income flows, estimates of the stock of British owned foreign capital would underestimate the actual stock. This may be one reason why most of those who employed the capitalization method provided estimates at ten-year intervals. Another major issue with this method is the choice of the rate of discount to use in capitalizing the income flows. There is little discussion of comparisons between home and foreign rates of return.

Chapter 3 is devoted to critiques of the methods used by one or more the researchers discussed in chapters 1 and 2. The reader is made aware of the weaknesses inherent in each method. Chapter 4 summarizes the various estimations in a useful table identifying the source of each. This table will be of use to anyone who wishes to employ data on British foreign investment in their research. However, users should take
note of the discussions in the earlier chapters for potential pitfalls inherent in each of the data series.

At several points the author makes an issue of estimates differing by less than 100 million pounds. Given the quality of the data used to make these estimates, and the magnitude of the stock of British-owned foreign assets in 1913 or 1914, a difference of less than 100 million pounds is hardly significant. Indeed, if one calculates the standard deviation for the estimates of the stock of British-owned foreign assets in either 1913 or 1914, all the estimates reported in Table 4.1 are well within two standard deviations of the mean value. One finds that this statistical relationship is also true for the amounts of British foreign investments estimated by various authors and presented in Table 3.3. It is heartening to learn that the estimating the stock of British-owned foreign assets using such a variety of approaches yields generally consistent results. As Robert E. Gallman frequently said of his estimates of nineteenth-century United States GNP, they were to be viewed as indicators of general trends and not as data for business cycle analysis. Similarly, the limited precision of the estimates discussed in this book indicate that one can do no more than infer the general trend of British-owned foreign assets during the period 1799 to 1914.

The author has provided an excellent review of the process by which estimates of British foreign investment in the nineteenth century were generated. As such, he has provided a service to the profession.

WILLIAM K. HUTCHISON, Vanderbilt University


Bruno Sergi’s book, written for “researchers and non experts on Russian affairs,” aims to “elucidate the economic logic that took root in Russia in . . . 1917,” “the rationales that brought about the inception of a communist type society,” and “the raison d’être to call for interminable economic restructuring and reforms” (p. 1). Chapter 1 surveys historical change in Russia in terms of the making, breaking, and remaking of symbols of rule. Chapters 2 to 5 analyze developments from the market economy of Imperial Russia to the mixed economy of the 1920s, to Stalin’s command system, to post-Stalin reforms under Khrushchev and Brezhnev and perestroika under Gorbachev. Chapter 6 reviews the interaction of domestic and foreign initiatives that led to the Soviet collapse. Chapters 7 and 8 examine the Russian economy under Yeltsin and Putin, and offer concluding remarks.

The chapters on transition are relatively detailed, accurate, and well written. Sergi argues that the collapse of the Soviet economy came about for largely internal reasons. He accepts that western economic advice was often naïve, but discounts its influence; even with hindsight, no one could have designed a “painless transition” (p. 211). There is a useful metaphor of transition, involving rule by central bankers replacing rule by the secret police (p. 154)—not straightforward, however, when central bankers are also thieves (p. 220). Also, if transition places the discipline of central banking above that of the secret police, where does Russia stand now that it is ruled again by a secret policeman? In this context Sergi’s favorable view of Putin standing above politics and self-interest (p. 287) fails to convince.

Readers of this JOURNAL may be particularly interested in the book’s historical chapters. One theme is the unintended consequences of policy (pp. 54–55). When high-level interventions imposed heavy costs on Russian society, which was most of
the time, Sergi describes the causes as “miscalculations,” “mistakes,” and “missteps” that were “inaccurate” or “foolish” rather than intentional, and he traces the mistakes back to the wrong “logic” that leaders followed or to the “grip” of their beliefs. Sometimes this verges on the superficial: when we find systematic errors modern economic theory implies that we should seek to explain them somehow in terms of biased information, for example, or misaligned incentives.

There are many gaps. Sergi has not consulted Paul R. Gregory’s *Russian National Income, 1885–1913* (Cambridge: Cambridge University Press, 1982), and the treatment of prerevolutionary economic development perpetuates an obsolete stereotype of Russia’s first “industrial revolution” in the 1890s (p. 42). Also missing are R. W. Davies’s multi-volume *History of Soviet Industrialisation* (Basingstoke: Macmillan and Palgrave, 1980 to the present) and Eugène Zaleski’s *Stalinist Planning for Economic Growth, 1931–1952* (Chapel Hill: University of North Carolina Press, 1980). World War II rates four sentences (pp. 25, 27, and 89). Famines, mentioned in passing (pp. 6, 56, 73, 76, and 98), are casually ascribed to “foodstuffs’ shortages” or “grave . . . agricultural conditions,” and to food exports. Famine deaths deserve more space, given that they accounted for an absolute majority of the millions of premature deaths (but not “twenty million”: p. 96) for which Stalin may be held responsible. Discussing IMF loan conditionality (pp. 208–12), issues such as domestic ownership and time consistency are flagged but not explained; the conditions themselves and the degree to which they were met are not discussed. Male life expectancy fell sharply between the late 1980s and early 1990s and this is used to illustrate the costs of transition (p. 251), but it is not acknowledged that mortality had been rising since the 1960s.

If you recommend this book, your students will inevitably absorb and reproduce many errors of historical fact. Some cannot go unmentioned. Soviet labor camps were not unknown in the west before Alexander Solzhenitsyn’s *Gulag Archipelago, 1918–1956* (New York: Harper & Row, 1974) (p. 29). The people’s commissars were not called sovnarkomi (p. 51). Stalin’s name is derived from the word for steel, not iron, and his other pseudonym was Koba, not Kobe (p. 60). Trotsky was exiled to Turkey in 1929, not to Britain in 1927, and so did not cause the 1927 rupture of Anglo-Soviet relations; Zinov’ev was not shot in 1927 nor Bukharin in 1929 (p. 61). More radical planners of the 1920s belonged to the “teleological,” not “theological” tendency (pp. 67–68). Gosplan neither “instructed, controlled and monitored all the vast state economic bureaucracy” nor “matched in physical terms all inputs for broad classes of products” (p. 69). The poorest peasants were the bedniaki, not the muzhiki; during collectivization 2.5 million designated kulaki, or richer peasants, were imprisoned or else exiled to the remote interior, not moved to “industrial places” (p. 74). The execution of 800,000 came after, not in or before 1933 (pp. 75–76). The planning chief Voznesenskii was executed in 1949 because of political infighting, not because he favored a more balanced plan (p. 95). The 1946/47 famine hardly “symbolized the general breaking down of the system” (p. 98). The labor-saving experiment at the Shchekino chemical plant in the 1960s was unrelated to the campaign for “chemicalization” of the economy (pp. 111–14, 323). The New Economic Mechanism was launched in 1968 but in Budapest, not Moscow (p. 119). The Soviet practice of khozraschet, or cost-accounting, dates from the 1930s, not the 1960s (p. 327). In many places it is unclear what is being argued because the standard of English is so poor.

To summarize, this book is a frustrating read. It is like joining the company of someone with the reputation of a clever and difficult thinker: you understand a little of what is being said, puzzle over some more, guess at the rest, blame yourself, and hope
to catch up one day. In this case, it is not your fault; the author and publisher should have taken greater care.

MARK HARRISON, University of Warwick

ASIA


Between the early sixteenth century and the late nineteenth century there were two major waves of European penetration in Southeast and North East Asia. The first encroachment was a byproduct of the European oceanic exploration that ultimately brought the Americas under Spanish, Portuguese, French, British, and Dutch colonization. Between the early 1500s and the mid-1600s the Portuguese explored the Moluccas and seized Malacca, the Spanish took the Philippines, and the Dutch staked out an empire in the Spice Islands. In the wake of this assertion of military and commercial prowess, the great powers of East Asia—China and Japan—pulled in, limiting their contact with the Europeans and with each other, insulating themselves in cocoons of near autarky. The second encroachment followed on the heels of the Industrial Revolution, which vastly increased the firepower Europeans could muster in Asian waters. Great Britain spearheaded the second penetration, taking Hong Kong in 1842 on the heels of the first Opium War and negotiating the treaty port system on the coastline of China and its immediate hinterland. This forced China to open up to trade, in the process allowing Westerners the privileges of extraterritoriality in the designated treaty ports and constraining the country’s capacity to impose tariffs on imports.

The volume edited by Kaoru Sugihara deals with the consequences of the second wave of European intrusion for Northeast and Southeast Asia. Its basic thesis is simple. In contrast to the Asian disintegration that followed upon the European penetration of the 1500s, Asian lands became increasingly integrated with one another following the establishment of the treaty port system in China and its spread to Japan after Commodore Matthew Perry opened Japan up in the early 1850s.

Why did the second European wave set off centripetal motion, the economic and political destinies of the Asian lands increasingly intertwining with one another, whereas the first wave fomented centrifugal motion? The authors of the chapters in the Sugihara volume provide four compelling answers: the use of steam power in transportation unleashed powerful migration streams, Chinese emigrants from Southwestern China moving in Southeast Asia in droves; Chinese merchants mainly based in Shanghai became especially adept at exploiting commercial opportunities in the treaty ports, both in China and in Japan, thereby creating a commercial network that transcended national boundaries; the successful harnessing of steam power in cotton textile manufacturing in Japan paved the way for the development of heavy industry in that country, thereby bolstering Japan’s national income and its military muscle; Japan, emboldened by its military successes in wars with China and Russia, and thirsty for export markets for its rapidly expanding textile sector, secured a formal empire in Korea and Taiwan and an informal empire in coastal China, thereby paving the way for its war of aggression against China.
Part 1 of the volume—containing chapters by K. Furuta and N. Kagotani on the activities of the Chinese merchant community in Kobe and a chapter by T. Abe on the Chinese market for Japanese textiles—focuses on the role of the nascent steam-powered cotton textile industry in integrating the Chinese and Japanese economies between the 1880s and the late 1930s. Major themes developed in this section include documenting the acumen of Chinese merchants in exploiting the treaty port system, highlighting the importance of yen depreciation in the early 1930s in sustaining Japanese textile export capacity in the face of general depression in world trade, and discussing the push to substitute domestic textiles for imports that took hold in China during World War I and gained momentum during the 1920s and 1930s.

