

ored when presented for payment the door was opened to complex litigation involving all endorsers of the bill. In contrast, bank notes were less risky because they required a single party (the bank) to honor its obligation. In the process of lending to merchants, bank notes displaced bills of exchange in their role of money, and as a byproduct banks reduced risk in transactions (pp. 7–9). Wright notes the importance of deference to ensuring that private debts would be honored in the Colonial period (pp. 77–79). Wright usefully describes how banks, by providing an institutional structure, helped to ensure that debtor and creditor rights and responsibilities were well defined after the Revolution. However, I disagree with Wright’s use of the term “social control” to describe this structure (pp. 80–82).

Chapter 4 contains much interesting information on the activities of early banks. Wright documents a reduction of lost-and-found ads for bills of exchange and promissory notes, and argues that after a bank was established in a particular location bank notes displaced these forms of money. Because sending bank notes through the mail for long-distance remittances was risky, banks began to issue “post notes,” a post-dated bank note, for which payment could be stopped if necessary. Citing records of individuals and corporations, Wright contends that the use of checks in the early nineteenth century was more common than many now think. Banks also provided accommodation (unsecured) loans to individuals, and since these loans were typically renewable, they provided a vehicle for longer-term credit.

Chapter 5 is in two parts. The first analyzes the loan and deposit customers of several early banks, and finds many women, minorities, Native Americans, and artisans. Wright concludes that early banks were more inclusive than many believe. The second part provides details of the use of ground rents as a method of financing the purchase of real estate. Ground rents were like mortgages but with the difference that the payment did not (necessarily) retire principal. These rents were essentially a consol, thus allowing the contracts to be traded like securities. Unfortunately, Wright does little to integrate this chapter into the rest of the book, and therefore it did not seem particularly essential.

In general this book is better at historical description than economic analysis. Wright characterizes quantitative evidence as a model of causation (p. 3), when in fact it is a tool for testing models. Chapter 4 presents data on lawsuits brought by banks against customers but fails to consider important nuances in their interpretation (for example, banks may be good at credit evaluation and would therefore have a smaller need for lawsuits compared to individual creditors). For an alternative example of an analysis of a shortage of money in Colonial America, I commend a study by Charles Calomiris (“Institutional Failure, Monetary Scarcity, and the Depreciation of the Continental.” This JOURNAL 48, no. 1 [1989]: 47–68).

Despite these shortcomings, the many useful facts and characterizations of early American banking make this book a significant contribution. I recommend it to those who wish to gain an understanding of the early development of the U.S. financial system.

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Transforming New Orleans and Its Environs: Centuries of Change. Edited by Craig E. Colten. Pittsburgh: University of Pittsburgh Press, 2000. Pp. x, 272. \$45.00, cloth; \$19.95, paper.

Collections of essays, even those organized around a common general theme, do not always cohere. That, emphatically, is not the case with respect to the essays in *Transforming New Orleans and Its Environs: Centuries of Change*, which originated in a 1998 conference on the impact of human settlement and activity on the Lower Mississippi

Valley. The volume's 12 essays and the accompanying introduction by the editor, Craig Colten, together make an integrated and valuable contribution to the fields of environmental history, economic history, and historical geography.

The book is organized around four chronologically ordered themes: the region's history during the period of early settlement by Indians and French settlers; nineteenth-century attempts to subordinate the natural environment for the benefit of the metropolis; the physical transformation of that environment as a consequence of the rapid urban growth of the first half of the twentieth century; and the biological and ecological reactions of the environment to urbanization and industrialization during the decades following World War II. Each of these themes is addressed in a section of the book, which begins with an incisive introduction by Colten.

Essays by Tristram R. Kidder and Christopher Morris in the book's first section make it clear that human activity first by the native population and then by French colonists profoundly affected the environment of what is now New Orleans, changing it to make it suitable for settlement. There was therefore nothing inevitable or "natural" about the site; rather it was modified, both deliberately and inadvertently by its inhabitants, who acted upon it while it acted upon them. The three essays in the book's second part examine the interaction between the natural and built environments of the New Orleans region, an interaction affected by a rapidly expanding steamboat traffic that moved ever larger quantities of cotton and manufactured goods up and down the Mississippi. This was a technology that, as Ari Kelman's essay shows, bit back.

By far the worst that the river could do, and did frequently, was to overflow its channel and the inadequate levees along its course. Such mammoth flooding, as George Pabis explains in one of the book's best essays, was a problem beyond the capacity of individuals, groups, or even Louisiana's state government to solve. The federal government's involvement with the river and its efforts to control it began with this realization before the Civil War and became an ongoing responsibility soon after it. Nineteenth-century levees were prone to catastrophic failures called crevasses, and the tabulation of these disasters provided by Donald W. Davis offers a sobering perspective on the history of human attempts to control nature.

