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in the Humanities & Social Sciences

Gretchen Ritter. *Goldbugs and Greenbacks: The Antimonopoly Tradition and the Politics of Finance in America, 1865-1896.* Cambridge and New York: Cambridge University Press, 1997. xii + 303 pp. $54.95 (cloth), ISBN 978-0-521-56167-9.

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Published on EH.Net (October, 1997)

Following in the footsteps of other professors of government who have employed historical methodology to examine political questions, such as Richard Bensel, Gretchen Ritter (University of Texas, Austin) examines the "money question" in American politics from the perspective of antimonopolists. In particular, she looks at farm and Populist movements, finally narrowing down her examples to Illinois, North Carolina, and Massachusetts.

She has done a creditable job with the historical sources, especially the "classics," like Hicks and Hammond, although tending to omit some of the fairly large and growing literature on market mechanisms as integrators of markets, especially the work by Calomiris, Gorton, and a few others. Ritter correctly observes that the debates over money and banking in late nineteenth-century America involved far broader economic issues, although she does not emphasize the conflict between contracts-based approaches and those of the "antimonopolists," who supported contracts until they no longer worked to their own advantage. The difficulties that "both liberal and conservative scholars have in acknowledging the programmatic content" (p. 33) of party politics really is a result of the deification of Andrew Jackson as a free marketeer, both by "democrats" supportive of an activist state and Libertarians who oppose such a government. On the contrary, Jackson was a "big government" guy who opposed the BUS because it wasn't HIS bank.

From such a starting point, it is easy—but wrong—to conclude as Ritter does that the "antimonopolist program was both coherent and potentially plausible" (p. 61). Fortunately, Ritter does not completely fall into the trap, noting that the "reasons for this failure (of the antimonopolist vision) are complex," (ibid.) including historical timing, structural constraints, and other factors. She therefore attempts to construct an alternative to what happened, grounding it solidly in what did happen. Ultimately, the parties embraced governmental reforms of money and banking precisely because both parties had, to one degree or another, abandoned better market reforms such as branch banking. (The discussions of branching, particularly in the West and California, are some of the weakest parts of Ritter's otherwise cogent analysis.)

Ritter also unfortunately subscribes to the oft-repeated allegation that the national banking system created hardships on the South and West. But a difference existed between an absence of money and a shortage of capital, and some economic historians, including Charles Calomiris, contend that the shortage of physical money did not equate with a shortage of working capital. Indeed, Ritter somewhat ignores the fact that state banks, S&Ls and B&Ls existed and provided a strong alternative to the national banking system, or that the rise in demand deposits more than offset changes in physical money. The concentration of assets that Ritter finds in the East was not at all mirrored in the West, as Lynne Doti and I have shown in our *Banking in the American West* (1991). Indeed, if anything, competition expanded in the West until the 1950s, even with branch banking. Ritter digresses with a discussion of how things "might have worked" with a brief look at Denmark—hardly a model of anything the much larger and more diverse U.S. might have to address—and concludes by noting that under different circumstances, the antimonopolists may have succeeded in instituting their system.

She seems to miss the irony that so-called antimonopolists favored invoking a government monopoly more powerful than any corporation; and ignores a growing body of research strongly critical of the entire antitrust movement as unproductive and ineffective in yielding greater competition. Likewise, by ignoring the competitive money theories proposed by a substantial number of free-market writers (stemming from Hayek), she misses the REAL alternative reform program, which would have been based on Scotland, not Denmark. Finally, when employing counterfactuals, it is worthwhile

to keep in mind that the antimonopolists of the nineteenth century had never really experienced the ravages of inflation (produced by governments) that destroyed their wages. Thus, deflation consumed their attention.

This is a provocative book, and a good contribution to the debate, but hardly the last word. Historians, however, should be flattered by the excellent approach and methodology.

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Citation: Larry Schweikart. Review of Ritter, Gretchen, *Goldbugs and Greenbacks: The Antimonopoly Tradition and the Politics of Finance in America, 1865-1896*. EH.Net, H-Net Reviews. October, 1997.
URL: http://www.h-net.org/reviews/showrev.php?id=1413

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