Part 2 of the volume picks up the theme of Chinese import substitution and economic nationalism introduced in Part 1. A chapter penned by A. Kuroda discusses the difficulties that Chinese entrepreneurs faced due to the collapse of the Chinese Imperial monetary system and the proliferation of regional currencies. A chapter by H. Goto-Shibata looks at the Chinese Nationalist government’s campaign to boycott both Japanese imports to China and the products of Japanese factories situated in China, highlighting the economic drive to substitute domestic products for imports as well as the political drive to limit Japanese military and political meddling on the Chinese mainland. And a chapter by T. Kubo analyzes the impact the Nationalist Chinese government’s renegotiation of tariff policy with the Western powers and Japan had on the success of import substitution in China. What emerges from this section is a sense that internal Chinese regionalism—centrifugal political and commercial disintegration—limited China’s capacity to meet the growing military and commercial prowess of Japan.

Part 3 of the volume develops the theme of internal Chinese disintegration further. In a chapter on Chinese geographic dualism, Man-houng Lin argues that the treaty port system, coupled with relatively poor transportation linking the interior of China to its coastline, created two Chinas: a core that carried on extensive trade with Japan, Great Britain, and the United States, and a periphery that remained relatively poor and lacking in manufacturing prior to 1937, when Chinese industrialists moved their production sites out of the core that was quickly falling under Japanese military domination. A second chapter, by H. Kose, uses the scheme of Chinese regions developed by W. Skinner, that divides China into “macro-regions,” to discuss how foreign trade impacted different regions of China in profoundly different ways. Key to Kose’s argument is the thesis that Shanghai lost some of its entrepot functions as foreign trade expanded, China becoming less internally integrated as a result of its surge in international commerce.

Finally, Part 4 of the volume deals with Chinese integration with Taiwan, under Japan’s control from the late 1890s until 1945, and with Southeast Asia. The chapter penned by Man-houng Lin on Taiwan mainly deals with commercial and capital market integration between Taiwan and China, both when the Japanese ruled Taiwan and when they did not, while a chapter by K. Sugihara (the volume’s editor) deals with Chinese emigration to Southeast Asia between 1869 and 1939.

In grappling with two of the great themes in late-nineteenth- and twentieth-century history—cooperation and conflict between China and Japan, regional integration and disintegration within China—this volume moves forward our understanding of the modern interaction of politics and economics. For this reason I recommend it to the readers of the Journal with enthusiasm and without reservation.

CARL MOSK, University of Victoria

Jonathan Martin’s acclaimed Divided Mastery explores the complex economic and social relationships engendered by slave hiring, the practice by which slave owners leased individuals to others for a set term and price. As the recipient of both the 2004 Herbert Feis Award of the American Historical Association and the Bennett H. Wall Award of the Southern Historical Association, Martin has established his place among a rising generation of scholars who bring fresh interpretations to the study of enslavement in the American South. Drawing upon a qualitative exploration of manuscript records, Martin establishes the centrality of slave hiring to the economy of the American South, especially in the early nineteenth century. While certainly the definitive work on hiring per se, Divided Mastery persuasively argues that the relationship between masters and the enslaved cannot be understood without appreciating the “intrinsically and idiosyncratically triangular” nature of hiring (p. 2).

It is Martin’s nuanced appraisal of the interpersonal relations between masters, hirers, and slaves that makes Divided Mastery a worthy read. Just as Walter Johnson (Soul by Soul: Life Inside the Antebellum Slave Market. Cambridge, MA: Harvard University Press, 1999) emphasizes the role slaves played in the negotiation between buyers and sellers in the slave trade, Martin argues that enslaved African Americans played a central role in the hire market. “When slaves attempted to control where and to whom they would be hired, they used their bodies and their work as leverage, withholding both in order to secure conditions they desired” (p. 46). Understanding that masters sought above all a secure, profitable investment, slaves structured their arguments accordingly in an effort to maintain their familial ties. For owners, slave hiring promised additional returns on their capital investment and provided a measure of financial flexibility. Hiring slaves could be a means to pay debts, generate income during slack times on a plantation, punish unruly workers, or even teach valued skills. Martin perceptively notes, “Hiring allowed slaveholders to shape not only their legacies, but their slaves—to mold them into house servants, cotton pickers, and expert blacksmiths they could see in their mind’s eye” (p. 77). Hirers often gained labor they could otherwise not afford, and for those who owned no slaves, an entrée into the masters’ world. In a telling insight, Martin observes, “To some extent, hiring helped democratize access to slave labor and thus gave a taste of mastery to a wider cross-section of white Southerners” (p. 109). This further explains the stake non-slaveowners had in a slaveholding society and their willingness to embrace secession in 1860/61.

Despite its accolades, readers should approach Divided Mastery with some caution because its two central arguments rest upon assumptions that not all scholars will share. The first argument suggests that “hiring markets induced slave owners to see their slaves less as a ‘force’ that could be thinned or expanded only through sale and more as individual units of investment return” (p. 13). In a similar passage, Martin posits an emerging distinction between masters’ expectations of “proceeds from the fruits of slave labor—among them tobacco, cotton, wheat, sugar and indigo” and “returns on slave capital” (p. 18). Yet convincing evidence for this transition in slaveowner mentalité and its timing remains elusive. The language employed by slaveholders increasingly reflected the terminology of the market economy but only a closer examination of slaveholder accounts can determine whether rhetorical changes are indicative of changes in market behavior.
The second argument stakes an expansive claim for the importance of slave hiring in the American South. “Hiring,” he states, “was largely, although not solely, responsible for placing property, profit, and production at the heart of the relations between masters and slaves” (p. 13). The allure of “flexibility” in the labor market undermined the “paternalistic” relationship between masters and their enslaved laborers. “Little room was left for a conception of slaves as dependents in a paternalist system once Southern slaveholders began to look at hiring markets for returns on young, old, and superfluous slaves” (p. 20). In a later passage Martin elaborates. “By encouraging owners to move their slaves about as commercial pawns in the South’s local labor markets, and by keeping owners constantly aware of the capacity of their slave property to produce valuable capital returns, hiring discouraged master-slave relations predicated on a sense of mutual obligations, duties, and rights. Hiring kept the pursuit of profit the focal point of master-slave relationships” (p. 81). If one accepts Eugene Genovese’s depiction of paternalism (*Roll, Jordan, Roll: The World the Slaves Made*. New York: Pantheon Books, 1974: 3–7), then *Divided Mastery* suggests that slave hiring did undermine “[p]aternalism’s insistence upon mutual obligations.” Considering the cold-bloodedness of the Atlantic slave trade, the horrific mortality rates in the rice plantations of South Carolina and the sugar plantations of Louisiana, and the countless acts of brutality that characterized the “peculiar institution,” the notion of paternalism—despite all the subtlety attributed to it by Genovese—now seems a poor concept by which to explain master-slave relations. Indeed, Martin’s evidence—especially his chilling depiction of hired children (pp. 57–65)—can best be read as a rejection of Genovese’s paternalist model.

These cautions aside, Jonathan Martin nonetheless establishes slave hiring as a central feature of Southern society. Economic historians may lament several features of the research design, including the exclusion of slave hiring in the antebellum North, the lack of quantitative information, and the puzzling decision to choose a broad brush analysis of the amorphous South over a comparison of specific communities within the region. Yet if *Divided Mastery* is a work that only a social historian could truly love, it should command respect for its effort to synthesize information about hiring and nuanced interpretation of relations between masters, hirers, and those enslaved.

ROBERT S. WOLFF, Central Connecticut State University


Anthropometric historians do not seek to tell us about the causes of stature trends (that is left to the biologists and physiologists), but to give us a ranking of which factors were most important at different times. This is no easy task, given that there are more than 30 or so interrelated factors that can have a direct or indirect influence on a given stature trend. Nowhere is the need for a ranking more pressing than in explanations of the antebellum puzzle, the period from 1820 to 1860 where stature was on the decline despite continued economic growth. If average income, which was growing consistently throughout the time period, is not the answer, what is? Some of the explanations include changes in diet, where food market integration led to declining diet quality. Others look to increasing income inequality in the mid nineteenth century as the most important factor. Still others see increasing population growth and urbanization, which allowed more and different types of diseases to spread more quickly as the
most likely culprit. The ranking that stature scholars could provide would be important—it would tell us about both what factors were most important and about the tradeoffs made between material and nutritional well-being in the early stages of industrialization, and would also tell development economists how to minimize the short-run negatives that appear to go hand in hand with the long-run positives of economic development.

The reality is that there are no easy answers, and because the stature trends analyzed are very long time series, several factors could play a role. Timothy Cuff’s book, however, makes a serious and significant advance in the area by using basic trade theory to generate testable hypotheses about the relationship between economic integration and nutritional well-being. The central idea is that, in the short run, rural and urban communities engaging in trade and using their comparative advantage would shift the nature of production in the rural areas away from subsistence and towards cash crops. In the short run, it would be better to be farther away from the economic integration. Those who were more self sufficient in the early years of industrialization would see less deterioration in average statures, as they would not have to heed the push into cash crops, which decreases diet diversification and has negative consequences for stature. He also seeks to confirm that the antebellum puzzle existed for his sample (Civil War recruits from Pennsylvania), and that there is geographic and socioeconomic variation in stature, but these facts have been so established in the literature (and in the pages of this Journal in particular) that they are somewhat unnecessary goals.

Cuff begins his book with a brief introduction and a summary of the anthropometric enterprise. He is careful to point out what stature can and cannot tell us, and as such these chapters (particularly the second) make an excellent introduction to the field for the novice. The third chapter lays out the theoretical basis for the prediction that distance from economic centers would protect net nutritional well-being. If there is a shortcoming to the text it is in this chapter. Although Cuff does a fine job of laying out the basics of the theory, economists (myself included) will probably want a more sophisticated and analytical approach. Even a partial equilibrium model for relatively isolated rural households in which the short-run gains from trade are zero or even negative would be helpful. These potential gains would have to change over time, and so the model would need to incorporate some straightforward dynamics. In any case, the argument Cuff lays out is intuitively appealing, but a formal model would have given me more confidence that Cuff had thoroughly considered the ramifications of his approach. He could also use the model to justify the empirical analysis that dominates the text.