By far the worst natural disaster to hit the New Orleans region was the flood of 1927, which overtook a densely populated urbanized area, crisscrossed by roads and railroads. To save the city and its immediate environs, New Orleans's civic leaders, with the support of the U.S. Army Corps of Engineers, decided to dynamite holes in the levee to divert the flood waters downstream from the city onto rural St. Bernard Parish. This decision, Gary Gomez demonstrates, reflected the economic and political power of the New Orleans elite.

As Todd Shallat shows in his delightful essay, similar thinking governed the decisions made in the early 1960s to prevent New Orleans flooding when the Army Corps built the Mississippi River Gulf Outlet, called "Mister Go." As matters turned out, Mister Go proved to be no defense against Hurricane Betsy, which inundated the city in 1965 and still devastated St. Bernard. The damage did not, however, discourage efforts to protect real estate development in flood-prone areas: the demographic and economic pressures on the land were irresistible.

The fourth section of the book deals with the environmental impact of the petrochemical industry, which has been the New Orleans region's modern engine of economic growth and development. No one, not even the industry's most ardent defenders, argues that air, soil, and water pollution are beneficial side-effects of petrochemical production, and the tone of the four essays in this section is decidedly critical. The section begins with Craig Colten's fine essay, titled appropriately enough "Too Much of a good Thing," which traces the vicissitudes of the region's fitful relationship with the industry. The other essays in this section, all worth careful reading, elaborate upon this theme. Raymond Burby provides a

brief historical overview of the industry's development, its unfortunate consequences for Baton Rouge, the state capital, and that city's largely unsuccessful efforts to deal with them. Detailed and rigorous examinations of the industry's impact on the larger region's human and fish populations are the subjects, respectively, of Barbara Allen's and H. L. Bart's essays.

Transforming New Orleans and Its Environs, essentially an historical environmental impact statement of the settlement and development of a region of the Deep South, is also a fine example of institutional economic history. Its editor and contributors are to be commended.

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Northern Naval Superiority and the Economics of the American Civil War. By David G. Surdam. Columbia: University of South Carolina Press, 2001. Pp. xxiv, 286. \$34.95.

The contribution of the blockade to Union victory during the American Civil War has long been controversial. Among those historians who have questioned the blockade's efficacy are Richard E. Beringer, Herman Hattaway, Archer Jones, William N. Still Jr., Raimondo Luraghi, Frank Lawrence Owsley, and Stephen R. Wise. They note that, until the war's last year, the blockade remained a leaky sieve and that the agrarian South never lost a major battle for lack of arms and ammunition. The blockade's scholarly advocates, including Edwin B. Coddington, Bern Anderson, and Stanley Lebergott, stress in contrast such indirect impacts as the disruption of internal trade, the over-taxing of southern railroads, and the dislocation of the Confederate economy overall.

Economic historian David Surdam has waded into this debate with a boldly conceived, valuable book employing more explicit theoretical models and greatly expanded data. Not confining himself to the blockade alone, Surdam makes four interrelated arguments: First, the blockade of southern ports imposed heavy burdens on the Confederacy at very low cost to the Union. Second, the blockade also precluded Confederate wielding of its near monopoly position in the international market for cotton. Third, the world demand for American cotton, contrary to previous findings, was not "destined for a severe downturn, whether temporary or permanent" (p. 150). Fourth, Union policies relating to cotton in occupied areas and trade across the lines weakened somewhat the blockade's effectiveness. None of these points, save the third, is entirely original, but Surdam's book certainly pumps up their quantitative muscle.

Surdam pursues the first argument by comparing the blockaded South with an ideal Confederate war effort facing no military barriers to trade with Europe or to transport over inland and coastal waterways. He is therefore able to corroborate Coddington's thesis that the blockade was responsible for the universally acknowledged wartime breakdown of the South's railways. Astronomically higher shipping costs and reduced tonnage—despite the continued success of blockade runners—also prevented construction of a Confederate navy, deprived civilians of many imported necessities, brought a region self-sufficient in foodstuffs to the verge of starvation, and thereby proved instrumental in undermining morale.

On the one hand, Surdam is to be applauded for his emphasis on logistics, a subject often neglected in straight military accounts. No study does a better job of showing exactly why Union control of the Mississippi River was so debilitating for the Confederacy. The author has mastered a vast secondary literature on two usually disparate subjects: military and economic history. And he has profitably revisited some classic but musty academic discus-

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