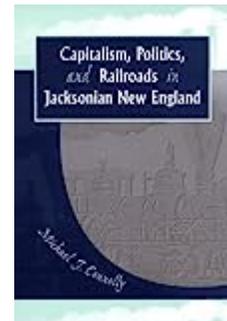


# H-Net Reviews

in the Humanities & Social Sciences

**Michael J. Connolly.** *Capitalism, Politics, and Railroads in Jacksonian New England.* Columbia and London: University of Missouri Press, 2003. xi + 210 pp. \$44.95 (cloth), ISBN 978-0-8262-1499-7.



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For six decades, historians have debated the essence of the Jacksonian appeal and those factors that divided Jacksonian Democrats from their Whig opponents. Some have argued that Jackson was a critic of capitalism and that the Democratic party he helped create had proto-New Dealish goals a century before Franklin D. Roosevelt was elected president. Others have maintained that both parties embraced liberal capitalism, and that policy differences were more the result of circumstance and political opportunism than ideological conflict, while ethnoculturalists saw debates over banking and the tariff as symbolic of religiously rooted cultural differences regarding the propriety of a paternalistic, interventionist state.

In the past fifteen years, however, the class-conflict interpretation, albeit with increased subtlety, has re-emerged. Works by Harry Watson, Charles Sellers, John Ashworth, and Lawrence Kohl have depicted a Democratic party which, based on either ideology, economic divisions, or personality traits, opposed the increased nationalization and commercialization of the American economy, whereas Whigs embraced the same. Whether because of a pre-existing agrarian ethos, a distrust of outside forces, or a lack of confidence in their own ability to thrive, the party of Jackson opposed or only reluctantly accepted the changes brought about by the market revo-

lution.

Michael Connolly challenges this dominant interpretation. Focusing on the Democrats in New Hampshire and Whigs in Essex County, Massachusetts, the author argues that Jacksonians did not reject capitalism, only the “illiberal” variety, whereas Whigs accepted it. “Far from being agricultural simpletons, nostalgic hill folk, or heroic rural yeomen opposing a growing capital-industrial nemesis symbolized by the railroad,” Connolly writes, Jacksonians welcomed markets but had a “more nuanced grasp of political economy” than Whigs (p. 189), who in the author’s view were “blinded by boosterism and a limitless faith in the power of human innovation” and “were unable to appreciate how railroads would effect [sic] different areas differently” (p. 190).

Following the Panic of 1837, radicals took over the Democratic party in the Granite State. Committed to a sharp distinction between the private and public spheres of economic activities, radical Democrats rejected the legitimacy of limited liability and the application of the government’s eminent domain powers in promotion of railroad development. Accordingly, they enacted legislation that made the stockholders of corporations henceforth liable for the corporations’ debts and prevented railroads from taking private property without the owners’ consent. The result was a virtual cessation in the creation

of manufacturing, banking, and railroad companies in the early 1840s.

Much of this story has been told before. Historians are well aware that the economic depression that lasted, almost without interruption, from 1837 to 1843, initially weakened the Democratic party while propelling to power the more radical faction within it. Historians like Donald Cole have also shown that ascension of the radicals caused a party feud in New Hampshire with the more conservative members and an intense rivalry with their Whig opponents. Because New Hampshire had previously been so overwhelmingly Democratic, the onset of the depression merely weakened rather than undermined completely the party's control of the government. Historians have also shown that with economic recovery in 1843 and 1844, pressure was exerted successfully upon these radicals to create a state railroad commission with the power to regulate rates and adjudicate disputes between railroads and property owners. Although the radicals claimed that they had not surrendered their principles, they, in fact, had conceded the government's right to take private property for the benefit of other private interests.

But Connolly's analysis of the radical Democrats is not merely a rehash of the well-known. By dissecting, in great detail, their often eloquent speeches before the state legislature and their newspaper editorials, he demonstrates that these leaders were not rejecting commerce, only the corporate variety. Connolly's radical Democrats come across as economic libertarians, not as agrarian radicals. For that reason, most could not accept the alternative of state owned railroads (an idea surprisingly supported by some moderates) any more than they could endorse the granting of eminent domain powers to privately owned railroads.

To demonstrate further that radicals were not anti-capitalist agrarians, Connolly performs a detailed analysis of legislative voting behavior in the early 1840s. He finds that legislators in the most developed regions of the state (areas that already had railroad services) were most

consistent supporters of restrictions on the rights of railroads, whereas those who sought to liberalize railroad legislation usually hailed from the less economically developed regions of the state. Regional rivalries and aspirations, not a debate on the virtues of a "moral economy," fueled the politics of the railroads.

Although Connolly notes that radical adherence to "liberal" capitalism did result in a failure to see the benefits of railroad promotion in certain regions of the state, Democrats generally emerge from his study as a party of forward-looking individuals who saw the entrepreneurial ethos and economic equality as consistent, so long as government did not confer special advantages to one group or sector of the economy over another.

Whigs, on the other hand, are not portrayed as the pragmatic capitalists of legend. Whereas historians sympathetic to the Whiggery have claimed that the party's embrace of economic development was significantly tempered by a commitment to eighteenth-century values of community and harmonious growth, Connolly sees the Whigs as blindly pro-development, reckless of the long-term consequences of government promotion. In the hinterlands of Salem, Massachusetts, Whigs eagerly harnessed the powers and resources of the government to fund the construction of private railroads, often at the expense of existing bridge and railroad companies (causing a rift between pro-development and "vested rights" Whigs), and often to the benefit of communities that already had natural advantages while not economically uplifting those towns with natural disadvantages—turning them, in effect, into bedroom communities.

Overall, Connolly's account of the consequences of antebellum railroad politics is intriguing and provocative. Though I do not regard Connolly as an overt proselytizer for classical economic theory, I suspect that some will find his distinctions between liberal and illiberal capitalism a bit too tidy. That aside, the book is a worthwhile read, and it adds another dimension to an ongoing historiographic debate.

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