Cuff next establishes that antebellum Pennsylvania was indeed a collection of economies at different stages of development in the early nineteenth century. The case he makes is very strong. Pennsylvania ran the economic gamut—from large cities with little self-sufficient agriculture in the southeastern parts of the state to the subsistence farmers in the west. Cuff also makes use of the Allegheny mountains in the middle of the state as a natural barrier to trade in the early antebellum period. The fifth chapter, however, forms the heart of the analysis. In it, Cuff uses his large sample of Civil War recruits from Pennsylvania to establish that those coming from the least economically integrated areas showed relatively little deterioration in stature in the antebellum era. Those who had significant home production (a measure of their detachment from the market economy) were significantly taller than those who were not. The interesting feature of this finding is that it is separate from geography per se, and is seen even for households in the same geographic region.

There are, naturally, objections one could raise about this work. Cuff’s sample does not extend deeply into the early antebellum period, for example, and he could have
grouped his data at the county or regional level to give his economic variables more explanatory power. Overall, however, Cuff has produced a fine work that shows how careful economic reasoning, when combined with detailed empirical analysis can shed light on the relative importance of different factors. In this way, his book serves as a model for young anthropometric historians to follow as they seek to account for the stature trends that the senior generation of scholars uncovered.

TREVON D. LOGAN, The Ohio State University and NBER


*On the Great Plains* is a comprehensive agricultural and environmental history of the Great Plains region starting with the earliest settlements in the area, after the adoption of the Homestead Act of 1862, and ending at the conclusion of the twentieth century. As such, it differs from other socio-economic accounts of the region’s history that largely focus on the experiences of farmers during initial settlements or after the devastating dust bowl of the 1930s. The book’s main premise is that although human beings are not masters of nature and are bound by its forces, they are flexible and can adapt to face different environmental constraints so as to maintain stability in their agricultural system. This history of more than 130 years combines a wide-ranging dataset and case studies from diverse counties of the region. Agricultural censuses as well as detailed historical environmental data are used to tell a broad and extensive story. Case studies of actual homesteaders emphasize the stark differences in southern, central, and northern plains. This strategy of bringing together a comprehensive dataset with very specific tales from the region skillfully points out the similarities as well as differences in agricultural and environmental history of the 450 counties of the Great Plains.

The chapters of *On the Great Plains* are organized to advance three claims that Cunfer makes about the development of the region. First, the settlement into the plains and adaptation of land to farming happened quite rapidly between 1870 and 1920 even though environmental constraints differed widely within the region. Second, Geoff Cunfer argues that since the 1920s, the share of land in the region dedicated to farming remained stable. Third, while Cunfer concedes that changes did occur in the farming system during this period, he believes that all these changes were either temporary shocks to a stable system, such as the severe drought and the dust bowl of 1930s, or adaptations by the farmers to deal with these temporary shocks and to other problems faced. The examples of these adaptations include technological and chemical improvements such as the use of tractors and synthetic fertilizers. The utilization of underground water as irrigation where available, specifically the Ogallala Aquifer, is provided as another example of a land use adaptation. The chapters of the book are nicely organized to detail these three features of Great Plains agricultural history.

Whereas each chapter highlights a specific issue or problem in the region, the common theme in each section is the stability of land use in the Great Plains with a focus on crop acreage. Cunfer points out that only about one-third of the whole region was ever used as croplands and the majority of land in Great Plains never saw a plow, and most significantly, that this cropland ratio was quite stable since the 1920s. This thesis of cropland stability in the Great Plains, although accurate at one level, is based on a broad definition of “croplands” and ignores the details of changes in the land use within the croplands. Total crop acres, as defined by the author in the appendix, in-
cludes crop acres for the 19 most important crops of the region, failed crops as well as
idle crop land and fallow crop acres (p. 252). This broad definition discounts the
changes in cultivation practices of farmers after the dust bowl experience, in particular
the increase of idle and fallow land as a share of cropland in the Great Plains over
time. Because excessive cultivation of land, exposing dry soil to wind especially dur-
ding severe droughts is the standard account for the dust bowl, the use of fallow as a
wind erosion prevention method was encouraged by United States Department of Ag-
riculture (USDA) officials. Moreover, the Agricultural Adjustment Administration
(AAA) provided subsidies to encourage farmers to leave a portion of their land idle or
fallow for a variety of reasons including soil conservation practices and limiting crop
overproduction in order to stabilize commodity markets. In addition to these factors,
the gradual consolidation of farms after the dust bowl led to changes in cultivation
practices that increased the fallow share in farms and better protected farmland from
the droughts of the 1950s and 1970s (Hansen, Z., and G. Libecap. “Small Farms, Ex-
ternalities, and the Dust Bowl of the 1930s.” Journal of Political Economy 112, no. 3
[2004]: 665–94). Thus, fallow and idle crop lands increased over time although the to-
tal crop acres did not change significantly.

On the Great Plains is a nicely written historical account that combines a large
dataset with regionally specific case studies of homesteaders and farmers. Scientific
details such as the formation of the Ogallala Aquifer and the speed of nitrogen loss
from soils are deftly interspersed throughout the book. The specifics of every issue
discussed in the book are interesting and enlightening. Unfortunately, the book misses
the point of the big picture it paints: that the stability of total crop acres does not nec-
essarily tell the full story of the agricultural system in the Great Plains. The changes
that did happen are obscured by the author’s use of broad definitions.

ZEYNEP K. HANSEN, Washington University in St. Louis

The Railroad and the State: War, Politics, and Technology in Nineteenth-Century
Pp. xvii, 351. $65.00.

Economic and business historians continue to carve deep into the niches of nine-
teenth-century internal improvements in the United States. A framework outlining the
reach of the subject was provided a half century ago by George Rogers Taylor (The
Robert Angevine’s The Railroad and the State offers many new refinements to our
understanding of antebellum internal improvements and, particularly, of the motivat-
ing forces behind the initial development of the American railroad network.

Angevine traces a national interest in internal improvements to military imperatives
to facilitate the movement of the troops and supplies needed to secure the defense of
the early American Republic. On the supply side, indirect subsidies for internal im-
provements included sophisticated West Point training for civil engineers and a first
generation of surveyors, and land grants to newly formed states for road construction.
On the political side, Army policies were clear from the first decades of the nineteenth
century on how internal improvements would advance military goals to more readily
mobilize the militia and its outfittings to defend national commercial and civil inter-
est. The Railroad and the State adds much also to our knowledge of the profession-
alization of the army by documenting the necessity and evolution of a permanent
fighting force capable of rapid deployment throughout the nation. Military mobility,
according to Angevine, was the raison d’être for substantial government-led support for railroad development by the 1830s.

To advance the core argument, Angevine undertakes a review of federal internal improvements in the early republic. As the book subtitle implies, the themes of war, politics, and technology are intertwined and conveyed with great detail in a well-documented historical narrative. The War of 1812 brought the quick demise of the young nation’s capital and made the shortcomings in rapid deployment and mobilization for internal defense plain. From this historical moment and point of analysis the argument revisits and deepens the connections tying the necessity of an internal defense capability to the development of internal improvements. The appointment of John C. Calhoun as Secretary of War in 1818 proves pivotal in the political acknowledgment that better roads would mean better national defense, and the General Survey Act of 1824 ultimately institutionalized his goals (pp. 16, 17).

Angevine builds a well-detailed case that situates planning for the orchestration of war on domestic soil as a central focus of public policies for internal improvements. The United States Military Academy made operational the means to wage a defensive war on American soil. A core curriculum created by academy leadership and faculty furnished engineers with the technical training to devise and manage road construction. The curricular emphasis of the educational program rested squarely on the technology of internal improvements, and not on cultivating the expertise to coordinate direct combat operations. Military bureaucracies were slow to respond as many of those educated in the principles of civil engineering were lured away by state governments, and the pilfering of talent was instrumental in diffusing know-how. Much of the evidence for the account is marshaled from an impressive archival review and categorization of holdings in the West Point Library collection.

In itself, the material Angevine presents to support his claims on the role of internal improvements in national security make an important contribution to the literature. But he moves on to consider the railroad as a succeeding technological innovation to diminish the time required for the rapid deployment of troops and supplies. The West Point curriculum, under the leadership of Dennis Mahan in the 1840s, shifted from an emphasis on the art of engineering to the art of war. Commercial advocates and promoters of nascent railroads stepped in to stress their military importance in quelling slave rebellions and suppressing Native American uprisings. War with Mexico in 1846 underscored the challenges of deploying troops to the furthest reaches of the continent. On the managerial side, Angevine suggests that military discipline and precision operations laid the basis for railroad management. System building requirements, and the evolution of hierarchical management, meant “railroads in the East by the 1850s were no longer an asset for the national government to support but a problem for it to regulate” (p. 113).

Angevine notes an absence of political consensus on the role of government with respect to railroads at the advent of the Civil War. But the dramatic impact of railroads on successfully prosecuting the war in the North, juxtaposed to the failures tied to a lack of cooperation between commercial and government interests in the South, infused a new political will to use the military to secure frontier regions after the conflict. Here the story of how the army provided protection and police in the construction of a transcontinental network is more familiar, thus placing the significant contributions of Angevine’s book squarely in the antebellum period. The arguments and evidence in The Railroad and the State are impressively advanced, however, and do much to round out our understanding of both the origins of government-led internal improvement construction and the motivating forces that prompted the development of American railroads.

LAURENCE J. MALONE, Hartwick College
Steve Fraser’s *Every Man a Speculator* is a cultural history of Wall Street. The monograph is a collection of short stories about the rise and fall of some of the greatest and most famous speculators in American financial history. The author interweaves an assortment of tales about leading financial figures over the past 170 years and the effects of their actions on Main Street. The book is divided into four parts. Part 1 contains four chapters and discusses the origins of Wall Street and the role of some important early figures in Wall Street. The author discusses President Andrew Jackson’s disdain for the financial sector and his vendetta to crush the Second Bank of the United States. He also recounts some interesting tales of early financiers including August Belmont and Jay Cooke, who sold bonds for the American government during the Civil War and played a role in the Panic of 1873.

