

Capitalism, Politics, and Railroads in Jacksonian New England. By *Michael J. Connolly*. Columbia: University of Missouri Press, 2003. ix + 210 pp. Bibliography, notes, index. Cloth, \$44.95. ISBN: 0-826-21499-1.

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If the Jacksonian period in American history was the era of the common man, it also gave rise to the common man's nemesis: the railroad corporation. During the 1830s and 1840s, railroads continued what George Rogers Taylor termed "the transportation revolution," which started with a short-lived boom in canal construction after the War of 1812 (*The Transportation Revolution, 1815–1860* [1951]). The Transportation Revolution—especially its railroad component—altered the economic geography of the United States. Railroads provided cheap, rapid transportation of bulk commodities, merchandise, and people over long distances, using technologies relatively unaffected by the seasonal weather patterns of spring flood, summer drought, and winter freeze that limited the usefulness of canal systems. Antebellum railroads were the harbingers of a capitalistic economy based on national markets, which undermined the traditional market economies of self-sufficient communities that Jacksonians sought to preserve.

The fact that railroads were, for the most part, private corporations chartered by state governments and empowered to take other people's property under eminent domain created a paradox for a nation supposedly founded on the independent farmer or artisan. Granted that railroads served a public good by spurring economic development, a relatively few stockholders stood to profit most as individuals from the largesse of a state charter. Was it fair to deny the individuals over whose property the rails were to pass the opportunity to profit from the sale of that property? Indeed, was it proper to force them to sell at any price? Political conflict over the answers to these questions sparked a "Railroad War" in New Hampshire during the early 1840s (p. 18).

In *Capitalism, Politics, and Railroads in Jacksonian New England*, Michael Connolly explores the resistance by New Hampshire Jacksonians to eminent domain in railroad charters that sparked the Railroad War. The object of Connolly's analysis is geographically small and politically unique, but he places it in the broad context of

opposition by Jacksonian Democrats to the centralized, national political economy propounded by the Whig party. Although Connolly observes that Jacksonian Democrats used capitalism as a pejorative label to differentiate Whig economic policy from their own, he argues that Jacksonian opposition was not anticapitalistic per se. “The economic aspects of the 1840s New Hampshire Railroad War were not over whether or not capitalism was preferable, but over what kind—liberal or illiberal—would dominate” (p. 74). Would a capitalistic system based on entrepreneurs and small markets give way, through Schumpeterian “creative destruction,” to a monopolistic one driven by metropolitan markets and “the west opened by railroads” (pp. 14–15)? More to the point, should governments aid the latter system to the detriment of the former by blurring the distinction between the public and private spheres? Connolly’s study offers important insights into the conflict about the extent of state authority over private rights and the role that conflict played in the political and economic debates of the antebellum period.

Jacksonian Democrats had dominated New Hampshire politics during the 1830s, but the Railroad War divided the political landscape into three major camps during the early 1840s. Whigs, strong proponents of a national market economy, favored legislation that encouraged railroad development at the expense of private rights. Jacksonian Democrats split into two groups: conservatives, who were generally favorable to business interests, and radicals, who opposed those interests. Radicals maintained strict adherence to Jacksonian anticorporation ideology in diametric opposition to the Whigs. Conservatives occupied the middle ground: they disagreed with Whig economic policy, but they also believed that access to New England’s growing railroad network was essential to the state’s future economic viability. The schism within the Democratic Party threatened its control of the state government. More important, the Democratic schism threatened the Party’s control of New Hampshire’s congressional delegation.

Under pressure from Washington to resolve their dispute, conservatives and radicals in the state legislature forged a compromise. In return for the power of eminent domain, New Hampshire’s Railroad Act of 1844 declared that railroads chartered in the state would be considered public institutions subject to regulation by a State Railroad Commission. The bill passed by an overwhelming majority and cleared the way for railroad corporations to exercise eminent domain in New Hampshire, while allowing

radical Democrats who supported it to claim that the Railroad Commission secured the people's rights.

The Railroad War was a war of words, and Connolly draws on a large body of contemporary sources, including newspapers and the private papers of prominent politicians and businessmen, to bring their language back to life. The words of the historical actors figure prominently in the text, as they should in a story about what those men thought, said, and did as they tried to find (or, in the case of the Whigs, prevent) a solution to the rancorous debates that threatened to destroy New Hampshire's Democratic hegemony. More important, however, Connolly draws on his sources to make a key point about Jacksonian Democrats: they possessed a more sophisticated understanding of the economic implications of the melding of public and private spheres than did the Whigs (p. 188). Jacksonian distrust of large, quasi-public corporations stemmed from a practical understanding of the threat such firms posed for liberal capitalism as much as from ideological concerns for the rights of the individual. Whigs, on the other hand, treated railroads as a technological panacea for the region's economic woes following the panic of 1837. The rhetoric of New Hampshire radicals against eminent domain for railroads suggests that they understood the concept of "creative destruction" a century before Schumpeter and felt that government should not meddle with it.

I believe Connolly's conclusion about the relative sophistication of Jacksonians and Whigs would have been strengthened had he treated the compromise Railroad Act of 1844 in the context of railroad regulation during the years following the Civil War. Monopolistic practices and arrogant disregard for public safety by railroads in neighboring Massachusetts led that state to create its "sunshine" railroad commission, headed by the founder of that state's old Whig Party, Charles Francis Adams, in 1867. Government regulation of railroads and other forms of corporate capitalism expanded thereafter as Republicans wrestled with the paradox created by their Whig predecessors. One has to wonder if the old New Hampshire radicals of the Jacksonian period had anything to say about hindsight as they watched the rise of Progressivism.

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