Part 2 largely focuses on the Gilded Age and the rise of Big Business. The author details how J. P. Morgan built a railroad empire and created General Electric through the merger of a number of smaller electrical firms. Fraser then discusses the first Great Merger Wave and the creation of the money trusts that controlled a large portion of American credit. He notes that the introduction of new federal regulations, including the founding of the Federal Reserve, prior to the outbreak of World War I helped to mend the partially estranged relationship between government and big business after the Panic of 1907.

The first Great Merger Wave was also accompanied by a change in attitude with respect to the stock market. Middle-class Americans developed an appetite to invest in the stock market. This is shown by the public’s large purchases of Liberty Bonds following the United States’s entry into World War I. Part 2 ends with a discussion of the Great Bull Market of the 1920s and its accompanying excesses.

In Part 3, Fraser details how Americans at the time linked the Great Depression with the Great Crash. The stock market crash and ensuing depression led to a series of reforms including the establishment of the Securities and Exchange Commission. Moreover, the stock market took a less prominent role in the American economy over the next 50 years. Wall Street was “no longer the gathering place for the American ruling classes” (p. 502).

Part 4 documents the reemergence of Wall Street, Ronald Reagan, and free market economics. Fraser discusses various aspects of high finance since 1980, including corporate raiders and the recent wave of corporate scandals. He notes that mainstream America has come a long way with respect to Wall Street. The United States is no longer a place where only the ruling classes and elites buy and sell stocks. Now, more than half of American families own stocks. Indeed, America truly has become a shareholder nation over the last 20 years.

Although *Every Man a Speculator* is well written and details fascinating stories about financial capitalists since the days of Andrew Jackson, the book has some weaknesses. The author basically ignores the entire economic history literature on nineteenth- and twentieth-century financial panics and the Great Depression. There is no mention or discussion of Peter Temin’s classic work on the Panic of 1837. The discussion of the Panic of 1873 is also quite pedestrian. The author blames the stock market crash on Jay Gould and ignores other domestic and macroeconomic factors that scholars have identified as important fundamentals in the crisis. These omissions are troublesome. If one is to understand the history of Wall Street in American life, one needs to have a basic understanding of the origins and transmission of financial shocks. Only then can one make an informed
discussion of the effects of financial crisis on the common man and different socioeconomic groups.

The book also has some factual inaccuracies about the U.S. economy. Consider Fraser’s discussion of American economic performance between 1870 and 1900. He argues that the economy stagnated and profits declined. In reality, real GDP and real stock prices increased during this period. It appears that the author does not distinguish between real and nominal quantities and prices. The fact that prices fell between the Civil War until 1896 does not necessarily mean that the economy was in a depression. Indeed, there is a large body of economic research showing that deflation can be good for an economy if it is caused by a decrease in prices brought about by an increase in aggregate supply often through technological innovation.

The author clearly supports government regulation of the marketplace to curb speculative excesses. Although many economists share this view, they also acknowledge that regulation is not always the answer. Fraser, for example, argues that the Federal Reserve’s failure to regulate margin requirements helped fuel a number of financial crises. This simply is inaccurate. There is a large body of empirical evidence dating back to the 1960s that shows regulation of stock margin requirements has little effect. The reasoning behind the ineffectiveness of margin policy is quite simple. As long as there are other ways for individual investors and financial institutions to obtain credit (i.e., mortgages, home equity loans, etc.), regulating margin requirements will have little effect on stock prices or stock volatility.

Overall, Fraser has written a valuable cultural history of Wall Street over the last 170 years. Cultural historians with an interest in Wall Street are likely to find this book useful. Economic historians, on the other hand, are less likely to find this book of much interest given that the author ignores much of the relevant literature in economics and financial economic history. Nevertheless, economic historians will find many of the stories of the rise and fall of key figures in American high finance to be enjoyable and stimulating.

MARC D. WEIDENMIER, Claremont McKenna College and NBER


On the cover of Jerome Bjelopera’s compelling book, *City of Clerks,* is a photograph of five well-dressed Victorian ladies at a millinery counter at the Philadelphia department of Strawbridge and Clothier in 1898. Towards the end of the book we learn that at the turn of the century these saleswomen and their male colleagues, “indulged in blackface minstrelsy as both performers and consumers during their time away from their jobs, an activity through which they forged a notion of whiteness that referred both to workplace ideals and to the racist content of the minstrelsy they imbibed.” In fact, Bjelopera continues, “through minstrelsy, the traits of the exemplary worker became white traits” (p. 116). In 1906, women, such as those featured on the front illustration of the book, joined Strawbridge and Clothier’s Clover Mandolin Club to learn the instrument and performed their music, as well as typically racist minstrelsy acts, in blackface and white dresses in local establishments. Through these forms of everyday resistance, Bjelopera claims that the white-collar labor force and all it represented—the exclusion of African Americans, standards of middle-class Victorian values and decorum, sexual division of labor, and the ideal of
the family wage—was forged. “These performances as well as other features of experiences of office and sales workers signaled that [w]hite collar work was for whites only” (p. 129).

These dramatic and disturbing episodes are the heart of this book that describes the work and lives an important and growing segment of Philadelphia’s, and all large cities’, labor force—office and sales workers. Bjelopera provides a complete description of the growth and diversification of this labor force and how it was divided by sex. Bjelopera states that in Philadelphia, “men expected that the jobs they took would offer upward mobility. Women understood that the positions they took would neither pay as well as the posts men held nor offer advancement. Jobs such as typewriting, stenography, and operating telephone switchboards crystallized in the industrial period.” Women in offices and stores were entering into new workspaces and employers accommodated this in both progressive and repressive ways. He describes the ways in which the work itself changed as bureaucratization appeared in industry and corporations. An entire chapter is devoted to the educational opportunities provided by one important private business school, the Peice School, and the important gatekeeping work that created the racial, gender, and class characteristics of the emerging white-collar labor force. “Business schools served as quintessential conduits for intergenerational occupational mobility” (p. 78). There is, however, no discussion of clerical education in the Philadelphia public schools.

In the last chapter, Bjelopera situates this population within certain sections and neighborhoods of Philadelphia, providing a satisfying ground-level description of the urban, white-collar world. All of this builds from existing work on many aspects of office and sales workers’ lives that have appeared in the last ten to 20 years. This useful monograph documents for another important city many previously known aspects of this population while making some important contributions of its own.

Bjelopera’s insights into the lives of male office and sales workers provide an important corrective to the focus in the literature on women and their entrance into the field. He also described how men and women played together. Descriptions of the various clubs and organizations (such as bicycling clubs!) provided by some employers and less edifying amusements in the neighborhoods enjoyed by men and women alike, show us a completely different white-collar social world. Bjelopera ends his book provocatively by asserting that the youthful, white-collar workers of Philadelphia’s furnished room districts (FRD) foreshadowed the lives of twenty-first century, postmodern American urbanites because they “rented their lodgings, ate at restaurants or saloons, washed their clothes at laundries, and entertained themselves in the situations of the new leisure economy” such as theaters, restaurants, and vaudeville houses. Some, Bjelopera continues, “even purchased sex while others sold themselves to make ends meet” (p. 161).

Bjelopera’s book might have been even more interesting if he had included a conclusion that reconciled his two fascinating insights: the performance of whiteness in the minstrelsy shows and the emergence of the FRD’s environment of relatively open sexuality that “encouraged many clerks and salespeople to challenge larger society’s mores” (p. 160). Nevertheless, by taking the whiteness of the emerging white-collar sector seriously, Bjelopera makes an important contribution to this field.

Lisa M. Fine, Michigan State University
In this ambitious book, historian Roger Daniels contends that the Chinese Exclusion Act of 1882 was the watershed event in the history of American immigration legislation. Prior to 1882 American politicians were committed to the notion that national survival depended on attracting foreigners to populate the countryside. This sentiment changed after the Civil War when people began to question the long-range economic and cultural impact of immigrants on the nation. Chinese émigrés were the chief targets of American nativists during this era. Many Anglo-American laborers worried that Chinese workers would steal their jobs on the west coast, while others viewed them as invaders intent on conquering the United States. These economic and racial misperceptions came to a fateful head in 1882, when Congress passed the Chinese Exclusion Act, the first law in American history that placed restrictions on immigration. According to Daniels, passage of this act set the stage for a series of restrictive and biased immigration laws that would follow for the next half century. In the 1920s Congress, motivated by a growing xenophobic fear that an immigrant tide from Southern and Eastern Europe endangered the “Anglo-Saxon race” in the United States, built upon the legacy of Chinese exclusion and passed laws that created a punitive immigrant quota system in the 1920s. Tensions over immigration continued into the Great Depression. Although many employers were happy to hire cheap Mexican laborers to work their fields in California, the nation’s economic unrest convinced the government to deport hundreds of thousands of workers to Mexico. Even worse, lingering distrust of immigration during the 1930s, along with an ugly anti-Semitism, prevented Franklin Roosevelt from opening American borders to Jews fleeing Nazi terror. By the 1940s the United States was simply not the safe haven that many of its citizens wanted to believe it was.

The Second World War, however, marked a critical turning point in the nation’s immigration policy. During the conflict, the federal government relaxed restrictions on Mexican migrants. In 1943, furthermore, lawmakers rewarded China, a wartime ally, by revoking the Chinese Exclusion Act. The United States also opened its doors to admit thousands of postwar refugees. The nation’s immigration policy continued to liberalize during the Cold War. Although Congress intended the McCarran-Walter Act of 1952 to maintain the 1920s status quo when it came to immigration, the act contained some critical elements that paved the way for increased immigration from Asia and other nations in the western hemisphere. The movement towards less restrictive immigration policy reached its high point in 1965 when Congress passed legislation that abolished the quota system and made it much easier for immigrants to reunite with family members in the United States.

It was this law that redefined immigration in significant and unexpected ways in the decades that followed. Most important, it redefined migration patterns. The sponsors of the act had intended to correct the nativism of the 1920s and to allow more southern and eastern Europeans to enter the country. In reality, the act helped initiate a burst of new migration from Asia, South America, and southeast Asia that transformed the United States into an even more multicultural society. In the face of this unexpected remaking of immigration, Americans began to support a new round of restrictive legislation to control a perceived flood tide of foreigners. Once again, misperceptions fueled these measures and they had unintended results. In 1986, for example, Congress passed the Immigration Reform and Control Act to get tough on illegal immigrants and seal the nation’s borders. Yet the act made sure that farmers in the southwest
would continue to have a cheap supply of Mexican labor. As a result, the law actually
boosted immigration to the United States. Daniels urges readers to keep such historical
ironies in mind as they contemplate immigrant restriction.

Daniels raises issues critical to both American history and modern politics. Most
important, he demonstrates that racist assumptions and a willful blindness to the na-
tion’s diverse ethnic past have generated restrictive immigration laws in the United
States. His masterful reading of the Immigration Act of 1924, for example, highlights
how festering racism and historical amnesia led to immigrant quotas that “perpetuated
old injustices and created new ones which endured for decades” (p. 56). Moreover, he
helps lay bare the painful fact that restriction often had unforeseen consequences that
raised new problems and, in turn, generated new myths that colored the popular per-
ception of who immigrants were and what they were doing in the United States. This
fact becomes particularly clear in his discussion of immigration since the landmark
immigration law of 1965. This book should be required reading for any politician con-
vinced that he or she alone has a foolproof plan to manage the nation’s borders in an
era of increasing globalization.

At times, however, Daniels struggles to tie this collection of informative musings
into a larger argument. The book often reads like a daisy chain of events, legislation,
and people linked chronologically, and the chapters do not always flow together. The
biggest problem is that it lacks either a robust introduction or a convincing conclusion.
Daniels starts the book with a brief discussion of how he believes historians incor-
rectly periodize immigration policy, yet he says little about how his book engages lar-
ger scholarly debates or how it may help inform contemporary policymaking. Fur-
thermore, he concludes with only a fleeting analysis of immigration after the tragedy
of 9/11 and misses a chance to drive home a larger point. A more involved beginning
and end would have helped other historians with a range of interests, such as race, eth-
nicity, economics, or politics, situate immigration policy in the broader context of
American history. It also would have made the book more accessible to general read-
ers interested in the rich tale of American immigration. Still, Guarding the Golden
Door offers valuable lessons about how racism, cultural misperceptions, and an inabil-
ity to think historically have often combined to make the nation’s immigration policy a
harsh arena of unintended consequences and cold realities.

ERIC J. MORSER, University of New Mexico

Icarus in the Boardroom: The Fundamental Failures in Corporate America and
Where They Came From. By David Skeel. Oxford: Oxford University Press,
Pp. viii, 250.

Professor David Skeel’s cogent study analyzes three factors that he believes have
undermined the effectiveness of U.S. corporate oversight and contributed to the re-
currence of major business failures since the mid-nineteenth century. The first of the
triumvirate of evils was the inability of corporate governance practices to prevent
unscrupulous top managers from pursuing strategies that involved excessive or
raudulent risk taking. Like Icarus of the ancient fable who perished when flying
high, imprudent drives for corporate transcendence initiated by overly aggressive ex-
cutives have also often ended tragically. The author, an eminent legal scholar, looks
to history for guidance about the possible direction for contemporary reform initia-
tives. Beginning with the failure of Jay Cooke & Company and running through the
more recent misadventures of Enron and World Com, his sparkling narrative details
the institutional factors that have kept the Icaran spirit alive in some corporate boardrooms.

Competition is the second factor that activates the “Icaran Effect.” It provides a powerful rationale for business leaders to undertake risky projects. The decay of once-flourishing markets because of the encroachment of new competitors compels top managements to search for new opportunities for assuring the profitable deployment of enterprise resources. Moreover, the ability of U.S. businesses to stabilize profits through market dominance has not represented a viable strategic option since the late nineteenth century because of the operation of antitrust laws. Although these circumstances benefit society by pressuring corporate leaders to innovate and to increase productivity, they also have a dark side. They can function as strong motivators for the unscrupulous to undertake excessive or fraudulent risk to stabilize firm economics and, thus, preserve their perquisites.

The third driver of Icaran behavior is embedded in the conditions of corporate size and complexity that reduces transparency and weakens the monitoring capabilities of stakeholders and fiduciary agents. Such media as annual reports and financial statements do not completely eliminate the informational asymmetries that place corporate insiders at significant advantage over external stakeholders. The evaluation of business developments through these documents becomes difficult because of the consolidation of a plethora of relatively stale information about corporate performance in diverse markets and international economies. Although the scope of informative disclosure has steadily increased, the interpretation of its significance remains elusive to the many who lack sufficient understanding of accounting standards. Moreover, the effectiveness of key fiduciary agents such as auditors and financial analysts, prior to advent of recent reforms, has been suspect because of conflict of interests that arose when their firms earned large incomes from providing lucrative complementary services such as consulting and underwriting.

Nor is Professor Skeel sanguine about the changes introduced in the Sarbanes-Oxley Act of 2002—reforms that relate primarily to only the first of the three Icaran drivers. For example, mandates that require management to make positive assertions about the adequacy of internal control Skeel worries may devolve into a mere formality with little probative value. Although the act increases the authority and responsibilities of independent board members, corporations still maintain significant influence over the oversight process by selecting auditors and paying for their services. In this latter instance the author argues that the power to appoint auditors and even financial analysts should be transferred to more independent agencies such as the stock exchanges. He also believes that shareholders should exercise greater power in nominating candidates in corporate board elections. Moreover, he favors an accounting rule requiring the expensing of options, a standard since adopted by the Financial Accounting Standards Board (FASB), which among other objectives presumably reduces the incentive for assuming excessive risks as a means for bolstering equity prices. He also worries about the vulnerability of middle-class investors to losses from unbridled corporate risk taking through the stock portfolios of their retirement funds and other savings vehicles.

Professor Skeel enumerates other reforms for curtailing Icaran proclivities that thrive in a corporate environment characterized by extensive competition and unit complexity and size. In his view these circumstances have not received sufficient attention in public policy debates during recent decades because of widespread deregulation and tepid antitrust enforcement. To forewarn investors of the potential economic dislocations (such as those reflected in the recent experience of telecommunications and natural gas) that may result from the freeing up of markets, he believes that com-
panies in deregulating industries should prepare business impact studies that identify likely future risks. To protect retirees he thinks that government should mandate portfolio diversification rules and establish insurance programs against catastrophic investment loss. To curb the opportunities for incurring excessive risk, he favors the imposition of reserve requirements, similar to those imposed in banking, for companies employing strategies that rely heavily on derivatives and other highly leveraged contracts. To reduce complexity he believes that the transparency and governance of derivative market activity should be increased. In a similar vein he calls also for the clearer accounting rules (subsequently addressed in FASB Interpretation 46) and legal restrictions on special purpose entities, which have been used abusively to hide corporate indebtedness.

Not all of the recommendations for reform, however, seem entirely persuasive. The stock market investment insurance proposal, for example, seems inequitable and also raises a question whether it might be counterproductive by actually inducing Icaran behavior. It is not clear why society should be called upon to bear the costs of insuring retirement portfolios that in recent years have increasingly been made up of relatively volatile stock investments when an alternative mode of financing through low-risk, fixed-income instruments has been the norm for centuries. Moreover, investors may reduce at low cost the risks inherent in their portfolios through diversification, hedging strategies, and derivatives. Retirement portfolio insurance may also create a potential moral hazard by encouraging management to engage in more risky business behavior because of the perceived protection it affords investors against catastrophic losses.

The study emphasizes outcomes and reforms but says little about process. What remains opaque is the nature of the interplay between political, economic, professional, and other environmental factors that placed constraints on the evolution of corporate governance institutions. The role of these contextual elements in explaining why effective oversight historically has proved so elusive might have been clarified had the study made use of such well-known analytical constructs as Louis Galambos’s “triocracy” or Hugh Heclo’s “issue networks.”

Many of the proposed reforms seem to run counter to the risk taking that Schumpeter and others have long argued is the essence of capitalist endeavor. From the Schumpeterian perspective the quest for higher output and greater efficiency responded to a process of “creative destruction.” The redeployment of the resources from failed business to more promising ventures contributed to economic progress and uplift. The danger of regulatory extension involved the adverse effects it might have on efficiency. It could stultify entrepreneurial pursuits by imposing higher transaction costs and slowing market adjustment processes. Whereas the analysis addresses this trade off in a general qualitative way, its usefulness as guide for policy is diminished by not specifying precisely the likely costs and benefits.

What also remains unexplored is the influence of globalization of business and finance on regulation. The analysis is largely U.S. centric. But financial capital and the attendant problems of business oversight remain unconstrained by national boundaries. International financial markets compete aggressively to attract the custom of multinational enterprises by reducing transaction costs and regulatory burdens. Such competition creates opportunities for the Icaran manager to arbitrage between global corporate governance regimes. The effective implementation of the type of reforms that Professor Steed favors would also require a high degree of global regulatory cooperation and convergence.

PAUL MIRANTI, Rutgers Business School
Academics and the popular press have showered attention on the history of school desegregation and busing in Boston’s public schools and elsewhere. *The Elusive Ideal* provides much-needed context for understanding the events in Boston and, in so doing, provides a useful history of federal education policy. The book weaves together a general discussion of the history and politics of federal policy for elementary and secondary education with details of how various local officials in Boston, as well as parents and community leaders responded to the federal programs. The story of federal aid to local schools begins in the 1950s with ostensibly national-defense-related programs, aid for areas with large numbers of federal employees and, following the launch of Sputnik in 1957, the National Defense Education Act. Boston briefly debated whether accepting such aid would result in the loss of local control. In the end, financial pressures proved too great, and the district decided to pursue federal funds wholeheartedly in the decades since.

The federal role expanded substantially in the 1960s, both in terms of dollars spent and the pursuit of specific goals, primarily improving educational opportunities for disadvantaged children (including mentally and physically, as well as learning disabled, emotionally disturbed, language deficient, economically disadvantaged, and minority children). A major theme of the book is a debate that pervades discussions of the many programs for educationally disadvantaged children: Should those with “special needs” be integrated into the normal classroom environment with supportive services or taught in separate classrooms (and possibly separate schools) with curricula and teachers tailored to their particular needs? At first, this debate was purely pedagogical. But once racial balance became an important goal (indeed, a requirement under Massachusetts law, the federal Civil Rights Act, and the rulings of federal courts), new and existing programs for disadvantaged students, who were disproportionately minority, came into direct conflict with racial balance.

Some scholars have argued that the Civil Rights Act of 1964 combined with the Elementary and Secondary Education Act of 1965 (ESEA), which substantially expanded potential federal funding available to local school districts, may have promoted school desegregation in the South (Rosenberg, *The Hollow Hope*, University of Chicago Press: 1991; Boozer, Krueger, and Wolkon, “Race and School Quality Since Brown vs. Board of Education,” *Brookings Papers on Economic Activity: Microeconomic*, 1992: 269–326). In Boston and other Northern cities, on the other hand, the goals of ESEA and earlier programs for the mentally handicapped were in conflict with desegregation. An emphasis on providing students with special needs with special isolated learning environments had exacerbated racial segregation in schools due to underlying patterns of residential segregation (and some would argue, discriminatory drawing of attendance zones). Concentrating students who qualified for special federal programs, including poor students who qualified for Title I of ESEA, in the same schools and classrooms inevitably lead to racial segregation, but such a concentration of students made targeting funds more effective. Nelson shows that minority students were placed in special programs (not least, bilingual education programs, which were sometimes in separate schools) at a higher rate than whites, but it is difficult to infer the magnitude of such programs’ contribution to overall school segregation relative to the contribution of other factors, in particular residential segregation.

Another of the book’s recurring themes will be of great interest to economists—the story is rife with local officials and advocates responding to incentives (intended and
unintended) in the federal funding formulas and other policies. Local officials consistently attempted to classify as many students as possible in categories that qualify for extra funding. Such responses brought the usual problems: higher-than-expected costs for new programs and undermining the intended targeting. In many cases, these reclassifications may have had longer-term effects on thinking about disadvantage and disability. Chapter two describes how Boston pursued an aggressive strategy of redefining poverty as a disability, for which federal funds were available, before ESEA funding was available specifically for economically disadvantaged children. On the one hand, this strategy brought additional funding into a financially struggling district; but on the other hand, it led inevitably to high rates of disability diagnoses among minorities, setting the stage for a decades-long debate about racial bias in diagnosis of disability.

In places, Nelson indicates that proponents of “isolated” programs genuinely believed that such an approach benefited disadvantaged and “normal” students alike, but one wonders whether some hoped to use the programs simply as a way to remove minority students from whites’ classrooms. The book would benefit from some discussion of this concern. The book documents massive increases in the number of special education students and the accompanying explosion of spending as well as concerns about racial bias in screening for special education and over-diagnosis, but it does not assess the educational consequences of these extensive changes for students. Credible studies of the effects of such programs are scarce, and the book is not intended as an economic “policy evaluation,” but it appears that a large number of students (whether they were truly disabled or not) were moved to expensive special education classes. Did anyone argue (or is there any evidence) that extra resources, such as smaller classes and more highly trained teachers, would be helpful even if the students did not actually require special education? Given the extent to which the district “gamed the system,” one might expect schools to enroll marginally disabled students in “special education classes” (garnering reimbursement from the state and federal government) without pursuing special education curricula (amounting to a small regular class).

The Elusive Ideal is a well-researched history of the evolution of policies for and approaches to educating children with special educational needs. Although the book concentrates on Boston’s story, its lessons are more general. It will be of great interest to historians and economists who study the development and effects of educational policy in the United States.

SARAH J. REBER, University of California, Los Angeles

GENERAL AND MISCELLANEOUS


Imperfect Institutions attempts to analyze why institutions that prompt economic backwardness emerge and persist, to suggest how to reform or recast such institutions, and in the process to educate readers about the ways and accomplishments of the new institutional economics. It only partially achieves its goals, in part because it is written opaque and in part because how economic institutions are created and what they do are both incompletely understood.

Chapters 1 and 2 integrate new institutional economics with a history of modern growth theory to illustrate the importance of institutions. This section begins with the
familiar idea that a country’s income can be located in production possibility frontier (ppf) space (it would be helpful also to mention the conceptually distinct consumption possibility frontier), so that any country’s income inadequacy can be attributed to being inside (or at the wrong place on) its ppf, or to not shifting its ppf outward rapidly enough because it is not accumulating productive resources or technology rapidly enough. The explanation overlooked by standard growth theory of how such inadequate income growth can occur is inadequate or dysfunctional institutions. The classic approach of governments of both more- and less-developed economies is to distort relative prices, and thus resource allocation, with subsidies, taxes, and quotas. The author tries to be all inclusive and moderately rigorous, but the result is both too detailed and at the same time glaringly incomplete. Thrainn Eggertsson's history of growth theory should have focused clearly on modern growth theories' excessive reliance on an automatically implementing economy and neglect of personal incentives and of institutional constraints and manipulations that influence growth rates and outcomes. The last, the role of institutions in growth, not the author's rehash of modern growth theory, is the novel and important part of his story.

When Imperfect Institutions gets around to discussing institutions and growth, it is pretty sensible. Technical production technologies determine what's possible to produce, and technologies are public goods available to all. But social technologies govern how institutions facilitate or impede adoption of new production technologies. And inappropriate or inadequate social technologies are not easily displaced, for displacement frequently disadvantages influential members of the current society, requires resolution of deep political conflicts, or requires significant changes in behavior or tolerance levels by many. And, one should add, what social technology would be appropriate may not be known and may be in no one person's interest to discover, if the gain to the individual appears small and the new institution's triumph uncertain. Disadvantaged influential members of society blocking adoption of a new social technology should be able to be bought out by those advantaged by it (this ability defines whether the new technology is Pareto-beneficial or not), but may not be able to strike such a deal because the winners from the new technology are uncertain or cannot credibly promise to pay. Power-shifting political changes are notoriously difficult to accomplish peacefully, because after power is shifted the newly empowered are hard to restrain (think of Pinochet ceding political power to the people in Chile, who then sought to punish him). If others must accommodate the new social technology and their compliance is doubtful, then inertia, though lamented by those who favor change, likely will prevail.

This is old stuff, generally lifted from the past 30 years' thinking on public choice. But now Imperfect Institutions adds less-studied fillips, that crises and fashion prompt new social technologies that may not be effective: “Dysfunctional social technologies often gain popularity while the riding [going] appears to be good, whereas random shocks [or changing fashion] can create panic and . . . do away with relatively effective social arrangements” (p. 32). In the end, Imperfect Institutions concludes that “[s]ocial institutions rise and fall because of changes in the political balance, new material circumstances, or the changing fortunes of social models” (p. 36).

After somewhat unconvincing and sometimes meandering discussions of the alleged cycling of social technologies and of long waves in economic activity, Imperfect Institutions argues that there are regularities in the social technologies of traditional societies, namely, they “attempt to lower the cost of dangerous risks from nature and other sources” (p. 47), but then linger on (sustained by fashion or a winning political coalition) to block or make tenuous the adoption of new social technologies that might better facilitate prosperity. To illustrate, the author presents an interesting case study of
Iceland’s archaic labor rules, which impoverished farming and retarded development of coastal fisheries because a benefited minority coalition saw no way it could be compensated for permitting Iceland’s farmers to fish (pp. 99–124). This long-lived episode and others recounted in the book underscore the necessity of finding propitious moments and strong levers to move economies from impoverishing to prosperity-enabling social institutions.

With the author, I am convinced that inappropriate institutions and strong private incentives that overwhelm dispersed public benefits explain most impoverishing institutions and practices in both more- and less-developed countries. I share the author’s beliefs that shocks and changed fashions often prompt changes in social institutions (think of the impact that the Great Depression had on commercial law in the United States, or that the Progressive belief—deprivation prompts depravity—had on criminal law), and wish that he had devoted more attention to thinking about how to take advantage of such times of change. In the end, the author summarizes much sensible thinking about how social institutions hinder or help economies, but he presents it in such a confusing manner that I gleaned few insights toward a remedy for bad institutions.

JOSEPH D. REID JR., George Mason University


_The English Gentleman at Work_, a close study of the private Eurasian trade of East India Company servants in early Madras, sets out to do many things: to treat these traders on their own terms, apart from their roles as company employees or in the growth of the British Empire in India; to challenge a prevailing “indocentric” (p. 281) approach to this history by insisting that London capital and its networks were far more important to this trade than “local” factors; to envision Asia and the Atlantic as part of one culturally and commercially coherent early modern British empire; and to challenge our existing notions about the relationship between the English East India Company and its servants’ private commercial activities. The glue that cements these arguments—and the merchant communities of Madras and London for that matter—is the idea of “gentlemanly capitalism,” the complementary relationship between financial interest and cultural values and behavior that P. J. Cain and A. G. Hopkins have identified as the fundament of modern British imperial expansion. For Søren Mentz, the Englishman in Madras was never an immigrant to India, but always as an inseparable part of a global community of Britons in “diaspora.”

Consciously avoiding the usual reliance on the company’s archives, which can often be misleading on the subject of private trade, Mentz has mined collections of papers in various locations in England (and a few in Scotland), including the multivolume account and letter books of Madras Governor Thomas “Diamond” Pitt, the interloper-turned-Madras-governor and patriarch of the famous eighteenth-century British political family. While this seems to skew his findings towards the serendipity of the extant sources, the research here certainly persuade that connections to London, and the financial and epistolary instruments that maintained those relationships, were critical for establishing and sustaining an English private trader in Madras. It also importantly humanizes these traders, who appear here neither as rapacious proto-imperialists nor as impudent bunglers but as men, and a few women, who went great distances and put
themselves to great personal and financial risks to make a profit, while never separating themselves from the culture and communities at home.

Unfortunately, the more sweeping claims in this book do not always go as far or as deep as one might hope. The issue perhaps most interesting for the nonspecialist is the notion that the British activities in the Americas and Asia can be seen as part of one early British empire. This is a welcome intervention, as the British Atlantic and Asia continue unnecessarily to be treated as distinct, the former supposedly germane to a “first” British empire of settlement and the latter to a “second” British empire of conquest. This book does show some apt parallels between trade in the American colonies and Madras, yet sometimes the argument is undercut by the inclusion of some more superficial resemblances, such as the comparison between “absentee landlords” and slave owners in the Caribbean and “absentee” former company servants with assets in trust back in India (pp. 278–79). More importantly, it seems that an argument about a “cultural unity” that links the British empire into one “common historical process” (p. 262) would demand exploring that process further, through not just comparisons but communications, interactions, and integrations, such as the American connections of two Madras governors from this period, Elihu Yale and Nathaniel Higginson, both native New Englanders. Of course, such an approach may be precluded prima facie by Mentz’s vision, like that of Cain and Hopkins, of a British Empire that is by nature centripetal, with “peripheries” linked directly and primarily to a clear financial and cultural metropolitan “core,” what Mentz often calls the “mother country.”

Furthermore, in emphasizing the coherence of the diaspora, this book underemphasizes the confessional, political, commercial, and personal fissures, such as those between company servants and interlopers, that often arose within that community. Exposing these would not contradict the argument here but complicate and perhaps complement it, revealing how “gentility” and “capitalism” might persist and transform within an Anglo-Indian context. Conversely, this book may also have passed over opportunities for enriching its occasionally modest description of the reproduction of the English cultural context at Madras by exploring that city’s civic institutions, such as the Anglican church vestry or the city corporation. Finally, it is worth observing that the power and authority of the argument is occasionally hindered by inherently minor editorial mishaps or mistakes. For example, we find Yale’s fortune going to a university in Boston, not Connecticut (p. 224), and company governor Josiah Child (who actually spelled his own name Josia) appearing on more than one occasion as Joshia.

As a history of private trade in Madras, this book documents the underestimated importance of London in the life of private traders in Madras. In his broader suggestions, Mentz seems to have intuited some crucial observations about communities of Britons abroad in this period and the nature of the early modern British Empire. That the book does not seem to develop these ideas as thoroughly as one might hope is frustrating, but it is also testimony to the exciting potential of the ideas in the first place.

PHILIP J. STERN, American University


Global Perspectives is an edited volume on a very old topic, the history of industrialization in the American South. In keeping with current fashion, the contributors gen-
generally work hard (and sometimes succeed) at embedding their analyses in a “global” context.

After a brief introduction by the editors, Stanley Engerman concisely offers his thoughts on “Southern Industrialization: Myths and Realities.” Readers of this journal will find this essay to be familiar terrain. The antebellum South’s low level of industrialization compared with the Northeast was not due to a failure of markets or policy but rather, was due to the relatively high productivity of its agriculture, particularly that of slave labor. If the South had been a separate economy, it would have been among the richest and most industrialized in the world at the time. Emancipation and the Civil War were jarring, and the postwar economic adjustment was difficult, causing a once and for all decline in income. Allowing for this adjustment, the southern per capita growth rate was about the same before and after the war as in the North. The South failed to catch up to the North after the War primarily because the latter was a rapidly moving target.

Emma Hart analyzes the economic structure of Colonial Charleston. Rather than just a sleepy backwater serving as a way station for plantation crops, there were striking similarities in economic structure between Charleston and various provincial towns in England. In particular, Charleston possessed a nascent manufacturing industry specializing in artisan production of consumer goods for wealthy white households. Some of these artisan shops, notably in furniture, appear to be as complex in organization as any in England. Bruce Schoen examines how cotton producers in the South sought “independence” from the northern dominance in capital markets and commerce by, perhaps paradoxically, believing in free trade. Southern cotton, the theory goes, would eventually become so important to British and European economic interests that they would be useful allies to southern causes. Cotton, too, could generate wealth that eventually could be used to fuel industrial development.

The next two chapters make explicit two-way comparisons between the American South and “backward” regions in other countries. After briefly summarizing the views of this reviewer (among others) on southern backwardness, Shearer Davis Bowman compares the southern experience with that of East Elbian provinces in Prussia, which also relied on bound labor, albeit of a different kind, in agriculture. Instead of drawing sharp comparisons between “backward” and “advanced” regions within countries to the detriment of the former, Bowman argues for a nuanced interpretation that sees complementarities as nation-states in the nineteenth century strived to confront the economic pressures on existing institutions brought by an ever widening global economy in the wake of declining international transport costs and growing international trade. An essay by one of the editors, Susanna Delfino, investigates how ideas of backwardness became central to the perceptions of the economic experience of the southern United States and of southern Italy. In both cases, there were cataclysmic events—the Civil War and Italian Unification—that constitute a “bright line” after which North-South divergence became increasingly obvious and therefore a matter of public commentary and public policy.

Somewhat in opposition to the global thrust of the volume, John Majewski and Viken Tchakerian maintain a within-country framework but rather than using the entire North as the “control” group, they limit comparisons of the South to the Midwest. Majewski and Tchakerian argue that the primary reasons why the South appeared to lag behind in industrialization had nothing to do with a failure to respond to market incentives but rather was a consequence of low market density, particularly in rural areas. Here they place the blame largely on soil and climate, with slavery playing a supporting role. Southern climate and, especially it seems, soil quality made it optimal to hold more farmland in an unimproved state; the lower the ratio of improved to unim-
proved acreage, the lower the population density, and hence the lesser the ability to sustained greater levels of industrialization.

Two chapters focus on southern textiles. True to the book’s objectives, David Carlton and Peter Cochlanis offer a concise treatment of the growth of global textile industry and the South’s place—or rather, lack thereof—in it. Although southern textiles began to growth rapidly after 1880, the industry’s market remained domestic. Eventually, as global transport costs and barriers to trade eroded, the South, which had a comparative advantage within the United States, lost out to the rest of the world where costs were much lower. Beth Daniels continues the analysis of southern textiles in her chapter, offering further insights into the growth of that industry. She argues that textile capital was attracted to the South in the late nineteenth century by a confluence of factors: low wages, the absence of labor agitation and state labor legislation, and the willingness of southern legislatures to offer tax and other incentives to attract industry. The final chapter, by Erin Elizabeth Clune, draws on the recent spate of “whiteness” studies to examine the racial ideology behind the New South’s largely unsuccessful attempt to expand immigration in the early twentieth century.

Like many edited volumes, Global Perspectives is a mixed bag. The “globalization” metaphor that attempts to link the various chapters is never really defended at length and, as a result, seems strained at times. Certain chapters, particularly Majewski and Tcharkerian’s, would have benefited from some rudimentary econometric analysis. Other the other hand, it is good to see a new generation of scholars, particularly historians, grappling with some of the grander questions of American economic history in a manner that does not disparage out of hand the work of cliometricians. One cannot help but smile (in gratitude) when the editors write “[d]uring the past half century the traditional understanding and interpretation of the history of the American South . . . have undergone major . . . revisions. This season of reappraisals and revisitations owe[s] much to the economic historians of the cliometrics school, to whom all historians of the South should be indebted[.] (p. 1)"

ROBERT A. MARGO, Boston University and NBER


August 2005 marked the tenth annual gathering of Bernard Bailyn’s Atlantic History Seminar at Harvard University. This book is a gift from the convener of the seminar to all who have participated over the years, a kind of festschrift in reverse. Bailyn has not only organized the seminar and obtained the funding for it but served as its doyen. Although he may not have invented the phrase “Atlantic history,” he certainly propagated it. His is one of the names that will forever be associated with the concept’s florescence, just as he is one of the vanguard that made the subject of early American history in all its facets a prominent part of the discipline of history in the twentieth century. Thus it is only fit that he take this opportunity to sum things up so far.

For readers of this JOURNAL it needs be remembered that Bailyn is not only an authority on the social, cultural, and intellectual history of colonial America but also an especially important contributor to the study of its economy. His doctoral dissertation, subsequently published as The New England Merchants in the Seventeenth Century (Cambridge, MA: Harvard University Press, 1955), is still to be read with profit and is still in print 50 years on; one of his first articles appeared in the pages of this JOURNAL.
Book Reviews

(“Communications and Trade: The Atlantic in the Seventeenth Century” 13, no. 4 [1953]: 378–87); his second book, written with Lotte Bailyn, has a claim to being the earliest venture into computerized, quantitative economic history (Massachusetts Shipping, 1697–1714: A Statistical Study. [Cambridge, MA: Belknap Press of Harvard University Press, 1959]); he has published one of the most important books on eighteenth-century immigration history (The Peopling of British North America: An Introduction. [New York: Alfred A. Knopf, 1986]); and he was a force behind a major conference staged in Williamsburg, Virginia, in October 1980 that identified Needs and Opportunities for the Study of the Economy of British America. Thus his summary thoughts on the subject of early modern Atlantic History have more than passing interest for economic historians.

Bernard Bailyn, as might be expected, scores a point or two in this short, insightful, and exciting book. In the first part he traces the origins and development of the concept of the “Atlantic world,” locating its beginnings at the start of the twentieth century with the appeal at the time of the First World War for a greater awareness of the Atlantic community. One important element in the post–World War II growth of the idea was, he points out, the development among economic historians of a comparative, transatlantic, and ultimately world-wide orientation in their studies of the early modern era (pp. 44–48). As Bailyn argues even the most local of developments takes on a different coloration, a more subtle hue, when viewed through an Atlantic lens.

Thus in his second chapter it is the economy that Bailyn identifies as one of the more formative elements when the Atlantic world emerged from its long, initial period of barbaric warfare into a phase of “development,” “integration,” and “stability” (p. 81). He considers the dynamic Atlantic commercial economy as the chief integrating force of that Atlantic world: “When tobacco and sugar prices rose in European markets, production expanded in plantations 3,000 miles away, new areas of cultivation were opened up, and the need for plantation labor, slave and free, increased accordingly.” Integral to the tobacco and sugar industries, arguably the key enterprises in the New World, was their need for steadily larger numbers of slaves, making enslaved Africans and the trade that provided them “fundamental to the entire Atlantic economy” and thus fundamental to the Atlantic world (pp. 93, 94). Creole leaders—“American-born, of European ancestry”—enriched by the developing economy, grew proud, powerful, restive, and revolutionary in their thinking about every aspect of their world. Sharing in the enlightened vision of the Atlantic community, they sought to throw off first the chains of colonial status for themselves and, eventually, the chains of enslavement for their black fellow creoles.

JOHN J. MCCUSKER, Trinity University


Their mothers were servants of the rich; they were servants of the poor. Their mothers were maids. They were Irish-American teachers at the turn of the twentieth century. They are the subject of Servants of the Poor.

Janet Nolan intends to use the perspectives of students and teachers to demonstrate that the role of Irish American teachers in Irish American upward mobility has been understated and to establish that rapid growth of Irish American women’s share of the teaching force is evidence that the Americanization of the Irish occurred faster than
previously shown. She proposes to do so without significant statistical analysis. And she intends her comparative study of Ireland and the United States to help fill the shortage of comparative studies in education history. In keeping with the contemporary fashion, she has chosen a regional study of three cities rather than an overview of the entire migration to the United States.

Her cities—Boston, Chicago, and San Francisco—are exceptional, not representative. They all had large Irish populations, were regional centers, and had the highest percentage of Irish American female teachers. Thus, they are the cream, not the norm. Nolan chose them because she was born in San Francisco, grew up close to Boston, and teaches in Chicago. She is a former teacher, as are her parents.

This work argues that upward mobility for Irish Americans in the late nineteenth and early twentieth centuries came about because Irish women, influenced by their immigrant mothers’ respect for the education they’d received in Ireland, became school teachers. Two chapters discuss Irish education, mostly in the nineteenth century, from both the students’ and teachers’ perspectives. These chapters are strong in showing how the educational system prepared Irish girls for a life of housewifery and how the domestic skills gained in Irish schools allowed young Irish women to find work as domestics in the United States after they emigrated from an Irish economy that was unable to absorb them.

The chapters on the United States, the bulk of the work, are somewhat weaker. The chapter on Boston deals mostly with the growth of the public school system prior to the period under examination. The years between 1880 and 1920, when the Irish teachers were coming to dominate teaching in the elementary schools, receive only a few pages and a few examples. This chapter could use some hard numbers showing an increase in Irish American teacher incomes or other measures of rising standards of living and economic class. Some correlation between teachers’ status and Irish immigrant status overall should be in order in a chapter that intends to show Irish women teachers leading Irish Americans upward in status.

The other two chapters are stronger, but, rather than showing Irish American teachers pulling their community up economically, the focus is more on the plight of Irish American Catholic teachers in a Protestant environment and the inability of teachers to rise into the ranks of school administration. Nolan repeatedly shows conflict between her normal school–educated elementary teachers and the mostly male, mostly college-educated professional administrators, but she does not indicate that administrators prevented further increases in status on the part of her teachers. Nolan downplays the possibility that the lack of advanced education played a roll in keeping Irish-American teachers in the elementary classroom instead of in the administrative offices of what were quite large school systems.

Nolan writes narrative history, relying heavily on anecdotal evidence including interviews and letters and unpublished memoirs. She also uses public records of the school boards and such of the three cities she uses to bolster her argument. And she uses secondary sources. In this regard, the research and documentation are good. That said, Nolan weakens her argument by selecting an unrepresentative sample, and her decision not to quantify leaves her argument for upward mobility resting on only a handful of personal experiences. It would have been helpful to provide at least a couple of tables showing improved status over time for both teachers and the general Irish-American population.

Without hard numbers, it is difficult to illustrate the economic and social rise of Irish men that the Irish teachers supposedly brought about. Is it possible that factors other than the teachers allowed Irish men to dominate the Catholic Church hierarchy, become bosses in her three cities and many others, or make fortunes in contracting and
other businesses? Most of the men in Nolan’s story are either Protestant elitist admin-
istrators or the descendents of her teachers.

On the positive side, she does use numbers to show the increases in school popula-
tions through the nineteenth century, even if she does not use many numbers to show
how teachers’ incomes compare to those of maids or other workers.

Nolan has produced an interesting book, but she attempts to do too much for the
limited number of pages and perhaps the limited base of evidence. By eschewing a
quantitative component, she made the task of proving her thesis much more difficult
than it might have been. She has, however, shown the need for more work on the sig-
nificant role played by Irish-educated Irish-American maids and their elementary
school teacher daughters.

JOHN H. BARNHILL, Houston, Texas

Vor der großen Flut: Die europäische Migration in die Vereinigten Staaten von
Pp. 458. € 71.

“Before the Great Flood,” is one of a number of recent contributions to the study of
immigration to the United States in the era before 1820. Like Marianne Wokeck’s
study, (Trade in Strangers: The Beginnings of Mass Migration to North America.
University Park: Pennsylvania State University Press, 1999), it takes advantage of
primary sources to delve deeply into the nature of early U.S. immigration. Hans-
Jürgen Grabbe draws on records written in English, Dutch, German, and French from
numerous archives in North America, Britain, Germany, and the Netherlands. This
book, covering European migration to the U.S. from 1783 to 1820, picks up approxi-
mately where Wokeck’s work ends. As the author explains, research on this time pe-
riod has suffered for lack of passenger ship records for U.S. ports, on which scholars
have drawn for subsequent periods. The work usefully mobilizes a disparate set of
primary sources, among others newspapers, contemporary reports, pilot reports, iso-
lated passenger ship lists, consular documents, and travel diaries.

The first two chapters provide an accounting of the number of immigrants who
came to the United States, broken down by year and national origin. With the excep-
tion of Henry Gemery’s estimation (“European Emigration to North America, 1700–
1820: Numbers and Quasi-Numbers.” Perspectives in American History, New Series,
1 [1984]: 283–343), Grabbe argues, previous scholars have mostly underestimated
how many early immigrants the United States received, particularly between 1783 and
1820. He first estimates immigration to Philadelphia and the Delaware region, because
this area constituted the most important migrant-receiving region and also uniquely of-
fers sufficient documentation from various health and port authorities to allow reliable
measures.

Chapter 2 analyzes the entire volume of immigration from 1783 to 1820. Table 13
(pp. 93–94) gives the overall figure of 364,360 migrants to the United States. While
the estimates for immigration to the Philadelphia/Delaware region are most reliable,
this second set, based on both primary and secondary sources, is probably fairly close
to the true figures. Cautioning that future careful studies of different ethnic groups and
commercial activities at American harbors may provide some corrections, Grabbe im-
plies that he cares more about seeking the historical truth than about just getting the
numbers right. Besides a new set of migration statistics, these first chapters yield in-
teresting conclusions: Irish immigration was mostly from Northern Ireland, and thus
most likely heavily Protestant; estimates of the immigrants who passed through Nova Scotia or Newfoundland on their way to the United States show that most came out of Ireland; several scholars have actually overstated the emigration of some ethnic groups, particularly the Germans and Irish, as shown by Grabbe’s more precise reckoning in table 13.

The remainder of the book devotes chapters to the confluence of international trade and overseas migration, the economic conditions migrants faced at home and in North America, the involvement of the state in emigration and immigration, and the demise of the redemptioner system. Grabbe’s work conveys real understanding of the economic, social, and legal conditions migrants faced in these years. The multitude of sources yields all kinds of information about the practical aspects of long-distance movement before 1820, and numerous examples of actual emigrants and their experiences are used for illustrative purposes. I highlight a few major points below.

Chapter 5 discusses the involvement of the state in migration movements. Many European states discouraged or outlawed migration to a foreign country. Various Dutch and German sources serve to assess the rigidity with which authorities enforced existing migration restrictions, notably prior to the mid-nineteenth century, when many more Europeans gained the legal right to leave their homelands. One particularly interesting result is that in years when Dutch and German authorities tried to enforce emigration rules effectively, the percentage of adult women and children among the emigration cohort fell. Grabbe argues that men moving by themselves could more easily leave and travel, drawing less attention. He also covers the various British emigration laws of the late eighteenth and early nineteenth centuries, which largely tried to prevent skilled workers from leaving. A decline in the number of British immigrants arriving in the United States in 1803 is partly explained by the British 1803 Passenger Act, which restricted the number of migrants on a ship to one per two tons of cargo on British ships and one per five tons of cargo on foreign ships.

The final chapter discusses the decline in the use of redemptioner and indentured servitude contracts. Grabbe attributes this to several factors: increasing sympathy in U.S. courts for indebted immigrants; the rise of New York as the harbor of choice, displacing Philadelphia; the increasing place of factories in industrial production, drastically altering the demand for long-term labor contracts, notably apprenticeships; and a shift in cultural values regarding white servitude. Unlike the case in Philadelphia, New York’s antipoverty laws in the early nineteenth century discouraged ship captains from selling indenture contracts. While very interesting, this last chapter cites, but unfortunately does not directly engage, the key arguments of economic historians David Galenson and Farley Grubb, among others, regarding the demise of the redemptioner and indentured servant markets around 1820. Galenson (“The Rise and Fall of Indentured Servitude in the Americas. This JOURNAL 44, no. 1 [1984]: 1–25) emphasizes the fall in passage cost as instrumental. Grubb (“The End of European Immigrant Servitude in the United States: An Economic Analysis of Market Collapse.” This JOURNAL 54, no. 4 (1994): 794–824), on the other hand, stresses that by 1820 more emigrants were using savings or borrowing from family and friends to prepay their tickets.

Grabbe shows in this work how political and economic changes in this formative period of the United States altered the nature of migration. Migration scholars will appreciate Grabbe’s painstaking explanations in the first two chapters of his sources, the assumptions he made, and how reliable his figures are. A highly abridged version of material from these first few chapters can be found in English in a previous article by Grabbe in the Proceedings of the American Philosophical Society, (“European Immigration to the United States in the Early National Period, 1783–1820.” 133, no. 2,
Still, the author may want to think about having his book translated into English so as to reach a wider audience of scholars. Overall, Grabbe’s work is an impressive and very useful addition to the literature on historical migration on which readers of German will want to draw for their own research.

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